



 Photon Energy Group

# Prospectus

6.50 % p.a. Green EUR Bond 2021/2027 Tap Issuance

DE000A3KWKY4

**PHOTON ENERGY N.V.**

(a public company with limited liability (*naamloze vennootschap*) incorporated under the laws of the Netherlands, with its statutory seat (*statutaire zetel*) in Amsterdam, the Netherlands)

**Public offer of its 6.50% p.a. 2021/2027 bearer bonds in an aggregate amount of up to EUR 25 million**

This prospectus (the “**Prospectus**”) has been prepared in connection with the public offer in an aggregate amount of up to EUR 25 million of the 6.50% p.a. 2021/2027 bearer bonds (the “**Bonds**”) of Photon Energy N.V., a public company with limited liability (*naamloze vennootschap*), incorporated under the laws of the Netherlands on 9 December 2010 and registered with the trade register of the Netherlands Chamber of Commerce (*Kamer van Koophandel*) under number KvK 51447126 (the “**Company**”). The Bonds will form part of the same series and class, and are fungible with, the Company’s 6.50% p.a. 2021/2027 bearer bonds previously issued in the aggregate amount of EUR 65 million.

Application will be made for the inclusion of the Bonds into trading on the Quotation Board of the Open Market (*Freiverkehr*) of the Deutsche Börse AG (unregulated market of the Frankfurt Stock Exchange). The Bonds’ International Security Identification Number (ISIN) is DE000A3KWKY4.

This Prospectus constitutes a prospectus for purposes of Article 3, paragraph 1, and in the form of a single document within the meaning of Article 6, paragraph 3, of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the “**Prospectus Regulation**”), and prepared based on Annexes 6, 14 and 22 of the Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No. 809/2004 (“**Regulation 2019/980**”). This Prospectus has been approved by the Luxembourg *Commission de Surveillance du Secteur Financier* (the “**CSSF**”), as competent authority under the Prospectus Regulation. The CSSF only approves this Prospectus as meeting the standard of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the quality of the Bonds and the Company that are the subject of this Prospectus. In addition, the CSSF gives no undertaking as to the economic and financial soundness of the transaction or the quality or solvency of the Company in line with the provisions of Article 6 (4) of the Luxembourg Law on Prospectuses for Securities (*Loi relative aux prospectus pour valeurs mobilières*). Investors should make their own assessment as to the suitability of investing in the Bonds. The CSSF has neither reviewed nor approved any information in this prospectus pertaining to any private placement of the Bonds or their inclusion or admission to trading on an unregulated market. The Company has requested that the CSSF notify the approval of the Prospectus to the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht – BaFin*), the competent authority for the purposes of the relevant implementing measures of the Prospectus Regulation in the Federal Republic of Germany and the Austrian Financial Market Authority (*Finanzmarktaufsicht – FMA*), the competent authority for the purposes of the relevant implementing measures of the Prospectus Regulation in the Republic of Austria, for passporting.

This Prospectus will be valid through and including 1 September 2023. The information contained in this Prospectus speaks only as of the date hereof and any obligation to supplement this Prospectus in the event of significant new factors, material mistakes or material inaccuracies (insofar as required under the Prospectus Regulation) will not apply when the Prospectus is no longer valid.

The distribution of this Prospectus in certain jurisdictions may be restricted by applicable laws and regulations and therefore persons into whose possession this Prospectus comes should inform themselves and observe any restrictions. Prospective investors in the Bonds should carefully read the restrictions described under “*Important Information – Important Notice*”.

**The Bonds have not been and will not be registered under the U.S. Securities Act of 1933, as amended, (the “U.S. Securities Act”) or the securities laws of any State or other jurisdiction of the United States and may not be offered or sold within the United States of America except pursuant to an exemption from, or in a transaction not subject to, the registration requirement of the U.S. Securities Act.**

**INVESTING IN THE BONDS INVOLVES RISKS. SEE “RISK FACTORS” FOR A DESCRIPTION OF THE RISK FACTORS THAT SHOULD BE TAKEN INTO ACCOUNT WHEN CONSIDERING WHETHER TO INVEST IN THE BONDS.**

This Prospectus does not constitute, or form part of, an offer by, or invitation by or on behalf of, the Company, any of its shareholders or any representative of the Company, to purchase any securities or an offer to sell or issue, or the solicitation to buy securities by any person in any jurisdiction.

The Prospectus will be made available to the general public in electronic form on the Company’s website ([photonenergy.com/greenbond2022](http://photonenergy.com/greenbond2022)).

**The date of this Prospectus is 1 September 2022**

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## SUMMARY

### Introduction and Warnings

This summary should be read as an introduction to the prospectus (the “**Prospectus**”), prepared in connection with the public offer of the 6.50% p.a. 2021/2027 bearer Bonds (the “**Bonds**”) of Photon Energy N.V., a public company with limited liability (*naamloze vennootschap*), incorporated under the laws of the Netherlands on 9 December 2010 and registered with the trade register of the Netherlands Chamber of Commerce (*Kamer van Koophandel*) under number KvK 51447126 (the “**Company**” or the “**Issuer**” and together with its consolidated subsidiaries, the “**Group**”).

The Company’s statutory seat (*statutaire zetel*) is in Amsterdam, the Netherlands and its registered office is at Barbara Strozilaan 201, 1083 HN Amsterdam, the Netherlands. The Company’s telephone number is +31 202 402 570. The Company’s Legal Entity Identifier (LEI) is 315700YHFON9RJOPCK19. The Bonds’ International Security Identification Number (ISIN) is DE000A3KWKY4.

The Prospectus has been approved as a single document prospectus for the purposes of the Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC (the “**Prospectus Regulation**”) by the Luxembourg Commission de Surveillance du Secteur Financier (“**CSSF**”), as a competent authority under the Prospectus Regulation, on 1 September 2022 (the “**Prospectus Date**”). The CSSF’s registered office is at 283, route d’Arlon, L-1150 Luxembourg and its telephone number is +352 26 25 1 – 1, Fax: (+352) 26 25 1 – 2601, E-Mail: direction@cssf.lu.

Any decision to invest in the Bonds should be based on a consideration of the Prospectus as a whole by the investor and not just the summary. The investor could lose all or part of the invested capital. When a claim relating to the information contained in, or incorporated by reference into, the Prospectus is brought before a court, the plaintiff investor might, under the national law of the Member State, need to bear the costs of translating the Prospectus before the legal proceedings are initiated. Civil liability attaches only to those persons who have tabled the summary, including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the Bonds.

### Key Information on the Company

#### *Who is the Issuer of the Bonds?*

The legal and commercial name of the issuer is Photon Energy N.V.

#### *Domicile and Legal Form*

The Company is a public company with limited liability (*naamloze vennootschap*) incorporated and operating under the laws of the Netherlands and is domiciled in the Netherlands. The Company’s statutory seat (*statutaire zetel*) is in Amsterdam, the Netherlands. The Company’s Legal Entity Identifier (LEI) is 315700YHFON9RJOPCK19.

#### *Principal Activities*

The Group delivers solar energy and water solutions around the globe. Its solar power services are provided by Photon Energy and cover the entire lifecycle of solar power systems including project development, EPC (engineering, procurement and construction) and operations and maintenance (“**O&M**”) of solar power plants. The Group is active across the globe and has experience in developing, building and commissioning solar power plants, including over 120 MWp of solar power plants built and commissioned, and around 330 MWp in its O&M portfolio. The Group also manages a portfolio of 91.9 MWp of self-owned power plants in four countries across two continents. The Group operates in Australia, the Czech Republic, Germany, Hungary, the Netherlands, Poland, Romania, Slovakia and Switzerland. The Group is dedicated to providing solar power solutions and solar-hybrid power solutions for a wide range of customers and applications. Its O&M division, Photon Energy Operations, provides a wide range of services for owners of photovoltaic power plants. In addition, the Group develops and provides water purification, remediation, and treatment systems.

#### *Share Capital*

As of the Prospectus Date, the Company’s issued share capital amounts to EUR 600,000 (fully paid up) and consists of 60,000,000 ordinary registered series A shares with a par value of EUR 0.01 each (the “**Shares**”). The Shares have

been created under, and are subject to, Dutch law. The Shares are not preferred shares in terms of voting rights, rights to dividends or the division of assets in the event of the liquidation of the Company.

#### *Major Shareholders*

According to the Company's information, as of the Prospectus Date, its main shareholders hold Shares representing the total number of votes in the General Meeting and the Company's share capital shown in the table below.

<b>Shareholder</b>	<b>Number of Shares</b>	<b>Share in the share capital (%)</b>	<b>Number of votes in the General Meeting</b>	<b>Share in the total number of votes in the General Meeting (%)</b>
Michael Gartner <sup>(1)</sup>	21,796,637	36.33	21,796,637	38.65
Georg Hotar <sup>(2)</sup>	20,790,706	34.65	20,790,706	36.86

(1) Michael Gartner owns 21,775,075 shares indirectly through Solar Future Cooperatief U.A. and 21,562 shares directly.

(2) Georg Hotar owns 20,713,375 shares indirectly through Solar Power to the People Cooperatief U.A. and 77,331 shares directly.

Solely by virtue of the voting power they hold, Michael Gartner and Georg Hotar are controlling shareholders of the Company.

#### *Managing Directors*

The governing body of the Company is the Board of Directors comprising the managing directors. As of the Prospectus Date, Michael Gartner and Georg Hotar are the Company's managing directors.

The supervisory body of the Company is the Supervisory Board comprising the supervisory directors. As of the Prospectus Date, Boguslawa Skowronski, Marek Skreta and Ariel Sergio Davidoff are the Company's supervisory directors.

#### *Independent Auditor*

The Group's consolidated financial statements as of and for the year ended 31 December 2021 with comparative figures as of and for the year ended 31 December 2020 (the "**2021 Audited Consolidated Financial Statements**") and as of and for the year ended 31 December 2020 with restated comparative figures as of and for the year ended 31 December 2019 (the "**2020 Audited Consolidated Financial Statements**") were audited by PricewaterhouseCoopers Accountants N.V. ("**PwC**"). The 2021 Audited Consolidated Financial Statements and the 2020 Audited Consolidated Financial Statements are jointly referred to as the "**Audited Consolidated Financial Statements**".

There are no qualifications in the reports provided by the relevant independent auditor on the Audited Consolidated Financial Statements.

#### ***What is the Key Financial Information Regarding the Company?***

##### *Selected Financial Information*

The following tables set out selected figures from the Group's statement on comprehensive income, statement on financial position and statement of cash flows and derived alternative performance measures within the meaning of the ESMA Guidelines on Alternative Performance Measures ("**APMs**") as of the dates and for the periods indicated. The selected financial information set forth below has been derived from: (i) the 2021 Audited Consolidated Financial Statements, (ii) the unaudited condensed consolidated interim financial statements of the Group for the period of six months ended on 30 June 2022 with comparative figures for the six months ended 30 June 2021 and related notes thereto (the "**Interim Consolidated Financial Statements**") and together with the Audited Consolidated Financial Statements, the "**Historical Consolidated Financial Statements**") and (iii) the Company's internal accounting records. The Audited Consolidated Financial Statements were prepared in compliance with the IFRS as adopted by the European Union ("**IFRS**"). The Interim Consolidated Financial Statements have been prepared in accordance with IAS 34 'Interim Financial Reporting'. The Interim Consolidated Financial Statements have neither been audited nor reviewed by an independent auditor.

In the following tables, references to "audited" used with respect to the financial information of the Group as of and for the years ended 31 December 2021 and 2020 mean that the data were derived from the 2021 Audited Consolidated Financial Statements audited by PwC, unless expressly indicated otherwise. References to "unaudited" used with respect to the financial information of the Group as of and for the years ended 31 December 2021 and 2020 mean that the data were not derived from the 2021 Audited Consolidated Financial Statements audited by PwC. References to

the adjective “unaudited” used with respect to the financial information of the Group as of and for six months ended 30 June 2022 and 2021, respectively, mean that the data were neither audited nor reviewed by any independent auditor.

*Table 1: Statement of Comprehensive Income for the Periods Indicated (Selected figures only)*

	Six months ended 30 June		12 months ended 31 December	
	2022	2021	2021	2020
	(EUR thousand)		(EUR thousand)	
Profit / (loss) for the period from continuing operations	539	(4,037)	(6,433)	(8,693)
Other comprehensive income for the period	1,796	6,335	8,528	10,777
Total comprehensive income for the period	2,335	2,297	2,095	2,084

*Table 2: Selected APMs Derived from Statement of Financial Position*

	As of 30 June		As of 31 December	
	2022		2021	2020
	(EUR thousand)		(EUR thousand)	
Net debt (current and non-current loans and borrowings, issued bonds and lease liabilities less liquid assets) <sup>1</sup> (unaudited, APM)		103,017	89,701	85,005
Current ratio (current assets/current liabilities) (unaudited, APM) <sup>2</sup>		1.86	1.59	1.57
Net debt to equity ratio (net debt/total shareholder equity) (unaudited, APM) <sup>3</sup>		1.91	1.74	2.12
Interest cover ratio (EBITDA/interest expense) (unaudited, APM) <sup>4</sup>		2.36	1.46	1.51

<sup>1</sup>The Group defines net debt to include current and non-current loans and borrowings, issued bonds and lease liability less liquid assets

<sup>2</sup>The Group defines and calculates current ratio as current assets as of the end of a given period divided by current liabilities as of the end of a given period. Current ratio measures the Group’s ability to meet short-term debt obligations.

<sup>3</sup>The Group defines and calculates net debt / equity ratio as total liabilities less cash and cash equivalents as of the end of a given period divided by total equity as of the end of a given period. Net debt / Equity measures the Group’s financial leverage.

<sup>4</sup>The Group defines and calculates EBITDA / interest expense ratio as EBITDA for the relevant period divided by interest expense. This ratio is used to measure how well the Company can pay the interest due related to the outstanding debt. Interest expense is part of the Financial expense presented in the consolidated financial statements. EBITDA used in calculation of Interest cover ratio instead of Operating result/EBIT as EBITDA is considered more appropriate for the calculation. EBIT is significantly affected by depreciation and amortisation of non-current asset.

*Table 3: Statement of Cash Flows for the Periods Indicated (Selected figures only)*

	Six months ended 30 June		12 months ended 31 December	
	2022	2021	2021	2020
	(EUR thousand)		(EUR thousand)	
Net cash flows from operating activities	(6,696)	(1,583)	6,221	6,002
Net cash flows used in investing activities	(4,267)	(7,670)	(14,233)	(20,171)
Net cash flows from financing activities	(1,043)	15,434	30,625	12,097

### **Profit Forecast**

The management board expects an increase of the Group’s consolidated revenues up to EUR 85.0 million in 2022 from EUR 36.4 million in 2021, leading to an increase in EBITDA to EUR 24.0 million from EUR 9.6 million in 2021. This forecast assumes that the following factors will continue to have a positive impact on revenues: expansion of the proprietary portfolio; change of the business model from state supported systems to a merchant model; growing pipeline of projects in Poland and Romania; recent price trends in the energy sectors; and the overall solar boom.

### ***What are the Key Risks that are Specific to the Company?***

- **Interest Rate Risk.** The Group's exposure to interest rate risk primarily relates to interest expense under the Group's short-term and long-term bank borrowings. Besides, increasing market interest rates can – in the case of a big share of borrowed capital – profoundly influence the value of the photovoltaic power plants. In case of a sale there is a risk that it will not be possible to sell the photovoltaic power plant for the intended price; this would also have a negative impact on the financial liquidity of the projects, status and results of the Group.
- **Risk of Declining Electricity Prices.** There is a risk that current trends of increasing electricity prices can change in the opposite direction and electricity prices may start declining. In such cases there is the risk of falling incomes from existing PV portfolio due to falling prices for electricity. In the worst-case scenario, there could be low or no positive operational cash flow generated which in turn would lead to a situation where there can be no payouts to the Group.
- **Risk of Foreign Currency Exchange.** The Group's business transactions are carried out in various currencies. The Group cannot predict the impact of future exchange rate fluctuations on its results of operations, and may incur net foreign currency losses in the future. The Group assess the currency risk as moderate; however, as the Group continue to expand its business into new markets, particularly emerging markets, the Group's total foreign currency exchange risk could increase significantly.
- **Risk of Dependence on Support of Photovoltaics in Various Countries and Dependence on Existing and Future Framework Conditions and State Managed Subsidy Programs for Photovoltaics.** Historically, the development of the photovoltaic market was dependent on the economic support of the state. In a majority of countries worldwide, the photovoltaic branch was not yet competitive without state subsidy programs especially in comparison with the use of conventional energy sources and still depends on such subsidies to an extent.
- **Regulatory risk.** In the countries where the Group operates, the market for solar projects, solar power products and solar electricity is heavily influenced by national, state and local government regulations and policies concerning the electricity utility industry, as well as policies disseminated by electric utilities. These regulations and policies often relate to electricity pricing and technical interconnection of customer-owned electricity generation, and could deter further investment in the research and development of alternative energy sources as well as customer purchases of solar technology, which could result in a significant reduction in the potential demand for the Group's solar power products, solar projects and solar electricity.

### **Key Information on the Securities**

#### **What are the main features of the securities?**

The Bonds will be issued in bearer form and are governed by the laws of Germany. The Bonds are issued in euro, in the aggregate principal amount of up to EUR 25,000,000.00 divided into Bonds with a nominal value of EUR 1,000 each. The International Security Identification Number (ISIN) is DE000A3KWKY4; the German security identification number (*Wertpapier-Kennnummer* - WKN) is A3KWKY. The Bonds have not been rated. The Bonds will form part of the same series and class, and are fungible with, the Company's 6.50% p.a. 2021/2027 bearer bonds previously issued in the aggregate amount of EUR 65 million.

#### *Status of the Bonds*

The obligations under the Bonds constitute unsecured and unsubordinated obligations of the Issuer ranking *pari passu* among themselves and *pari passu* with all other unsecured and unsubordinated obligations of the Issuer, unless such obligations are accorded priority under mandatory provisions of statutory law.

#### *Negative Pledge*

As long as Bonds remain outstanding, the Issuer commits not to enter into or to permit to subsist any mortgage, charge, pledge, lien or other encumbrance in rem (collectively, "**Security Interests**") upon any or all of its present or future conduct of business, assets or income, as security for any present or future Capital Market Indebtedness (as defined below) unless the amounts to be paid under the Bonds are previously or at the same time secured by a Security Interest that is equal and unsubordinated, or acknowledged by an independent registered public accounting firm as being equal in value.

"**Capital Market Indebtedness**" means any present or future obligation issued or guaranteed by the Issuer for the payment of borrowed amounts of money which is (i) in form of secured or unsecured bonds or other instruments which

are or are capable to be listed, quoted, dealt in or traded on any stock exchange or in any organised market and any guarantee or other indemnity in respect of such obligation, or (ii) certificated, embodied or documented by a promissory note which is governed by German law.

#### *Interest Payments*

The Bonds bear interest on their nominal value at the rate of 6.50% p.a. from their Issue Date (as defined below) to 22 November 2027. The interest payments are each due quarterly, on 23 February, 23 May, 23 August and 23 November of each year, commencing on 23 November 2022.

#### *Term of the Bonds*

Unless previously redeemed in whole or in part or purchased and cancelled, the Bonds will be redeemed on 23 November 2027 (the "**Maturity Date**") at their nominal value.

#### *Events of Default*

Bondholders may require repayment of the nominal value including the interest which accrued to the day of the notice of termination if: (a) the Issuer and/or its subsidiaries do not fulfil the principal amount from the Bonds or payment obligations from other loans in the amount of at least EUR 10, million in total within 90 days from the related Maturity Date; (b) the Issuer suspends all payments in general or announces inability to pay; (c) a competent court has commenced insolvency proceedings against the Issuer and the proceedings have neither been cancelled nor suspended within 60 days after commencement, or the Issuer has applied for such insolvency proceedings himself or has stopped payments or has offered or carried out a settlement with respect to all of its creditors; (d) the Issuer goes into liquidation, unless such liquidation is carried out in connection with a merger, consolidation or another form of business combination with another company and this company has assumed all obligations of the Issuer under the Bonds; (e) the Issuer does not meet its obligations related to a call for redemption as a result of a change of control; (f) the Issuer becomes a party of a cash pooling system with companies, in which the Issuer does not directly hold at least 50% of the shares; (g) the equity capital of the Issuer from the last audited consolidated financial statements under IFRS falls below 25 % of the total sum of the equity capital and interest-bearing debt, subject to certain exceptions, or (h) the Issuer (i) distributes a dividend for a financial year ended prior to the Maturity Date of more than 50% of the distributable profit, or up to 50% (including) of the distributable profit but without EBITDA interest coverage of two.

#### *Early Redemption upon of a Change of Control*

In the event of a change of control ((a) a third party becoming legal or beneficial owner of more than 50% of the voting rights of the Issuer, (b) if the Issuer enters into a merger with or into a third party, or a third party enters into a merger with or into the Issuer, unless the holders of 100% of voting rights of the Issuer keep at least the majority of voting rights of the surviving legal entity after the merger; or (c) if all or substantially all of the assets of the Issuer have been sold (regarded on a consolidated basis) to a third party, unless the purchasers of the above mentioned assets are, or will become, a subsidiary of the Issuer.), each bondholder is entitled but not obliged to demand redemption or – upon the Issuer's election – repurchase of their Bonds in whole or in part by the Issuer or by a third party at the Issuer's request at the early redemption price, which equals 100% of the nominal principal value of the Bonds plus accrued and unpaid interest until (but excluding) the date of redemption for each Bond.

#### *Early Redemption at the Issuer's Option*

The Issuer is entitled to call all or part of the outstanding Bonds on date indicated in the relevant redemption notice (each an "**Optional Repayment Date (call)**") after providing such notice in accordance with the terms and conditions of the Bonds ("**Terms and Conditions**") at the early repayment amount plus any interest accrued up to (and excluding) the relevant Optional Repayment Date (call). The early repayment amount corresponds to 102% of the nominal amount for the redemption period from 23 November 2025 (inclusive) to 23 November 2026 (exclusive) and to 101% of the nominal amount for the redemption period from 23 November 2026 (inclusive) to 23 November 2027 (exclusive). The notice of redemption is irrevocable and the Bondholders must have been notified of the termination no later than 30 days and at most 60 days prior to the related Optional Repayment Date (call). In addition, if 80% or more of the initial aggregate principal amount of the Bonds have been redeemed or purchased by the Issuer or any of its direct or indirect subsidiaries, the Issuer may at any time, on not less than 30 or more than 60 days' notice to the Bondholders, redeem, at its option, the remaining Bonds in whole but not in part at the principal amount thereof plus unpaid interest accrued to (but excluding) the date of actual redemption (so-called Clean-Up Option).

### *Resolutions of Bondholders and Bondholders' Representative*

In accordance with the German Debt Securities Act (*Gesetz über Schuldverschreibungen aus Gesamtemissionen*), the Terms and Conditions contain provisions pursuant to which bondholders may, with the Issuer's consent, agree by resolution adopted by a simple majority of bondholders taking part in the decision to amend the Terms and Conditions. The adoption of the following resolutions requires a majority of 75% of the voting rights taking part in the decision under the Terms and Conditions: (a) the change of the Maturity Date, and the reduction or suspension of the interest payments; (b) the change of the duration period of the Bonds; (c) the reduction of the principal sum; (d) the subordination of claims related to the Bonds in the Issuer's insolvency proceedings; (e) waiver of the right of termination of the bondholders or its restriction; and (f) the substitution of the Issuer. Resolutions regarding other amendments are passed by a simple majority of the voting rights taking part in the decision.

The bondholders may by majority resolution provide for the appointment or recall of a joint representative of the bondholders. The joint representative will have the duties and powers provided by law or granted by majority resolutions of the bondholders.

### ***Where will the securities be traded?***

The Bonds will be included in trading on the Quotation Board of the Open Market (*Freiverkehr*) of the Deutsche Börse AG (unregulated market of the Frankfurt Stock Exchange).

### ***What are the key risks that are specific to the securities?***

- **Risk of lacking influence on the management of the Company.** Investors who acquire the Bonds will become creditors of the Company. As creditors, they have no right to take part in the management of the Company. There is accordingly a risk that faulty business decisions could lead to a situation where the payment of interest or principal on the Bonds could be adversely affected.
- **Risk connected with transaction costs, particularly for non-German investors.** Transaction costs can lead to high expenses for bondholders, which can substantially lessen the potential yields of the Bonds.
- **Risk that the use of proceeds for the Bonds will not be suitable for the investment criteria of an investor.** The Company intends to apply an amount of the proceeds from an offer of the Bonds specifically for projects and activities that promote climate-friendly, or other environmental, sustainable or social purposes. Prospective investors must determine for themselves the relevance of any information that the Company provides for the purpose of any investment in such Bonds together with any other investigation such investor deems necessary.

### **Key information on the offer of bonds to the public and the admission to trading on a regulated market**

#### *Under which conditions and timetable can I invest in this security?*

The contemplated offer of the Bonds (the "**Offer**") will consist of the following elements: (i) a public exchange offer (the "**Exchange Offer**") of the Issuer addressed to the holders of its EUR 45,000,000.00 7.75% bonds with ISIN DE000A19MFH4 (the "**2017/2022 Bonds**"), to exchange the currently (as of the Prospectus Date) outstanding amount of up to EUR 20,900,000.00 2017/2022 Bonds into newly issued Bonds. The Issuer will publish the voluntary exchange offer in the German Federal Gazette and the Luxemburger Wort; (ii) an option to purchase additional Bonds for those who participate in the Exchange Offer ("**Option to Purchase**"); (iii) a public offer in the Federal Republic of Germany, in the Republic of Austria and in the Grand Duchy of Luxembourg which is exclusively carried out by the Issuer ("**Public Offer**") by placing an advertisement in the Luxemburger Wort; and through subscription on the basis of the subscription form that may be downloaded and printed from the Issuer's website ([photonenergy.com/greenbond2022](http://photonenergy.com/greenbond2022)) under the section "Green EUR Bond 2021/2027" by clicking on "Subscribe"; and (iv) a private placement.

The Exchange Offer and the Option to Purchase period during which investors may place subscription offers is expected to commence on 7 September 2022, 0:00 CEST, and is expected to end on 7 October 2022, 18:00 CEST, subject to any shortening or extension of the offer period. The Public Offer is expected to commence on 7 September 2022, 0:00 CEST and is expected to end on 11 October 2022, 12:00 CEST, subject to any shortening or extension of the offer period.

### *Plan for distribution and public offer of the Bonds*

The Public Offer and the Exchange Offer will be offered publicly by the Issuer in the Federal Republic of Germany, the Republic of Austria and the Grand Duchy of Luxembourg.

### *Conditions and technical details of the offer*

There are no conditions to which the offer is subject.

### *Confirmation in relation to an order and allotments as well as delivery of the Bonds*

Clearing, payments and transfers of the Bonds will be settled through Clearstream Banking AG, Mergenthalerallee 61, 65760 Eschborn (“**Clearstream**”).

The delivery and settlement of the Bonds within the scope of the Exchange Offer, including the payment of net accrued interest, as well as the Option to Purchase and the Public Offer will be effected by Clearstream on behalf of the Issuer on 14 October 2022. The Bonds will be delivered with the value date, i.e. on 14 October 2022 (the “**Issue Date**”). On 14 October 2022, together with the delivered Bonds, Clearstream will, on behalf of the Issuer, disburse to the holders of the 2017/2022 Bonds for which the Exchange Offer has been accepted the interest accrued for the 2017/2022 Bonds less interest accrued for the Bonds, up to the Issue Date (excluding), plus an additional amount of EUR 15.00 per exchanged 2017/2022 Bond.

For subscriptions under the Option to Purchase, Public Offer and private placement before (and excluding) the Issue Date, the bondholders will remit to the Issuer interest accrued from the last interest payment date (included) until the Issue Date (excluded). *Estimated expenses charged to the investor*

The Company will not charge the investor for any costs or taxes. Investors should inform themselves regarding costs and taxes that may occur in connection with the Bonds, including possible fees charged by their depository banks in connection with the subscription and holding of the Bonds.

### *Estimate of the total expenses of the issue and offer*

The Issuer expects to incur commissions and other offer-related expenses of approximately EUR 705,000.00.

### **Who is the Offeror and/or the Person Asking for Admission to Trading?**

The offeror is the Company.

### **Why is this Prospectus Being Produced?**

This Prospectus was produced to facilitate the Public Offer and Exchange Offer.

### *Reasons for the Offer*

The reason for the Offer is to raise funds to be used by the Company for the purposes specified below.

### *Use and estimated net amount of the proceeds*

The Company expects that the net proceeds from the Offer will be EUR 24,295,000.00 if the entire volume is placed and intends to use these net proceeds to finance or refinance, in part or in whole, new and/or existing Eligible Assets (as defined below), as well as financial instruments that were used to finance such projects or assets, in accordance with the Company’s Green Financing Framework issued in September 2021. Until the maturity of the Bonds, in case of divestment or cancellation of an allocated Eligible Asset, or if an allocated project no longer meets the eligibility criteria, the Company commits to reallocate the proceeds to other Eligible Assets depending on availability. The Company notes that a portion of the net proceeds – up to EUR 20,900,000.00 – relates to the refinancing of any previously issued 2017/2022 Bonds with maturity date of 27 October 2022 (ISIN: DE000A19MFH4) that are exchanged for newly issued Bonds. “Eligible Assets” include Renewable Energy Projects: Investment activities and related expenditures, directed towards the acquisition, development, construction of electricity generation facilities that produce electricity from solar power or hybrid solutions, possibly combined with energy storage.

### *Conflicts of Interest*

There are no conflicts of interests pertaining to the offer.

## ZUSAMMENFASSUNG

### Einleitung und Warnhinweise

Diese Zusammenfassung ist als Einleitung zum Prospekt (der "**Prospekt**") zu lesen, der im Zusammenhang mit dem öffentlichen Angebot der 6,50 % p.a. 2021/2027 Inhaberschuldverschreibungen (die "**Schuldverschreibungen**") der Photon Energy N.V., einer Aktiengesellschaft mit beschränkter Haftung (*naamloze vennootschap*), die am 9. Dezember 2010 nach niederländischem Recht gegründet wurde und im Handelsregister der niederländischen Handelskammer (*Kamer van Koophandel*) unter der Nummer KvK 51447126 eingetragen ist (die "**Gesellschaft**" oder die "**Emittentin**" und zusammen mit ihren konsolidierten Tochtergesellschaften die "**Gruppe**").

Der satzungsgemäße Sitz (*statutaire zetel*) der Gesellschaft befindet sich in Amsterdam, Niederlande, und ihre eingetragene Geschäftsanschrift ist die Barbara Strozzi laan 201, 1083 HN Amsterdam, Niederlande. Die Telefonnummer der Gesellschaft lautet +31 202 402 570. Der Legal Entity Identifier (LEI) der Gesellschaft lautet 315700YHFON9RJOPCK19. Die International Security Identification Number (ISIN) der Schuldverschreibungen lautet DE000A3KWKY4.

Der Prospekt wurde von der luxemburgischen Commission de Surveillance du Secteur Financier ("**CSSF**") als der gemäß der Prospektverordnung zuständigen Behörde am 1. September 2022 (das "**Prospektdatum**") als ein einziges Dokument im Sinne der Verordnung (EU) 2017/1129 des Europäischen Parlaments und des Rates vom 14. Juni 2017 betreffend den Prospekt, der beim öffentlichen Angebot von Wertpapieren oder bei deren Zulassung zum Handel an einem geregelten Markt zu veröffentlichen ist, und zur Aufhebung der Richtlinie 2003/71/EG (die "**Prospektverordnung**") gebilligt. Die CSSF hat ihren Sitz in 283, route d'Arlon, L-1150 Luxemburg, und ist unter der Telefonnummer +352 26 25 1 - 1, Fax: (+352) 26 25 1 - 2601 und E-Mail: direction@cssf.lu, zu erreichen.

Jede Entscheidung, in die Schuldverschreibungen zu investieren, sollte auf der Grundlage einer Prüfung des gesamten Prospekts durch den Anleger und nicht nur der Zusammenfassung erfolgen. Der Anleger könnte sein investiertes Kapital ganz oder teilweise verlieren. Wird ein Gericht mit einer Klage im Zusammenhang mit den im Prospekt enthaltenen oder durch Verweis in den Prospekt aufgenommenen Informationen befasst, muss der klagende Anleger nach dem nationalen Recht des Mitgliedstaates möglicherweise die Kosten für die Übersetzung des Prospekts vor Einleitung des Gerichtsverfahrens tragen. Zivilrechtlich haftet nur derjenige, der die Zusammenfassung, einschließlich einer etwaigen Übersetzung, vorgelegt hat, und zwar nur dann, wenn die Zusammenfassung irreführend, unrichtig oder widersprüchlich ist, wenn sie zusammen mit den anderen Teilen des Prospekts gelesen wird, oder wenn sie, wenn sie zusammen mit den anderen Teilen des Prospekts gelesen wird, keine wesentlichen Informationen enthält, die den Anlegern bei der Entscheidung über eine Anlage in die Schuldverschreibungen behilflich sind.

### Basisinformationen über die Gesellschaft

*Wer ist der Emittent der Schuldverschreibungen?*

Der rechtliche und kommerzielle Name der Emittentin lautet Photon Energy N.V.

*Sitz und Rechtsform*

Die Gesellschaft ist eine Aktiengesellschaft mit beschränkter Haftung (*naamloze vennootschap*), die nach niederländischem Recht gegründet wurde und in den Niederlanden ansässig ist. Der satzungsmäßige Sitz (*statutaire zetel*) der Gesellschaft befindet sich in Amsterdam, Niederlande. Der Legal Entity Identifier (LEI) der Gesellschaft lautet 315700YHFON9RJOPCK19.

*Haupttätigkeiten*

Die Gruppe liefert weltweit Solarenergie- und Wasserlösungen. Ihre Solarenergiedienstleistungen werden durch die Photon Energy geliefert und decken den gesamten Lebenszyklus von Solarenergiesystemen ab, einschließlich der Projektierung, Planung, Beschaffung und Bau, sowie Betriebs- und Wartungsprozesse ("**O&M**") von Solarkraftwerken. Die Gruppe ist weltweit tätig und verfügt über Erfahrungen in der Entwicklung, dem Bau und der Inbetriebnahme von Solarkraftwerken, darunter über 120 MWp gebaute und in Betrieb genommene Solarkraftwerke und mehr als 330 MWp in ihrem O&M-Portfolio. Die Gruppe verwaltet außerdem ein Portfolio von 91,9 MWp an eigenen Kraftwerken in vier Ländern auf zwei Kontinenten. Die Gruppe ist in Australien, der Tschechischen Republik, Deutschland, Ungarn, den Niederlanden, Polen, Rumänien, der Slowakei und der Schweiz tätig. Die Gruppe bietet Solarenergielösungen und Solar-Hybrid-Stromlösungen für eine Vielzahl von Kunden und Anwendungen an. Der Geschäftsbereich O&M, Photon Energy Operations, bietet eine breite Palette von Dienstleistungen für Eigentümer von Photovoltaik-Kraftwerken. Darüber hinaus entwickelt und liefert die Gruppe Wasserreinigungs-, Sanierungs- und Aufbereitungssysteme.

### Aktienkapital

Zum Datum des Prospekts beläuft sich das ausgegebene Aktienkapital der Gesellschaft auf 600.000 EUR (voll eingezahlt) und besteht aus 60.000.000 auf den Namen lautenden Stammaktien der Serie A mit einem Nennwert von je 0,01 EUR (die "**Aktien**"). Die Aktien wurden nach niederländischem Recht geschaffen und unterliegen diesem. Die Aktien sind keine Vorzugsaktien in Bezug auf das Stimmrecht, das Recht auf Gewinnausschüttungen oder die Aufteilung des Vermögens im Falle der Auflösung der Gesellschaft.

### Hauptaktionäre

Den Angaben der Gesellschaft zufolge halten zum Prospektdatum ihre Hauptaktionäre Aktien, die die Gesamtzahl der Stimmen in der Hauptversammlung und das in der nachstehenden Tabelle aufgeführte Aktienkapital der Gesellschaft darstellen.

Aktionär	Anzahl der Aktien	Anteil am Grundkapital (%)	Anzahl der Stimmen in der Hauptversammlung	Anteil an der Gesamtzahl der Stimmen in der Hauptversammlung (%)
Michael Gartner <sup>(1)</sup>	21.796.637	36,33	21.796.637	38,65
Georg Hotar <sup>(2)</sup>	20.790.706	34,65	20.790.706	36,86

(1) Michael Gartner besitzt 21.775.075 Aktien mittelbar über Solar Future Cooperatief U.A. und 21.562 Aktien unmittelbar.

(2) Georg Hotar besitzt 20.713.375 Aktien mittelbar über die Solar Power to the People Cooperatief U.A. und 77.331 Aktien unmittelbar.

Allein aufgrund der von ihnen gehaltenen Stimmrechte sind Michael Gartner und Georg Hotar kontrollierende Aktionäre der Gesellschaft.

### Geschäftsführende Direktoren

Das Leitungsorgan der Gesellschaft ist der Vorstand, der sich aus den geschäftsführenden Direktoren zusammensetzt. Zum Prospektdatum sind Michael Gartner und Georg Hotar die geschäftsführenden Direktoren der Gesellschaft.

Das Aufsichtsorgan der Gesellschaft ist der Aufsichtsrat, der sich aus den Aufsichtsräten zusammensetzt. Zum Prospektdatum sind Boguslawa Skowronski, Marek Skreta und Ariel Sergio Davidoff die Aufsichtsräte der Gesellschaft.

### Unabhängiger Wirtschaftsprüfer

Der Konzernabschluss der Gruppe zum und für das am 31. Dezember 2021 endende Geschäftsjahr mit Vergleichszahlen zum und für das am 31. Dezember 2020 endende Geschäftsjahr (der "**Geprüfte Konzernabschluss 2021**") sowie der Konzernabschluss der Gruppe zum und für das am 31. Dezember 2020 endende Geschäftsjahr mit angepassten Vergleichszahlen zum und für das am 31. Dezember 2019 endende Geschäftsjahr (der "**Geprüfte Konzernabschluss 2020**") wurden durch PricewaterhouseCoopers Accountants N.V. ("**PwC**") geprüft. Der Geprüfte Konzernabschluss 2021 und der Geprüfte Konzernabschluss 2020 werden gemeinsam als die "**Geprüften Konzernabschlüsse**" bezeichnet.

Es gibt keine Einschränkungen in den Bestätigungsvermerken des zuständigen unabhängigen Wirtschaftsprüfers zu den geprüften Konzernabschlüssen.

### Welches sind die wesentlichen Finanzinformationen über die Gesellschaft?

#### Ausgewählte Finanzinformationen

Die folgenden Tabellen enthalten ausgewählte Zahlen aus der Gewinn- und Verlustrechnung, der Bilanz und der Kapitalflussrechnung und abgeleitete alternative Leistungskennzahlen im Sinne der ESMA Richtlinien in Bezug auf Alternative Performance Measures ("**APMs**") der Gruppe zu den angegebenen Zeitpunkten und für die angegebenen Zeiträume. Die unten aufgeführten ausgewählten Finanzinformationen stammen aus: (i) dem Geprüften Konzernabschluss 2021, (ii) dem ungeprüften gekürzten konsolidierten Zwischenabschluss der Gruppe für den Sechsmonatszeitraum zum 30. Juni 2022 mit Vergleichszahlen für den Sechsmonatszeitraum bis zum 30. Juni 2021 und dem dazugehörigen Anhang (der "**Konsolidierte Zwischenabschluss**" und zusammen mit den Geprüften Konzernabschlüssen die "**Historischen Konzernabschlüsse**") und (iii) der internen Buchführung der Gesellschaft. Die Geprüften Konzernabschlüsse wurden in Übereinstimmung mit den IFRS, wie sie in der Europäischen Union anzuwenden sind ("**IFRS**"), erstellt. Der Konsolidierte Zwischenabschluss wurde in Übereinstimmung mit IAS 34 "Zwischenberichterstattung" erstellt. Die Konsolidierten Zwischenabschlüsse wurden weder geprüft noch einer prüferischen Durchsicht durch einen unabhängigen Wirtschaftsprüfer unterzogen.

In den folgenden Tabellen bedeuten Verweise auf "geprüft" in Bezug auf die Finanzinformationen der Gruppe zum 31. Dezember 2021 und 2020, dass die Daten aus dem geprüften Konzernabschluss 2021 stammen, der von PwC geprüft wurde, sofern nicht ausdrücklich etwas anderes angegeben ist. Verweise auf "ungeprüft" in Bezug auf die dargestellten Finanzinformationen der Gruppe zum 31. Dezember 2021 und 2020 bedeuten, dass die Daten nicht aus dem von PwC geprüften Konzernabschluss 2021 stammen. Verweise auf das Adjektiv "ungeprüft" in Bezug auf die Finanzinformationen der Gruppe zum 30. Juni 2022 bzw. für die sechs Monate bis zum 30. Juni 2021 bedeuten, dass die Daten nicht von einem unabhängigen Wirtschaftsprüfer geprüft wurden.

**Tabelle 1: Gewinn- und Verlustrechnung für die angegebenen Zeiträume (nur ausgewählte Zahlen)**

	Sechs Monate zum 30. Juni		12 Monate zum 31. Dezember	
	2022	2021	2021	2020
	(Tausend EUR)		(Tausend EUR)	
Gewinn / (Verlust) für den Berichtszeitraum fortgeführte Aktivitäten	539	(4.037)	(6.433)	(8.693)
Sonstiges Gesamtergebnis für den Berichtszeitraum	1.796	6.335	8.528	10.777
Gesamtergebnis für den Berichtszeitraum	2.335	2.297	2.095	2.084

**Tabelle 2: Aus der Bilanz abgeleitete APMs**

	Zum 30. Juni	Zum 31. Dezember		
	2022	2021	2020	
	(Tausend EUR)		(Tausend EUR)	
Nettoverbindlichkeiten (langfristige und kurzfristige Verbindlichkeiten und Darlehen, begebene Schuldverschreibungen und Leasingverpflichtungen abzüglich liquider Vermögen) <sup>1</sup> (ungeprüft, APM) <sup>1</sup>		103.017	89.701	86.705
Liquiditätskoeffizient (Verhältnis Umlaufvermögen/ kurzfristige Verbindlichkeiten) (ungeprüft, APM) <sup>2</sup>		1,86	1,59	1,57
Verhältnis Nettofremdkapital/Eigenkapital (Nettofremdkapital /Summe des Aktionärskapitals) (ungeprüft, APM) <sup>3</sup>		1,91	1,74	2,12
Zinsdeckungsquote (EBITDA/Zinsaufwand) (ungeprüft, APM) <sup>4</sup>		2,36	1,46	1,51

<sup>1</sup> Die Gruppe definiert Nettoverbindlichkeiten als kurzfristige und langfristige Verbindlichkeiten inklusive begebener Schuldverschreibungen und Leasingverpflichtungen abzüglich liquider Vermögen.

<sup>2</sup> Die Gruppe definiert und berechnet Liquiditätskoeffizient als Umlaufvermögen zum Ende einer gegebenen Zeitspanne geteilt durch kurzfristige Verbindlichkeiten zum Ende einer gegebenen Zeitspanne. Liquiditätskoeffizient misst die Fähigkeit der Gruppe, kurzfristigen Verbindlichkeiten nachzukommen.

<sup>3</sup> Die Gruppe definiert und berechnet Verhältnis Nettofremdkapital/Eigenkapital als Gesamtverbindlichkeiten abzüglich Zahlungsmittel und Zahlungsmitteläquivalente zum Ende einer gegebenen Zeitspanne geteilt durch Gesamteigenkapital zum Ende einer gegebenen Zeitspanne. Verhältnis Nettofremdkapital/Eigenkapital misst die finanzielle Hebelwirkung der Gruppe.

<sup>4</sup> Die Gruppe definiert und berechnet Zinsdeckungsquote als EBITDA für die relevante Zeitspanne geteilt durch Zinsaufwand. Dieses Verhältnis dient dazu, zu messen wie erfolgreich die Gesellschaft fällig gewordene Zinsen im Vergleich zu ausstehenden Verschuldungen begleichen kann. Zinsaufwand ist Teil der Finanzkosten die in der konsolidierten Gewinn- und Verlustrechnung dargestellt sind. Bei der Berechnung der Zinsdeckungsquote wird EBITDA anstatt Ergebnis der betrieblichen Tätigkeit (EBIT) benutzt, weil EBITDA für diese Berechnung als besser geeignet betrachtet wird. EBIT ist wesentlich durch Abschreibungen beeinflusst.

**Tabelle 3: Kapitalflussrechnung für die angegebenen Zeiträume (nur ausgewählte Zahlen)**

	Sechs Monate zum 30. Juni		12 Monate zum 31. Dezember	
	2022	2021	2021	2020
	(Tausend EUR)		(Tausend EUR)	
Netto-Kapitalfluss aus betrieblicher Tätigkeit	(6.696)	(1.583)	6.221	6.002
Netto- Kapitalfluss aus der Investitionstätigkeit	(4.267)	(7.670)	(14.233)	(20.171)
Netto- Kapitalfluss aus Finanzierungstätigkeit	(1.043)	15.434	30.625	12.097

### Gewinnprognose

Der Vorstand erwartet eine Erhöhung der konsolidierten Umsatzerlöse der Gruppe von bis zu EUR 85,0 Mio. in 2022 von EUR 36,4 Mio. in 2021, was zu einer EBITDA-Erhöhung auf EUR 24,0 Mio. von EUR 9,6 Mio. in 2021 führen würde. Diese Prognose untersteht der Annahme, dass die folgenden Faktoren weiterhin die Erlöse positiv beeinflussen werden: Erweiterung des eigenen Portfolios; Änderung des Geschäftsmodells von staatlich geförderten Systemen zum

sogenannten „Merchant Model“; wachsende Projektpipeline in Polen und Rumänien; jüngste Preisentwicklung in den Energiesektoren; und der übergreifende Solar-Boom.

#### ***Welches sind die zentralen Risiken, die für die Gesellschaft spezifisch sind?***

- **Zinssatzrisiko.** Das Zinsrisiko, dem die Gruppe ausgesetzt ist, bezieht sich in erster Linie auf die Zinsaufwendungen für die kurz- und langfristigen Bankverbindlichkeiten der Gruppe. Außerdem können steigende Marktzinsen - im Falle eines großen Anteils an Fremdkapital - den Wert der Photovoltaik-Kraftwerke erheblich beeinflussen. Im Falle eines Verkaufs besteht das Risiko, dass das Photovoltaik-Kraftwerk nicht zum angestrebten Preis veräußert werden kann; dies würde sich auch negativ auf die finanzielle Liquidität der Projekte, das Ansehen und die Ertragslage der Gruppe auswirken.
- **Risiko der rückläufigen Strompreise.** Es besteht ein Risiko, dass sich die gegenwärtigen Strompreissteigerungstrends in entgegengesetzter Richtung ändern werden und Strompreise fallen könnten. In solchen Fällen besteht ein Risiko von rückläufigen Einnahmen des bestehenden Photovoltaikportfolios als Folge der niedrigeren Strompreise. Im Schlimmstfallszenario („Worst case scenario“) könnten niedrige oder keine positiven operativen Zahlungsströme erzeugt werden, was wiederum zu einer Situation führen könnte, in der es keine Ausschüttungen an den Konzern geben können.
- **Fremdwährungsrisiko.** Die Geschäftstransaktionen der Gruppe werden in verschiedenen Währungen abgewickelt. Die Gruppe kann die Auswirkungen zukünftiger Wechselkursschwankungen auf ihre Geschäftsergebnisse nicht vorhersagen und könnte in Zukunft Netto-Währungsverluste erleiden. Die Gruppe schätzt das Währungsrisiko als moderat ein. Da die Gruppe jedoch ihr Geschäft weiter auf neue Märkte, insbesondere auf Schwellenländer, ausdehnt, könnte sich das gesamte Wechselkursrisiko der Gruppe erheblich erhöhen.
- **Risiko der Abhängigkeit von der Förderung der Photovoltaik in verschiedenen Ländern und Abhängigkeit von bestehenden und zukünftigen Rahmenbedingungen und staatlich gesteuerten Förderprogrammen für Photovoltaik.** Historisch war die Entwicklung des Photovoltaikmarktes von der wirtschaftlichen Unterstützung durch den Staat abhängig. In der Mehrzahl der Länder weltweit war die Photovoltaikbranche ohne staatliche Förderprogramme noch nicht wettbewerbsfähig, insbesondere im Vergleich zur Nutzung konventioneller Energieträger und ist gewissermaßen von solchen Fördermitteln nach wie vor abhängig.
- **Regulatorisches Risiko.** In den Ländern, in denen die Gruppe tätig ist, wird der Markt für Solarprojekte, Solarstromprodukte und Solarstrom stark von nationalen, bundesstaatlichen und lokalen Regierungsvorschriften und -richtlinien beeinflusst, die die Stromversorgungsbranche betreffen, sowie von Richtlinien, die von den Stromversorgern verbreitet werden. Diese Vorschriften und Richtlinien beziehen sich häufig auf die Strompreisgestaltung und die technische Zusammenschaltung der kundeneigenen Stromerzeugung und könnten weitere Investitionen in die Forschung und Entwicklung alternativer Energiequellen sowie den Kauf von Solartechnologie durch Kunden verhindern, was zu einem erheblichen Rückgang der potenziellen Nachfrage nach den Solarstromprodukten, Solarprojekten und Solarstrom der Gruppe führen könnte.

#### **Basisinformationen über die Wertpapiere**

##### **Welches sind die Merkmale der Wertpapiere?**

Die Schuldverschreibungen werden in Form von Inhaberschuldverschreibungen ausgegeben und unterliegen dem Recht der Bundesrepublik Deutschland. Die Schuldverschreibungen werden in Euro im Gesamtnennbetrag von bis zu EUR 25.000.000,00, eingeteilt in Schuldverschreibungen mit einem Nennwert von je EUR 1.000, ausgegeben. Die internationale Wertpapier-Kennnummer (ISIN) der Schuldverschreibungen lautet DE000A3KWKY4 und ihre deutsche Wertpapier-Kennnummer (WKN) ist A3KWKY. Die Schuldverschreibungen wurden nicht bewertet. Die Schuldverschreibungen stellen die gleiche Serie und Gattung dar wie die 6,50 % p.a. 2021/2027 Inhaberschuldverschreibungen der Emittentin, die zuvor im Gesamtnennbetrag von EUR 65 Mio. ausgegeben wurden, und sind mit diesen Inhaberschuldverschreibungen fungibel.

##### *Status der Schuldverschreibungen*

Die Verpflichtungen aus den Schuldverschreibungen stellen unbesicherte und nicht nachrangige Verpflichtungen der Emittentin dar, die untereinander und mit allen anderen unbesicherten und nicht nachrangigen Verpflichtungen der Emittentin gleichrangig sind, es sei denn, diesen Verpflichtungen wird aufgrund zwingender gesetzlicher Vorschriften Vorrang eingeräumt.

##### *Negativverpflichtung*

Solange Schuldverschreibungen ausstehen, verpflichtet sich die Emittentin, keine Grundpfandrechte, Belastungen, Verpfändungen oder sonstige dingliche Sicherungsrechte (zusammen die "**Sicherheiten**") auf einen Teil oder die Gesamtheit der Kapitalmarktverbindlichkeiten (wie nachstehend definiert) einzugehen oder bestehen zu lassen, ohne den Anleihegläubigern spätestens zur gleichen Zeit eine Sicherheit für die zu zahlenden Beträge in gleicher Weise und im gleichem Rang zu bestellen oder den Anleihegläubigern ein Sicherheit einzuräumen, dessen Wert von einer

unabhängigen Wirtschaftsprüfungsgesellschaft als gleichwertig mit den unter den Schuldverschreibungen zu zahlenden Beträgen anerkannt wird.

"**Kapitalmarktverbindlichkeit**" bezeichnet jede gegenwärtige oder künftige durch die Emittentin ausgegebene oder garantierte Verbindlichkeit hinsichtlich der Rückzahlung geliehener Geldbeträge, die (i) in Form von besicherten oder unbesicherten Schuldverschreibungen oder sonstigen Wertpapieren besteht, die an einer Börse oder an einem organisierten Markt notiert oder gehandelt werden oder gehandelt werden können, oder (ii) durch einen Schuldschein verbrieft, verkörpert oder dokumentiert sind, der deutschem Recht unterliegt.

#### *Zinszahlungen*

Die Schuldverschreibungen werden vom Ausgabetag (wie unten definiert) bis zum 22. November 2027 mit einem Zinssatz von 6,50 % p.a. auf ihren Nennwert verzinst. Die Zinszahlungen sind jeweils vierteljährlich fällig, und zwar am 23. Februar, 23. Mai, 23. August und 23. November eines jeden Jahres, beginnend am 23. November 2022.

#### *Laufzeit der Schuldverschreibungen*

Die Schuldverschreibungen werden am 23. November 2027 (der "**Fälligkeitstag**") zu ihrem Nennwert zurückgezahlt, sofern sie nicht zuvor ganz oder teilweise zurückgezahlt oder gekauft und entwertet wurden.

#### *Kündigungsgründe*

Anleihegläubiger sind berechtigt, Rückzahlungen zum Nennbetrag einschließlich bis zum Kündigungszeitpunkt aufgelaufener Zinsen zu verlangen, wenn: (a) die Emittentin und/oder ihre Tochtergesellschaften Forderungen aus der Schuldverschreibung oder Zahlungsverpflichtungen aus anderen Darlehensverbindlichkeiten in Höhe von insgesamt mindestens EUR 10 Mio. innerhalb von 90 Tagen nach dem betreffenden Fälligkeitstag nicht erfüllen; (b) die Emittentin allgemein ihre Zahlungen einstellt oder ihre Zahlungsunfähigkeit bekannt gibt; (c) gegen die Emittentin ein Insolvenzverfahren gerichtlich eröffnet wird, das nicht innerhalb von 60 Tagen nach dessen Eröffnung aufgehoben oder ausgesetzt wird, oder die Emittentin selbst ein solches Verfahren beantragt oder ihre Zahlungen einstellt oder einen generellen Vergleich mit der Gesamtheit ihrer Gläubiger anbietet oder durchführt; (d) die Emittentin in Liquidation tritt, es sei denn, dass eine solche Liquidation im Zusammenhang mit einer Verschmelzung, Konsolidierung oder einer anderen Form des Zusammenschlusses mit einer anderen Gesellschaft vorgenommen wird und diese Gesellschaft anstelle der Emittentin alle Verpflichtungen aus den Schuldverschreibungen übernimmt; (e) die Emittentin im Rahmen eines Kontrollwechsels ihren Verpflichtungen betreffend die vorzeitige Rückzahlung nicht nachkommt; (f) die Emittentin Partei eines Cashpooling-Systems mit Gesellschaften wird, an denen die Emittentin nicht unmittelbar mit mindestens 50 % beteiligt ist; (g) mit bestimmten Ausnahmen, das sich aus dem jeweils letzten geprüften Konzernabschluss der Emittentin nach IFRS ergebende Eigenkapital 25 % der Summe aus Eigenkapital und verzinslichem Fremdkapital unterschreitet; oder (h) die Emittentin für eines der vor dem Fälligkeitstag endenden Geschäftsjahre eine Dividendenausschüttung von mehr als 50 % des ausschüttungsfähigen Gewinns, oder eine in Höhe von bis zu 50 % (einschließlich) des ausschüttungsfähigen Gewinns, ohne dass eine EBITDA-Zinsdeckung von zwei vorliegt, vornimmt.

#### *Vorzeitige Rückzahlung im Falle eines Kontrollwechsels*

Im Falle eines Kontrollwechsels ((a) ein Dritter wird rechtlicher oder wirtschaftlicher Eigentümer von mehr als 50 % der Stimmrechte der Emittentin, (b) bei einer Verschmelzung der Emittentin mit einer oder auf eine dritte Person oder bei der Verschmelzung einer dritten Person mit oder auf die Emittentin, es sei denn, die Inhaber von 100 % der Stimmrechte der Emittentin halten nach der Verschmelzung mindestens die Mehrheit der Stimmrechte an dem überlebenden Rechtsträger; oder (c) bei einem Verkauf aller oder im Wesentlichen aller Vermögensgegenstände (konsolidiert betrachtet) an eine dritte Person, es sei denn, der erwerbende Rechtsträger ist oder wird eine Tochtergesellschaft der Emittentin) ist jeder Anleihegläubiger berechtigt, aber nicht verpflichtet, die Rückzahlung oder - nach Wahl der Emittentin - den vollständigen oder teilweisen Rückkauf seiner Schuldverschreibungen durch die Emittentin oder einen Dritten auf Verlangen der Emittentin zum vorzeitigen Rückzahlungspreis zu verlangen, der 100 % des Nennwerts der Schuldverschreibungen zuzüglich aufgelaufener und nicht gezahlter Zinsen bis zum Tag der Rückzahlung (jedoch ausschließlich) für jede Schuldverschreibung entspricht.

#### *Vorzeitige Rückzahlung nach Wahl der Emittentin*

Die Emittentin ist berechtigt, nachdem sie entsprechend der Anleihebedingungen in Bezug auf die Schuldverschreibungen ("**Anleihebedingungen**") gekündigt hat, die ausstehenden Schuldverschreibungen insgesamt oder teilweise jeweils an dem in der Kündigungsmitteilung angegebenen Tag (jeweils ein "**Wahl-Rückzahlungstag (Call)**") zu dem vorzeitigen Rückzahlungsbetrag nebst etwaigen bis zum relevanten Wahl-Rückzahlungstag (Call) (ausschließlich) aufgelaufenen Zinsen zurückzuzahlen. Der vorzeitige Rückzahlungsbetrag entspricht 102 % des Nennbetrags für den Rückzahlungszeitraum 23. November 2025 (einschließlich) bis 23. November 2026 (ausschließlich) und 101 % des Nennbetrags für den Rückzahlungszeitraum 23. November 2026 (einschließlich) bis 23. November 2027 (ausschließlich). Die Kündigung ist unwiderruflich und muss den Gläubigern bis spätestens 30 Tage und höchstens 60 Tage vor dem jeweiligen Wahl-Rückzahlungstag (Call) bekanntgemacht worden sein. Des

Weiteren, wenn 80 % oder mehr des ursprünglichen Gesamtnennbetrags der Schuldverschreibungen von der Emittentin oder einer ihrer direkten oder indirekten Tochtergesellschaften zurückgezahlt oder angekauft wurden, ist die Emittentin jederzeit berechtigt, nach vorheriger Bekanntmachung gegenüber den Gläubigern mit einer Frist von mindestens 30 und höchstens 60 Tagen nach ihrer Wahl die ausstehenden Schuldverschreibungen insgesamt, aber nicht teilweise, zum Nennbetrag zuzüglich bis zum tatsächlichen Rückzahlungstag (ausschließlich) nicht gezahlter, aufgelaufener Zinsen zurückzuzahlen (sogenannte Clean-Up-Option).

#### *Beschlüsse der Anleihegläubiger und des Vertreters der Anleihegläubiger*

Gemäß dem Gesetz über Schuldverschreibungen aus Gesamtemissionen enthalten die Anleihebedingungen Bestimmungen, nach denen die Anleihegläubiger mit Zustimmung der Emittentin durch Beschluss mit einfacher Mehrheit der an der Entscheidung teilnehmenden Anleihegläubiger einer Änderung der Anleihebedingungen zustimmen können. Für die Annahme der folgenden Beschlüsse ist eine Mehrheit von 75 % der an der Entscheidung beteiligten Stimmrechte gemäß den Anleihebedingungen erforderlich: (a) die Veränderung der Fälligkeit und die Verringerung oder Ausschluss der Zinsen; (b) die Veränderung der Laufzeit der Schuldverschreibungen; (c) die Verringerung der Hauptforderung; (d) der Nachrang der Forderung aus den Schuldverschreibungen im Insolvenzverfahren der Emittentin; (e) der Verzicht auf das Kündigungsrecht der Anleihegläubiger oder dessen Beschränkungen; und (f) die Schuldnerersetzung der Emittentin. Beschlüsse über sonstige Maßnahmen werden mit einfacher Mehrheit der an der Beschlussfassung teilnehmenden Stimmrechte gefasst.

Die Anleihegläubiger können durch Mehrheitsbeschluss die Bestellung oder Abberufung eines gemeinsamen Vertreters der Anleihegläubiger vorsehen. Der gemeinsame Vertreter hat die Aufgaben und Befugnisse, die gesetzlich vorgesehen sind oder durch Mehrheitsbeschlüsse der Anleihegläubiger gewährt werden.

#### *Wo werden die Wertpapiere gehandelt?*

Die Schuldverschreibungen werden in den Handel im Quotation Board des Open Market (Freiverkehr) der Deutsche Börse AG (Freiverkehr der Frankfurter Wertpapierbörse) einbezogen.

#### *Welches sind die zentralen Risiken, die für die Wertpapiere spezifisch sind?*

- **Risiko des fehlenden Einflusses auf die Geschäftsführung der Gesellschaft.** Anleger die Schuldverschreibungen erwerben werden Gläubiger der Gesellschaft sein. Als Gläubiger werden sie keinen Anspruch darauf haben, an der Geschäftsführung der Gesellschaft teilzunehmen. Dementsprechend besteht ein Risiko, dass mangelhafte Geschäftsentscheidungen zu einer Situation führen könnten, in der die Zahlung von Zinsen oder vom Nennbetrag der Schuldverschreibungen negativ beeinträchtigt werden könnten.
- **Risiko im Zusammenhang mit Nebenkosten, insbesondere in Bezug auf nichtdeutsche Anleger.** Nebenkosten können zu hohen Aufwendungen für Anleihegläubiger führen, die die möglichen Erträge der Schuldverschreibungen erheblich verringern können.
- **Das Risiko, dass die Verwendung der Erlöse der Schuldverschreibungen den Anlagekriterien eines Anlegers nicht entspricht.** Die Gesellschaft beabsichtigt, einen Teil der Erlöse aus dem Angebot der Schuldverschreibungen gezielt für Projekte und Aktivitäten zu verwenden, die klimafreundliche oder andere ökologische, nachhaltige oder soziale Zwecke fördern. Potenzielle Anleger müssen die Relevanz der von der Gesellschaft zur Verfügung gestellten Informationen für den Zweck einer Anlage in die Schuldverschreibungen selbst beurteilen und alle weiteren Nachforschungen anstellen, die der Anleger für notwendig hält.

#### **Basisinformationen über das öffentliche Angebot von Schuldverschreibungen und die Zulassung zum Handel an einem geregelten Markt**

*Zu welchen Konditionen und nach welchem Zeitplan kann ich in diese Wertpapiere investieren?*

Das geplante Angebot der Schuldverschreibungen (das "**Angebot**") wird aus den folgenden Elementen bestehen: (i) ein öffentliches Umtauschangebot (das "**Umtauschangebot**") der Emittentin, das sich an die Inhaber ihrer EUR 45.000.000,00 7,75 % Schuldverschreibungen mit der ISIN DE000A19MFH4 (die "**Schuldverschreibungen 2017/2022**") richtet, um den derzeit (zum Prospektdatum) ausstehenden Betrag von bis zu EUR 20.900.000,00 2017/2022 Schuldverschreibungen in neu auszugebene Schuldverschreibungen umzutauschen. Die Emittentin wird das freiwillige Umtauschangebot im deutschen Bundesanzeiger und im Luxemburger Wort veröffentlichen; (ii) eine Option zum Kauf zusätzlicher Schuldverschreibungen für diejenigen, die an dem Umtauschangebot teilnehmen ("**Kaufoption**"); (iii) ein öffentliches Angebot in der Bundesrepublik Deutschland, in der Republik Österreich und im Großherzogtum Luxemburg, das ausschließlich von der Emittentin durchgeführt wird ("**Öffentliches Angebot**") durch die Schaltung einer Anzeige im Luxemburger Wort; und durch Zeichnung auf der Grundlage des Zeichnungsantrags, der auf der Website der Emittentin ([photonenergy.com/greenbond2022](http://photonenergy.com/greenbond2022)) unter der Rubrik "Green EUR Bond 2021/2027" durch Anklicken von "Subscribe" heruntergeladen und ausgedruckt werden kann; und (iv) eine Privatplatzierung.

Die Frist für das Umtauschangebot und die Kaufoption, in der Anleger Zeichnungsanträge abgeben können, beginnt voraussichtlich am 7. September 2022, 0:00 Uhr MESZ, und endet voraussichtlich am 7. Oktober 2022, 18:00 Uhr MESZ, vorbehaltlich einer Verkürzung oder Verlängerung der Angebotsfrist. Das Öffentliche Angebot wird voraussichtlich am 7. September 2022, um 0:00 Uhr MESZ beginnen und endet voraussichtlich am 11. Oktober 2022, um 12:00 Uhr MESZ, vorbehaltlich einer Verkürzung oder Verlängerung der Angebotsfrist.

#### *Vertriebsplan und öffentliches Angebot der Schuldverschreibungen*

Das öffentliche Angebot und das Umtauschangebot werden von der Emittentin in der Bundesrepublik Deutschland, der Republik Österreich und dem Großherzogtum Luxemburg öffentlich angeboten.

#### *Bedingungen und technische Einzelheiten des Angebots*

Es gibt keine Bedingungen, an die das Angebot geknüpft ist.

#### *Bestätigung in Bezug auf eine Bestellung und Zuteilung sowie Lieferung der Schuldverschreibungen*

Clearing, Zahlungen und Übertragungen der Schuldverschreibungen werden über die Clearstream Banking AG, Mergenthalerallee 61, 65760 Eschborn ("**Clearstream**") abgewickelt.

Die Lieferung und Abwicklung der Schuldverschreibungen im Rahmen des Umtauschangebots, einschließlich der Zahlung von Nettostückzinsen, sowie der Kaufoption und des öffentlichen Angebots erfolgt durch die Clearstream im Auftrag der Emittentin am 14. Oktober 2022. Die Schuldverschreibungen werden mit dem Valutatag, d.h. am 14. Oktober 2022 (der "**Ausgabetag**") geliefert. Am 14. Oktober 2022 wird die Clearstream im Auftrag der Emittentin zusammen mit den gelieferten Schuldverschreibungen die bis zum Ausgabetag (ausschließlich) der für die Schuldverschreibungen 2017/2022 aufgelaufenen Zinsen abzüglich der für die Schuldverschreibungen aufgelaufenen Zinsen an die Inhaber der Schuldverschreibungen 2017/2022, für die das Umtauschangebot angenommen wurde, auszahlen, zuzüglich einen Zusatzbetrag von EUR 15,00 für jede umgetauschte Schuldverschreibung 2017/2022.

Bei Bestellungen im Zusammenhang mit der Kaufoption, dem Öffentlichen Angebot und der Privatplatzierung vor dem Ausgabetag (ausschließlich) werden Anleihegläubiger die von dem letzten Zinszahlungstag (einschließlich) bis zum Ausgabetag (ausschließlich) für die Schuldverschreibungen aufgelaufenen Zinsen an die Emittentin zahlen.

#### *Geschätzte Kosten zu Lasten des Anlegers*

Die Gesellschaft wird dem Anleger keine Kosten oder Steuern in Rechnung stellen. Anleger sollten sich über Kosten und Steuern informieren, die im Zusammenhang mit den Schuldverschreibungen anfallen können, einschließlich möglicher Gebühren, die von ihren Depotbanken im Zusammenhang mit der Zeichnung und dem Halten der Schuldverschreibungen erhoben werden.

#### *Schätzung der Gesamtkosten der Emission und des Angebots*

Die Emittentin rechnet mit Provisionen und anderen angebotsbezogenen Kosten in Höhe von etwa EUR 705.000,00.

#### **Wer ist der Anbieter und/oder die die Zulassung zum Handel beantragende Person?**

Der Anbieter ist die Gesellschaft.

#### **Weshalb wird dieser Prospekt erstellt?**

Dieser Prospekt wurde erstellt, um das Öffentliche Angebot und Umtauschangebot zu ermöglichen.

#### *Gründe für das Angebot*

Der Grund für das Angebot ist die Beschaffung von Mitteln, die von der Gesellschaft für die unten genannten Zwecke verwendet werden sollen.

#### *Verwendung und geschätzter Nettobetrag des Erlöses*

Die Gesellschaft erwartet, dass der Nettoerlös aus dem Angebot EUR 24.295.000,00 betragen wird, wenn das gesamte Volumen platziert wird, und beabsichtigt, diesen Nettoerlös zur teilweisen oder vollständigen Finanzierung oder Refinanzierung neuer und/oder bestehender Geeigneter Vermögenswerte (wie unten definiert), sowie von Finanzinstrumenten, die für die Finanzierung solcher Projekte oder Vermögenswerte verwendet wurden, gemäß dem im September 2021 veröffentlichtem Green Financing Framework der Gesellschaft zu verwenden. Bis zur Fälligkeit der Schuldverschreibungen, im Falle der Veräußerung oder Stornierung eines zugewiesenen Geeigneten Vermögenswertes oder wenn ein zugewiesenes Projekt die Eignungskriterien nicht mehr erfüllt, verpflichtet sich die Gesellschaft, die Erlöse je nach Verfügbarkeit auf andere Geeignete Vermögenswerte umzuverteilen. Die Gesellschaft weist darauf hin, dass ein Teil des Nettoerlöses – bis zu EUR 20.900.000,00 – mit der Refinanzierung jeglicher zuvor ausgegebenen Schuldverschreibungen 2017/2022 mit Fälligkeitstag vom 27. Oktober 2022 (ISIN: DE000A19MFH4) die in die neu ausgegebenen Schuldverschreibungen ausgetauscht werden zusammenhängt. Zu den "Geeigneten Vermögenswerten" gehören Projekte im Bereich erneuerbare Energien: Investitionstätigkeiten und damit verbundene Aufwendungen, die auf den Erwerb, die Entwicklung und den Bau von Energieerzeugungsanlagen zur Erzeugung von Strom aus Solarenergie oder Hybridlösungen, ggf. kombiniert mit Energiespeichern, gerichtet sind.

#### *Interessenkonflikte*

Es bestehen keine Interessenkonflikte in Bezug auf das Angebot.

## **RISK FACTORS**

*Before investing in the Bonds, prospective investors should consider carefully the risks and uncertainties described below, together with the other information contained in this Prospectus. The occurrence of any of the events or circumstances described in these risk factors, individually or together with other circumstances, may have a significant negative impact on the Group's business, financial condition, results of operations and prospects. The price of the Bonds could decline and the Company may be unable to meet its payment obligations under the Bonds, and an investor might lose part or all of its investment upon the occurrence of any such event.*

*All of these risk factors and events are contingencies which may or may not occur. While the risk factors below have been divided into categories, some risk factors could belong in more than one category and prospective investors should carefully consider all of the risk factors set out in this section.*

*The risk factors are based on assumptions that could turn out to be incorrect. Furthermore, although the Board of Directors and the Company believes that the risks and uncertainties described below are the material risks and uncertainties concerning the Group's business and industry, and the Bonds, they are not the only risks and uncertainties relating to the Group and the Bonds. Other risks, events, facts or circumstances not presently known to the Group, or that the Group currently deems to be immaterial could, individually or cumulatively, prove to be important and may have a significant negative impact on the Group's business, financial condition, results of operations and prospects.*

*Prospective investors should carefully read and review the entire Prospectus and should form their own views before making an investment decision with respect to any Bonds. Furthermore, before making an investment decision with respect to any Bonds, prospective investors should consult their own professional adviser and carefully review the risks associated with an investment in the Bonds and consider such an investment decision in light of their personal circumstances.*

*As used herein, references to the Group refer to the Company as well as to its businesses that are held as consolidated subsidiaries and equity-method non-consolidated subsidiaries, associated companies and joint ventures, as the context requires.*

### **Risk Factors Related to the Group's Business and the Industry in which it Operates**

#### ***Interest Rate Risk***

The Group's exposure to interest rate risk primarily relates to interest expense under the Group's bank borrowings which are long-term. The Group tries to achieve the biggest possible share of external financing when financing its photovoltaic power-plant projects. Interest expenditure of the Group is usually calculated according to the current market interest. In this case there is a risk that the financing cash flow will – in relation to the interest expenditure that is to be paid and because of disadvantageous changes of the market interest – fluctuate. To handle the interest the Group uses interest rate swaps. However, the Group cannot completely hedge against interest fluctuations due to the tenor of the bank financing and the fixed interest exposure due to changes in repayments. As of the Prospectus Date, there are no IRS concluded for the Czech portfolio, as it is not exposed to interest rate risk; however, IRS will be added in the future to the extent external financing agreements are entered into. In the case of Slovak SPVs, IRS have been concluded covering approximately 50% and for the Hungarian portfolio financed with K&H and CIB Bank for approximately 60% of the bank's financing exposures. Therefore, it cannot be completely ruled out that for Slovak and Hungarian SPVs and new projects that the concluded measures of protection do not completely cover the interest risk in case of strongly fluctuating market interest; this would have a negative impact on the financial situation, status and results of the affected companies of the Group. Actual interest expenses related to bank loans and borrowings incurred by the Company in the six months ended 30 June 2022 was EUR 4,292 thousand (full year 2021: EUR 6,576 thousand) and it related mainly to the loans drawn in the amount of EUR 39,756 thousand as of 30 June 2022 (31 December 2021: EUR 45,460 thousand) and issued bonds of EUR 90,230 thousand as of 30 June 2022 (31 December 2021: EUR 81,330 thousand). As of 30 June 2022, if interest rates at that date had been 100 basis points lower with all other variables held constant, profit for the six months ended 30 June 2022 would have been EUR 197 thousand (full year 2021: EUR 455 thousand) higher, mainly as a result of lower interest expense on variable interest liabilities. If interest rates had been 100 basis points higher, with all other variables held constant, profit for the six months ended 30 June 2022 would have been EUR -197 thousand (full year 2021: EUR -455 thousand) lower, mainly as a result of higher interest expense on variable interest liabilities. Bonds issued bear fixed interest rate risk and therefore are not subject to interest rate risk. In addition, increasing market interest rate can – in the case of a big share of borrowed capital –

profoundly influence the value of the photovoltaic power plants. In case of a sale there is a risk that it will not be possible to sell the photovoltaic power plant for the intended price; this would also have a negative impact on the financial liquidity of the projects, status and results of the Group.

The Group assesses the probability of this risk as high. If the risk occurs, the impact on the Group's operations and financial results would be moderate.

### ***Risk of Declining Electricity Prices***

Electricity prices are determined by the supply and demand side, which are impacted, among other factors, primarily by the energy mix, capacity and transmission constraints, fuel costs and the reliance on natural gas-fired generators, weather conditions, industrial demand and overall macroeconomic situation. Additionally, in the countries where the Group operates, the photovoltaic market is influenced by national, state and local government regulations and policies concerning the electric utility industry, as well as policies disseminated by electric utilities. These regulations and policies often relate to electricity pricing. As of the Prospectus Date, the Group operates 75.7 MWp of photovoltaic power plants (82.4%) under the merchant model, i.e. selling electricity at market prices, hence its exposure to this risk has increased. Currently the market trends are favourable and the Group benefits from the increasing electricity prices on most of the markets where the Group is active. However, there is a risk that those trends can change in the opposite direction and electricity prices may start declining. In such cases there is the risk of falling incomes from existing PV portfolio due to falling prices for electricity. In the worst-case scenario, there could be low or no positive operational cash flow generated which in turn would lead to a situation where there can be no pay-outs to the Group. The Group intends to actively manage the revenues from merchant power plants using electricity market hedging instruments (where available) and / or by entering into PPA agreements with various durations and volumes, when such agreements will be viewed as beneficial for the Group and the business.

All of the aforementioned risks could have an adverse effect on the assets, financial and earnings position of the Group. With the increasing share of the power plants based on the merchant model, the impact of this risk on the Group's operations and financial results is increasing. The Group assesses the probability of this risk in the short to medium term as medium. If the risk materialises, the impact on the Group's operations and financial results would be moderate.

### ***Risk of Foreign Currency Exchange***

The Group's business transactions are carried out in various currencies. These transactions involve sales, purchases, borrowings, and investments in currencies other than the functional currency of the Company. Therefore, fluctuations in currency exchange rates could have a significant currency transaction risk. The transactions of the Group are mainly denominated in CZK, EUR, AUD, CHF, PLN, RON and HUF. There are no hedging instruments such as FX swaps used by the Company against the currency risk, and the Company's Board of Directors does not formally monitor the FX position; however, the Group seeks to naturally hedge the FX positions and cash flows.

Payment flows of the Group consist mainly of inflow of yields from energy supply and outflow of payments for interest and settlement of loans. Usually both flows take place in the same currency. If in the future the Group will not or not always be able to receive and make payments in the same currency (for example because of the external financing cannot be made in a local bank), then the Group would be exposed to risks connected with exchange rates.

In addition, the Group's financial statements are presented in EUR, while some of the Company's subsidiaries use different functional currencies (CZK, AUD, CHF, PLN, RON and HUF). This exposes the Group to the foreign currency translation risk resulted from the fluctuation between EUR and functional currencies of such subsidiaries. To the extent the Group holds assets denominated in currencies other than EUR, any appreciation of such currencies against EUR will likely result in an exchange gain while any depreciation will likely result in an exchange loss when the Group's converts the value of these assets into EUR equivalent amounts. On the other hand, to the extent the Group has liabilities denominated in currencies other than EUR, any appreciation of such currencies against EUR will likely result in an exchange loss while any depreciation will likely result in an exchange gain when the Group converts the value of these liabilities into EUR equivalent amounts.

The Group is primarily exposed to the fluctuation of CZK against EUR, HUF against EUR, PLN against EUR and AUD against EUR as the most significant outstanding balances of the consolidated financial statements are denominated in these four particular currencies. Other currencies variations against EUR are not that significant for the overall currency exchange risk as the volume of operations and also the net assets denominated in other currencies are not significant

comparing to the three above mentioned. Strengthening of CZK/EUR, HUF/EUR, PLN/EUR and AUD/EUR exchange rates by 10% would have a positive impact on the Group's profits of EUR 47 thousand, EUR 2,965 thousand, and negative impact of EUR -296 thousand and EUR -678 thousand at 31 December 2021, respectively, if all other variables held constant positive impact on 2020 profits of EUR 909 thousand, EUR 1,532 thousand and negative impact of EUR -82 thousand and positive impact of EUR 330 thousand. Strengthening of CZK/EUR, HUF/EUR, PLN/EUR and AUD/EUR exchange rates by 10% would have also a positive impact on the Group's equity of EUR 0 thousand, negative EUR -214 thousand, EUR 0 thousand and EUR 0 thousand at 31 December 2021, respectively, if all other variables held constant impact as at 31 December 2020 equity of EUR 15 thousand, EUR 29 thousand, EUR 0 thousand and EUR 0 thousand. The Group cannot predict the impact of future exchange rate fluctuations on its results of operations, and may incur net foreign currency losses in the future. The Group assesses the currency risk as moderate; however, as the Group continues to expand its business into new markets, particularly emerging markets, the Group's total foreign currency exchange risk could increase significantly.

These and other effects on the Group's financial conditions resulting from the unfavourable changes in foreign currency exchange rates could have a material adverse effect on the Group's business, results of operations or prospects. The Group assesses the probability of this risk as medium. If the risk occurs, the impact on the Group's operations and financial results would be moderate.

### ***Risk of Solar Power Market and Industry Conditions***

The Group's business is affected by conditions in the solar power market and industry. The solar power market and industry may from time to time experience oversupply or supply shortages. In the first case, many solar power project developers, solar system installers and solar power product distributors that purchase solar power products, may be adversely affected. In the latter case, the solar industry is facing material shortages which translates into supply chain disruptions, uncertainty about the project delivery dates and negative impact on project's rate of return due to rising technology and shipping costs. The solar power market is still at a relatively early stage of development and future demand and supply of solar power products and services is uncertain. Market data for the solar power industry is not as readily available as for more established industries, where trends are more reliably assessed from data gathered over a longer period of time. Many factors may affect the viability of solar power technology and the demand for solar power products, including:

- (i) the cost-effectiveness, performance and reliability of solar power products and services, including the Group's solar power projects, compared to conventional and other renewable energy sources and products and services,
- (ii) the availability of government subsidies and incentives to support the development of the solar power industry,
- (iii) the availability and cost of capital, including long-term debt and equity, for solar power projects,
- (iv) the success of other alternative energy technologies, such as wind power, hydroelectric power, geothermal power and biomass fuel,
- (v) fluctuations in economic and market conditions that affect the viability of conventional and other renewable energy sources, such as increases or decreases in the prices of oil, gas and other fossil fuels,
- (vi) capital expenditures by end users of solar power products and services, which tend to decrease when the economy slows, and
- (vii) the availability of favourable regulation for solar power within the electric power industry and the broader energy industry.

If solar power technology is not suitable for widespread adoption or if sufficient demand for solar power products and services does not develop or takes longer to develop than the Group anticipates, its revenues may suffer and the Group may be unable to sustain its profitability. Moreover, electricity generation from solar energy is already partially in competition with other renewable means of electricity generation and in the future, this may become even stronger in relation to wind energy, biomass or geothermal electricity generation. These other methods of energy generation could exert a high degree of competitive pressure on photovoltaics, for example if they prove themselves to be more economical due to technical advances or if they receive stronger regulatory support on the basis of political considerations. This could affect the further growth of the photovoltaics or could also lead to a fall in the demand for

solar electricity. Competition with conventional energy sources, which (even when taking into account possible state managed support of photovoltaics) could generate electricity at cost-competitive level, could also affect the demand and prices for solar electricity. A reduction in the market price for conventional energy sources could also make energy generation in photovoltaic power plants seem less economically attractive and lead to a fall in demand for electricity made using photovoltaics. This could lead to significant pricing pressure and reduce the market's sales volumes and profitability.

All of the aforementioned factors could have a material adverse effect on the Group's business, results of operations or prospects. The Group assesses the probability of this risk as medium. If the risk occurs, the impact on the Group's operations and financial results would be moderate.

### ***Risk Associated with the Project Pipeline***

While the Group plans to continue to monetise its current portfolio of the photovoltaic ("PV") projects in operations, the Group also intends to grow up its energy segment by developing and selling or operating more solar projects, including those that the Group develops and those that the Group acquires from third parties. Further, the Group's future success largely depends on its ability to expand its PV project pipeline. The risks and uncertainties associated with the Group's ability to expand its PV project pipeline include:

- (i) the need to raise significant additional funds to develop or purchase PV power plants,
- (ii) delays and cost overruns as a result of a number of factors, many of which are beyond the Group's control, including delays in regulatory approvals, construction, grid-connection and customer acceptance testing,
- (iii) delays or denial of required regulatory approvals by relevant government authorities and
- (iv) failure to execute the Group's project pipeline expansion plan effectively.

Development and/or acquisition of a project is always based on an economic calculation which involves certain assumptions, such as the development of market interest, Feed-in-Tariff, the electricity price or the price of the so-called green certificates. If these assumptions should prove to be incorrect or if certain factors develop differently to what was planned, this would have an adverse effect on the profitability of the PV power plant.

Moreover, during the development and/or acquisition of a PV power plant, provision is made for the realisation of legal, economic and technical due diligence, whereby – at least to some extent – external advisors will be used. The Group cannot rule out that during such due diligence something will be incorrectly identified or falsely assessed or that other errors may occur during the due diligence. For example, technical risks concerning the grid connection may not be identified or permit requirements may be overlooked. Under certain circumstances, errors in the due diligence process can have a significantly adverse effect on the realisation of a project, may lead to significant extra time requirements and/or additional costs or may lead to the commenced realisation of the PV project being cancelled. There is no guarantee of the appropriate recourse in the case of an error on the part of an external advisor.

In addition, the competition for attractive projects has become stronger with the growing number of market participants. As such, there is a risk that the Project Development Division, which is charged with searching for and developing suitable projects, will not be able to offer the Group any projects at all for acquisition or only insufficient ones or that there will be no suitable projects available. Admittedly, the Group is also free to acquire projects from third parties, but any such third parties are also subject to the increasing competition which means that it cannot be ruled out that, despite having the funds, the Group will not be able to acquire any economically attractive photovoltaic power plants due to a lack of such facilities on offer.

All of the aforementioned factors could have a material adverse effect on the Group's business, results of operations or prospects. The Group assesses the probability of this risk as medium. If the risk occurs, the impact on the Group's operations and financial results would be moderate.

### ***Risk Associated with the Valuation of SPVs***

In preparing its Audited Consolidated Financial Statements, the Group uses the so-called discounted cash flow ("DCF") method based on IAS 16 rules for the revaluation of special purpose vehicles ("SPVs") and its property. In the financial statements this value is higher than the purchase price and consequently also above the acquisition costs.

There is a risk that the assumptions and foundations of the evaluation will prove to be too favourable or false and that extraordinary impairment in the balance of the company will be necessary. Extraordinary impairment of this kind would profoundly harm or burden the balance sheet as well as the results of the Group. This could, considering the circumstances, lead to less advantageous conditions during the refinancing or external financing. All the mentioned circumstances could have a negative impact on the Group's financial situation, status and results.

The Group assesses the probability of this risk as medium. If the risk occurs, the impact on the Group's operations and financial results would be moderate.

### ***Risk of Financing Future Projects and Growth of the Group***

Most solar power projects, including the Group's projects, require financing for development and construction with a mixture of equity and third-party funding. The cost of capital affects both the demand and price of solar power systems. The high cost of capital may materially reduce the internal rate of return for solar power projects and therefore put downward pressure on the prices on both solar power systems, which typically comprise major part of the cost of solar power projects.

The strategy of the Group is aimed at the further expansion of the photovoltaic power plant portfolio. This initially presupposes that the Group will make corresponding investments which will be provided to the given special purpose vehicle as equity and/or as a shareholder loan. The business model of the Group in connection with the financing strategy for further investments envisages that a significant part of the capital used for the acquisition and realisation of the projects for the completion of photovoltaic power plants can be replaced with external financing, whereby the resulting free capital or the capital returning to the Group can be used or reinvested for further projects.

In light of the uncertainty in the global credit and lending environment, the Group cannot make assurances that financial institutions will continue to offer funding to solar power project developers at reasonable costs. An increase in interest rates or a decrease in funding of capital project within the global financial market could make it difficult to fund solar power systems and potentially reduce the demand for solar power systems and/or reduce the average selling prices for solar power systems, which may adversely affect the Group's business, financial condition and results of operations. There is also no guarantee that the Group will be sufficiently successful at acquiring the external financing at the required amount under acceptable conditions and for the desired period in order to realise the intended multiple use of its capital and thereby to be able to meet its yield expectations and to fulfil the financing and growth strategy in the given market, which would have an adverse effect on the commercial development of the Group and would constrain the growth of the Group.

All of the aforementioned circumstances would have a significantly adverse influence on the Group's financial situation, status and results. The Group assesses the probability of this risk as low. If the risk occurs, the impact on the Group's operations and financial results would be moderate.

### ***Risk of External Financing in Slovakia, Hungary and Australia***

As of the Prospectus Date, the external financing of the current portfolio in Slovakia, Hungary and Australia has been exclusively realised through four financing institutions, i.e. the Slovak photovoltaic power plants have been financed using UniCredit Bank Czech Republic and Slovakia a.s., the Hungarian photovoltaic power plants have been financed using K&H Bank Zrt. and CIB Bank Zrt and both Australian photovoltaic power plants have been financed with Infradebt Security Holdings Pty Ltd. Given the concentration of the debt financing in each country, a certain dependency on the given financing institutions exists, which could, for example mean that the refinancing of individual projects is not possible. With regard to each country's financing, there is also an SPV-wide collateral in the sense that each SPV is liable for the obligations and liabilities of the remaining SPVs under the inclusion of its provided security (cross collateralisation). This means, for example, that the payment difficulties of just one SPV will also affect the remaining SPVs financed with the bank in that country, which are co-liable for any corresponding defaults.

Loan and cooperation contracts between the SPVs in the Slovak Republic, Hungary and Australia and the financing banks allow as well for secondary obligations and constraints for the Group, and some special conditions, the breach of which can lead to an increase in the interest rate and/or to the regular cancellation of the contract by the creditor under certain circumstances. As such, the loan contracts between the Slovak SPVs and UniCredit Bank Czech Republic and Slovakia a.s. and others allow for the maintenance of a certain equity level and a certain debt servicing coverage ratio, for example. Similar provisions for the Hungarian SPVs and K&H Bank Zrt. and CIB Bank Zrt. and for the Australian SPVs and Infradebt Security Holdings Pty Ltd are in place.

Moreover, the external financing of the current portfolio in Slovakia, Hungary and Australia provides for financial covenants that could materially affect, directly or indirectly, the Company's situation. In Slovakia there are two material financial covenants measured on semi-annual basis which state that (i) equity ratio must be higher than 15% and (ii) debt service coverage ratio must be higher than 1.15. In Hungary, there are up to three material financial covenants. These covenants are measured on semi-annual basis and provide that (i) debt service coverage ratio must be higher than 1.05 (for K&H Bank Zrt.) and 1.20 (for CIB Bank Zrt.) on SPV stand-alone basis, (ii) debt service coverage ratio must be higher than 1.15 for K&H Bank Zrt. on average for the whole portfolio (this covenant is not required by CIB Bank Zrt.), and (iii) there should be no negative equity situation on any of the SPVs. For the Australian SPVs, the debt service coverage ratio must be higher than 1.25 on SPV stand-alone basis.

On the contractual basis debt service coverage ratio is calculated as net cash flow to the Company after taxes and all costs and investments in particular year (usually EBITDA minus tax referred also as CFADS, i.e. cash flow available for debt service) divided by total debt service in particular year, which is a sum of all interest payments, principals and other related bank fees. Equity ratio is calculated as total sum of accounting equity divided by a total sum of all assets. In case any of the SPVs breaches any of the covenants, the bank would announce this fact to the Company giving it an opportunity to explain / question the calculation and argue on one-off costs or other extraordinary investments that can affect the covenants. In case the Company does not comply with the covenants, it has a right to cure the situation by providing additional equity, not repaying dividends, exercising early repayment by usage of available liquidity from the bank accounts or restructuring of the debt financing.

If the SPVs or the Company breach one or more so-called covenants or if any of the other conditions are not adhered to and if this is to lead to the end of the loan and/or cooperation contract without any notice or on short notice or to an increase in the interest rate for the credit in question, it would have a negative effect on the liquidity and the asset, financial and earnings position of the individual SPVs and the Group. If other financing is not found in these cases or if it is not found in time and the provided loan becomes due for repayment, there is a risk that the bank in question may dispose of the assets which have been put up as security (especially the shares in the SPVs). Moreover, the other SPVs may be obliged, in case that one or more SPVs is in default (understood as default of payment or default of complying with above mentioned financial covenants), to provide additional security, which may not be possible and could lead to the cancellation of the credit in question. Furthermore, the SPVs' room to manoeuvre will be limited by the constraints. Moreover, the Group's subsidiaries in other jurisdictions may also need to enter into comparable financing arrangements in connection with projects in those countries, which could present similar risks.

All of the aforementioned circumstances would have a significantly adverse influence on the Group's financial situation, status and results. The Group assesses the probability of this risk as low. If the risk occurs, the impact on the Group's operations and financial results would be moderate.

### ***Risk of the Coronavirus Pandemic SARS-CoV-2***

The global spread of the coronavirus (SARS-CoV-2 and related COVID-19 disease) pandemic that started in November 2019 in China and reached European countries in February 2020 and continued through the Prospectus Date will have a material adverse impact on the global economy, the economies of various regions and countries, and businesses, companies and individuals.

In order to limit the spread of the coronavirus, governments of most of countries introduced a number of precautionary measures and limitations that affected individuals, businesses and authorities, including mandatory quarantines, the temporary closures of public spaces, ban on public gatherings and travel restrictions. The coronavirus pandemic and precautionary measures taken by the various states and governments have had, and will continue to have, an adverse material impact on the global, regional and local economies, likely leading to a recession and unemployment despite state and government actions and public funds being used to mitigate a potential economic downturn. As of the Prospectus Date, the Group is not able to assess when all of the precautionary measures and limitations will be fully lifted and what will be the impact of those measures on the global economy.

With the outbreak of the coronavirus, the Group has implemented continuity plans as well as health and safety procedures to ensure that all employees and contractors are safe and compliant with government directives. In particular, the electricity generation segment of proprietary PV power plants with a total installed capacity of 91.9 MWp is producing electricity as usual. The Operations & Maintenance ("O&M") business is capable of providing its services either from home-offices, and if necessary, on-site as far as possible. The other business lines such as EPC services, PV component trading and project development are more vulnerable to these exceptional circumstances but did not come to a stall. In case of trading of PV technology, the observed impact of coronavirus was mainly related to delayed demand from third parties, delays in shipments from PV manufacturers, and lower stock of available PV technology in Europe. In the area of EPC business minor delays in technology delivery to the construction sites and minor delays in the construction process due to the hygienic restrictions imposed by the governments authorities were observed and in the field of project development, the impact was mainly related to delays due to temporary lock-down of public spaces, public administration offices and necessity to implement partial home-office, which resulted in slower pace of the project development processes. Nevertheless, in all main markets of the Group's local teams continue to work respecting the government limitations, when applicable, but ensuring that the contractual services are provided and the impact of those measures on the ongoing business is minimised.

The Group assesses the probability of this risk as high. Given the constantly evolving situation, the Group is unable to assess the magnitude of the adverse impact of such risks on its business, financial condition, and results of operations. As of the Prospectus Date, the Group assesses that the impact of this risk on the Group's operations and financial results is rather low and depends on the further nature and length of measures taken by the respective governments in the countries where the Group is active.

### ***Inflation Risk***

State support, especially feed-in tariffs, is indexed in the cases of Czech and Hungarian projects; i.e. they are subject to at least partial inflationary adjustment that is defined by a specific band. In case of high inflation, there is consequently a risk that the running operative costs increase while the yields will not be adjusted accordingly.

The occurrence of any of the mentioned risks can have a negative impact on the financial situation, status and results of the Group and consequently also on the Company. The Group assesses the probability of this risk as high. If the risk occurs, the impact on the Group's operations and financial results would be low.

### ***Increased political tensions or developments, particularly in relation to the war in Ukraine, may give rise to uncertainty and negatively affect the business conditions of the Group***

Increased geopolitical tensions, including those related to the war in Ukraine, the Middle East (including the impact of oil prices on the global economy), China and North Korea, and related political developments may give rise to significant uncertainty and also negatively affect the business conditions of the Group. In addition, turmoil in the capital and credit markets may result in decreased availability of credit, which could have an adverse effect on the global economy and, consequently, on the markets in which the Group operates.

There are increasing levels of uncertainty relating to the war in Ukraine and extensive sanctions that have been imposed since the onset of the war. This is expected to affect the general economic environment, such as inflation and energy prices. Challenges in global supply chains may also result in uncertainties. Disturbances related to running infrastructure may also occur, for example due to cyber incidents. As the Group operates in a number of neighbouring countries to Ukraine, any escalation or proliferation of the conflict could have negative effects on the Group's business.

The current geopolitical circumstances also pose a notable risk of shifting in the energy strategy programmes, policies and regulations in various jurisdictions where the Group operates may result in change of conditions on the energy market, application of extraordinary, ad hoc or provisional regulations in response to a threat of the possibility of the situation to escalate and of course an increase in protectionist measures, including further direct or indirect government support for certain participants, which could distort competition in the market and require companies not benefiting from such support to take measures to remain competitive. An increase in protectionist measures could materially shrink global trade.

The Group assesses the probability of this risk as high. Given the constantly evolving situation, the Group is unable to assess the magnitude of the adverse impact of such risks on its business, financial condition, and results of

operations. As of the Prospectus Date, the Group assesses that the impact of this risk on the Group's operations and financial results is rather low and depends on the further developments in the countries where the Group is active.

#### ***Risk Arising From Any Delay or Cancellation of Project Implementation***

The commercial activities of the Group include the operation of photovoltaic power plants and the sale of electricity. The realisation of new photovoltaic power plant projects can be delayed and the photovoltaic power plant may come online later than planned. For example, there can be line bottlenecks or outages in the necessary sections, a stoppage at a supplier's, weather-based delays during assembly or delays based on Acts of God. In these cases, there is the risk that the photovoltaic power plant may be connected to the power grid late and that this will lead to a loss of earnings. Moreover, there is the risk that certain deadlines which are relevant from the point of state subsidies will be missed and that the state subsidies will be reduced or withdrawn as a consequence. In the case of the abandonment of a project, some advance payments may be lost under certain circumstances.

All of the aforementioned risks could have a material adverse effect in the asset, financial and earnings position of the Group. The Group assesses the probability of this risk as medium. If the risk occurs, the impact on the Group's operations and financial results would be low.

#### ***Risk Associated with the Construction of Photovoltaic Power Plants***

The Group will be active as the building owner in association with the construction of any photovoltaic power plants. The construction work will be rendered by Photon Energy Engineering Department or one of its subsidiaries as the general contractor. The corresponding work is usually subject to a contractually agreed warranty period of between 2 and 5 years, according to country specifics and typical industry warranties provided by main technology suppliers (modules, inverters, mounting structure). Photon Energy Technology Department or one of its subsidiaries will procure the components which are necessary for the construction work, especially the photovoltaic modules and DC/AC inverters, from the appropriate manufacturers. The warranty periods concerning the physical properties of these components usually amount to five to 10 years (product guarantees) and up to 25 years linear power warranty for modules. The manufacturer's guarantees pertaining to the components, especially the product and service guarantees will usually be transferred to the owner of the photovoltaic power plant, i.e. the appropriate special purpose vehicle. There is a risk that defects in the photovoltaic power plants and/or in the components used during the installation will only arise after the expiry of the guarantee period or the guarantee itself and that no guarantee claims will therefore be able to be validly made of the given contractual partner. Moreover, it cannot be ruled out that the claim recipient will not be willing or will not be in a position to comply with the guarantee claim which can lead to costly and time-consuming legal disputes under certain circumstances. In the case of the insolvency of the claim recipient, any eventual guarantee claims will come up empty based on insolvency. Even in the case of a manufacturer's guarantee, there is a risk that the guarantee may not be able to be implemented due to the manufacturer's insolvency or for any other legal and/or practical reasons (for example against a foreign group).

The same generally applies with regard to the installation and development of the photovoltaic power plants which are already included in the Company's portfolio, because the seller did not issue any or sufficient guarantees pertaining to them during the acquisition of the shares or the options to the shares by the special purpose vehicle.

The installation of photovoltaic power plants is also associated with the risk that, despite careful planning and advance payments, the connection to the electricity distribution grid will not succeed or will be delayed. The error may occur during the project development or later during the technical implementation. In this case, there is a risk that any claims for compensation of damages made against the given contractual partner who made the error will not be enforceable or will not be able to be enforced in full.

The occurrence of one or more of the aforementioned risks could have an adverse effect on the asset, financial and earnings position of the Group. Proven the Group's track record, the Group assesses the probability of this risk as medium. If the risk occurs, the impact on the Group's operations and financial results would be low.

#### ***Risk Associated with the Power Purchase Agreements***

Realisation of the photovoltaic power plant projects where the electricity will not be fed into the public grid, but will be used directly by a consumer usually involves companies from energy intensive fields with a concluded long-term power purchase agreement ("PPA"). As of the Prospectus Date, neither the Company nor its subsidiaries are party to

any such PPAs; however, the Group does not exclude a possibility to realise projects under PPAs, where the photovoltaic power plant is installed and financed by the Company or by the appropriate special purpose vehicle. There is a risk that the Group may not be able to enter into PPAs for its photovoltaic projects due to intense competition, increased supply of electricity from other sources, reduction in retail electricity prices, changes in government policies or other factors. Moreover, there is a risk that while the Group enters into such PPA the consumer will become insolvent and will therefore no longer be able to consume any more electricity so that the special purpose vehicle in question will have no more earnings. Because no other consumer is usually available in these cases, the sale or other capitalisation of the photovoltaic power plant or any part may therefore not be possible or may only be possible below value, and in consequence, it is not possible to rule out that the special purpose vehicle in question may also become insolvent.

The Group assesses that in the case of entering by the Company or the subsidiaries into such PPA the probability of occurrence would be low, and the impact on the Group's operations and financial results would be low.

### ***Risk of Natural Disasters***

The Group's business could be materially and adversely affected by natural disasters or other catastrophes, such as earthquakes, fire, floods, hail, windstorms, severe weather conditions, environmental accidents, power loss, communication failures, explosions, and similar events. As a result, the Group's facilities could be damaged, and the Group may have to temporarily suspend part or all of its facilities. Furthermore, authorities may impose restrictions on transportation and implement other preventive measures in affected regions to deal with the catastrophe or emergency, which may lead to the temporary closure of the Group's facilities and declining economic activity at large. Moreover, if a natural disaster occurs that results in damage of photovoltaic power plants within the Group, the Group's ability to fulfil its liabilities may be considerably impaired, particularly if the given damage is not covered by insurance, and therefore do not receive the relevant insurance benefits.

All of the aforementioned circumstances would have a significantly adverse influence on the Group's financial situation, status and results. The Group assesses the probability of this risk as low. If the risk occurs, the impact on the Group's operations and financial results would be low thanks to insurance policies and the geographic diversification of the Group's business.

### ***Risk of Loss of Key Personnel***

Successful implementation of commercial strategy and business objectives, as well as the associated success of the Group largely depend on expertise, experience, and contacts of the management, particularly of (indirect) shareholders and members of the Board of Directors, Georg Hotar and Michael Gartner. Key personnel of the Group is involved in creating and implementing the Group's key strategies. Their activities are crucial for the overall management of the Group and its ability to introduce and execute such strategies. The Group believes it is able to retain and motivate these individuals – in spite of strong demand after qualified personnel within the photovoltaic sector. However, the Group cannot guarantee it would be able to retain and motivate such key personnel going forward. There is a risk that the departure of such key personnel would impair dynamics of the business development and/or cause loss of important know-how.

In addition, there are also further qualified expert and managerial personnel, especially in the technical area, in the subsidiaries, with which the Group cooperates almost exclusively within the framework of its commercial activities. If individuals occupying key management positions at the Affiliates or individuals with certain know-how or service providers from the Group should leave the company in question, this could also have an adverse effect on the Group's business activities and its asset, financial and earnings position. If these companies in the Group are no longer able to recruit qualified experts and managers under reasonable conditions and at the necessary extent in the future, this could also affect the competitiveness of the Group and constrain its company growth. This could also have an adverse effect on the asset, financial and earnings position of the Group.

Moreover, the Group success depends, to a significant extend, on the ability to attract, train and retain technical personnel. Recruiting and retaining qualified technical personnel, particularly those with expertise in the solar power industry, are vital to the Group's success. There is a substantial competition for qualified technical personnel, and there can be no assurance that the Group will be able to attract or retrain sufficient qualified technical personnel. If the Group is unable to attract and retain qualified employees, the Group's business may be materially and adversely affected.

The Group assesses the probability of this risk as low. If the risk occurs, the impact on the Group's operations and financial results would be low.

#### ***Risk of the Company's Dependence on Business Activities of its Subsidiaries***

The Group's commercial activities are limited as far as possible to the further development and the active holding and management of its portfolio. The earnings for electricity generation from photovoltaic power plants are currently and (also will be in the future) acquired in the individual SPVs. The economic success of the Group is significantly dependent on its asset and earnings position, on the economic success of its SPVs and on the fact that the SPVs regularly pay the interest and principal payments on the shareholder loans or the dividend payments. In the case of the absence of the interest and principal payments for (shareholder) loans and/or the dividend payments from the SPVs, the Group's asset, financial and earnings position can worsen significantly. In particular, the lack of profit pooling contracts between the Company on the one hand and its SPVs on the other hand means that there is no contractual security to ensure that the profits made in the SPVs will be distributed to the Company. The decisions on dividend pay-outs to the Company are made solely at the management meetings of the SPVs, in which the Company has not in all cases the necessary majority. There is also no guarantee that the SPVs will continue to achieve such surpluses in the future. There is also the fact that the distribution/pay-out to the Company is also limited and can also be limited in the future by the fact that part of the SPV earnings must be paid into reserve funds for future maintenance or repair costs, while in the case of surpluses, (special) settlement must first be made on external loans and interest payments and moreover any dividend payments may only be made with the agreement of the participating banks. If the interest payments and/or dividend payments cease or are delayed, this would have a significant adverse effect on the Group's asset, financial and earnings position.

The Group assesses the probability of this risk as low. If the risk occurs, the impact on the Group's operations and financial results would be low.

#### ***Meteorological Risk, Loss of Revenue, and Risk Associated with Fluctuation of Revenue During a Year***

The performance and therefore also the earnings positions of the companies in the Group are dependent upon the meteorological conditions. Certain revenues for a generated kilowatt-hour of energy are admittedly guaranteed on the basis of the state subsidy programs; however, the volume of the generated energy depends on the period of sunshine and the sun's radiance. The subsidiaries of the Company have used certain historically based assumptions in the cash flow planning. It cannot, however, be ruled out that climatic conditions will change in the future and that the predicted weather patterns will not occur or that the prognoses concerning the sunshine hours will prove to be incorrect. In this case, the electricity generation at the photovoltaic power plants will remain below the expected level and this would have an adverse effect on the liquidity and the asset, financial and earnings position of the respective project companies and therefore also on the Company.

The principal assumptions underlying the estimation of the fair value are discount rate, production volume and revenue model. The Group performs sensitivity analysis for changes in productions output as follows:

Increase in production output by 2% would impact the enterprise/entity value as at 30 June 2022 by increases in the assets value of the Hungarian, Czech and Slovak portfolio in absolute and relative figures by EUR +956 thousand or +1.9%; EUR +902 thousand or 1.9% and EUR +324 thousand or 2.2%, respectively. Decrease in production output by 2% would impact the enterprise/entity value as at 30 June 2022 by decreases in the assets value of the Hungarian, Czech and Slovak portfolio in absolute and relative figures by EUR -951 thousand or -1.9%; EUR -902 thousand or -1.9% and EUR -324 thousand or -2.2%, respectively.

Increase in production output by 2% would impact the enterprise/entity value as at 31 December 2021 by increases in the assets value of PVP of the Hungarian, Czech, Slovak and Australian portfolio in absolute and relative figures by EUR 852 thousand or + 1.7%; EUR 910 thousand or 1.9% and EUR 361 thousand or 2.4%, and EUR 316 thousand or 2%, respectively. Decrease in production output by 2% would impact the enterprise/entity value as at 31 December 2021 by decreases in the value of PVP of the Hungarian, Czech, Slovak and Australian portfolio in absolute and relative figures by EUR -863 thousand or -1.7%; EUR 910 thousand or -1.9% and EUR -361 thousand or -2.4%, and EUR -316 thousand and -2.0%, respectively.

Losses of earnings can occur as a result of stoppages at the photovoltaic power plants, for example on the basis of administrative measures or the stoppage or shutdown of the electricity distribution grid or the grid operators may set

higher line losses than were expected and this can also adversely affect the asset, financial and earnings position of the respective project companies and therefore also of the Company.

The earnings from photovoltaic power plants are subject to seasonal fluctuations in the weather. As such, the earnings are higher in the summer months, but they fall off significantly in the winter months. The companies in the Group try to adapt their payment obligations, especially their interest and loan repayment obligations, to the incoming payments. It cannot, however, be ruled out that this is not possible in every case and this can have an adverse effect on the asset, financial and earnings position of the Group and therefore also of the respective project companies and therefore also ultimately of the Company. With realisation of investment projects in Australia, the overall financial liquidity of the Group will become less seasonally affected due to diversification of locations in northern and southern hemisphere of the globe.

The Group assesses the probability of this risk as low. If the risk occurs, the impact on the Group's operations and financial results would be low.

### ***Technical Risk***

Only limited empirical data is available with regard to the long-term performance of the solar modules. Manufacturers do admittedly usually give performance guarantees for a specific period of time; however, these usually only guarantee a specific percentage of the total operating lifetime (for example, 80% after 20 years). There is a risk that the degradation will not occur in a linear fashion, but that the performance will fall to the lowest guaranteed value during the first couple of years, which will result in a significant worsening of the average performance of the module without the guarantee having been breached or any claim being able to be made against the manufacturer. The corresponding reduced electricity generation would result in negative consequences for the asset, financial and earnings position of the Company.

The service life of the technical components, in particular solar modules and inverters, is limited. It is therefore necessary to expect a breakdown or replacement of essential components during the operating period of a photovoltaic power plant. In this case, there is a risk that the corresponding expenses and/or losses of earnings caused by this will not be covered by the guarantees or that the appropriate contractual partners will not be able to fulfil their obligations. Almost all of the SPVs in the Group's portfolio have admittedly formed reserves held as restrictive cash in banks; these could, however, prove themselves to be insufficient due to unfavourable price development of the components or extremely higher failure rate.

Almost all of the SPVs in the Group's portfolio have admittedly formed reserves held as restrictive cash in banks; these could, however, prove themselves to be insufficient due to unfavourable price development of the components or extremely higher failure rate. As of 30 June 2022, restricted cash on reserve account related to these reserves amounted to EUR 5,256 thousand (31 December 2021: EUR 3,629 thousand).

The risks arising from the operation of the facilities are based on the photovoltaic power plant technology and maintenance. The photovoltaic facilities are exposed to various strains as well as to climatic and environmental influences during their operations. This can result in unplanned maintenance expenses. Moreover, there is a risk that the photovoltaic facilities or parts thereof will not achieve the predicted service life. In a running operation, it is necessary to reckon with technically based losses, such as grid failures. There is also a risk that the photovoltaic facilities can be destroyed in another way, for example as a result of the weather, earthquakes, theft, vandalism or other acts of violence. Downtime due to technical maintenance or for other reasons may lead to losses of earnings which are not covered by any guarantees or insurance.

With regard to existing grid connections, there is always the risk that no remunerated electricity feed will be possible due to irregularities in the general power supply, overcapacity or line bottlenecks and that the affected company in the Group will receive no or only limited compensation.

The occurrence of one or more of the aforementioned risks could have a significantly adverse effect on the asset, financial and earnings position of the Company. The Group assesses the probability of this risk as low. If the risk occurs, the impact on the Group's operations and financial results would be low thanks to the quality of technology and maintenance services.

### ***Risk Associated with Insurance of Group's Property***

The Group has taken out property insurance in respect of its most important assets. However, the Group cannot guarantee that cost incurred as a result of any natural disasters or other unforeseeable events (such as civil unrest, war and terrorism) would not have an adverse effect on its assets and/or economic and financial situation, as the Group's insurance does only fully cover FLEXA (fire, lightning, explosion, aircraft fall) and other natural perils are subjects to an insured limits.

There is the risk that the existing insurance coverage – especially in view of the business operating of the affiliated companies of the Company – is not sufficient. In particular, there is the risk that failures and losses arise exceeding the extent of the existing insurance coverage (see “*Business – Insurance*”). In addition to this, there is the risk that there is no adequate insurance coverage available for certain perils, or at least not available under proper conditions. If a loss should be inflicted on the companies of the Group – a loss against which there is no or only inadequate insurance coverage – it can have an adverse effect on the financial situation, status and results. The Group continues to review the insurance covers and investigate the insurance market possibilities to make sure that the Group's property will have best possible and still cost-effective cover. The Group assesses the probability of this risk as low. If the risk occurs, the impact on the Group's operations and financial results would be low.

### ***Risk of an Insufficient Risk Management System of the Group***

The Group has a risk management system in place. The controlling of the Group is carried out by subsidiaries of the Company. Due to the planned expansion of the portfolio – especially in other countries – the risk management system including the controlling of the Group have to be, because of exchange of information as well as recording and processing of data of the foreign daughter companies, continuously enlarged. It cannot be ruled out that this does not happen at all or does not happen timely which means information possibly relevant for dealing with the risk is not at all, not completely or not fast enough made public. It can then happen that – despite the existence of a risk management system – great risks for the affiliated companies abroad will be discovered too late or not at all. In addition it cannot be ruled out that already known risks will be miscalculated. There is the risk that the risk management system including controlling of the Group prove to be as partially or completely insufficient or that they will fail and that consequently risks within the business activity of the Group will materialise or that they will not be discovered soon enough or that it all could result in development and decisions misleading in a business and administrative way. The occurrence of one or more of these risks could have a negative impact on the financial situation, status and results of the Group.

The Group assesses the probability of this risk as low. If the risk occurs, the impact on the Group's operations and financial results would be low.

### ***Inability to Forecast Business Accurately***

The Group's inability to forecast its business accurately could prevent it from properly planning expenses and process capacity. The Group bases its current and future expense levels on its forecasts of its business and future revenues. Such future revenues and results of operations are difficult to forecast because they generally depend on the volume, timing and type of future revenues, all of which are uncertain.

The Group assesses the probability of this risk as medium. If the risk occurs, the impact on the Group's operations and financial results would be low.

## **Risk Factors Associated with the Legal and Regulatory Environment**

### ***Risk of Dependence on Support of Photovoltaics in Various Countries and Dependence on Existing and Future Framework Conditions and State Managed Subsidy Programs for Photovoltaics***

The Group is an operator of photovoltaic power plants and as such it is dependent on the economic development of the photovoltaic market. The rapid growth in this market in recent years has been largely based on regulatory framework conditions and subsidies in various countries. Still, in a majority of countries worldwide, the photovoltaic branch would not yet be competitive without state subsidy programs especially in comparison with the use of conventional energy sources (e.g. nuclear power, coal and natural and shale gas). Therefore, the commercial operations of the Group are influenced by the continuation of the state managed subsidy programs for photovoltaics. Moreover, a shift in the state

managed subsidy programs for individual (renewable) energy sources will also affect the commercial operations of the Group.

Risks especially arise from new legal regulations which can exercise a significant influence on the demand for electricity generated from photovoltaics in the individual countries. For example, in state managed subsidy programs the buyback price is guaranteed for a fixed period in countries which follow this concept. The rate of remuneration depends on the country or on the valid buyback price as of the moment of the grid connection and according to the permit. The starting dates for the application of any new legal regulations are therefore of special significance. If facilities from the Group's projects are subject to extraordinary delays which make the grid connection possible only after such a starting date, whereby the facility's profitability was originally calculated on the basis of the previously valid buyback price, this can adversely affect the profitability of the facility in question and which could result in the dividends/payments to the Group being lower than planned or even non-existent. Moreover, it cannot be ruled out that the low income from electricity production will no longer suffice to cover the ongoing costs, in particular the financing costs, so that the Group could be forced to make up the resulting difference or to sell off the photovoltaic facility at a price below the acquisition price.

The buyback price and the subsidies for facilities which are already connected to the grid are fundamentally unaffected by new regulations. However, changes can come into effect at very short notice without any ongoing protection for investments which have already been made and are not subject of protection of bilateral investment treaties. It is possible that the state managed subsidies for renewable energy in general or for photovoltaics specifically in all markets will be reviewed in the courts and as such will be regarded as being against the law or reduced or abolished for some other reason. Issued consent could be revoked or the realisation of planned legislation aimed at supporting photovoltaic power may not be implemented. In addition, the introduction of changes to the state managed subsidy programs with retroactive effect cannot be fully ruled out.

In the Czech Republic, a solar levy of 26% of revenues had been introduced for the years 2011, 2012 and 2013, which was subsequently reduced to 10% from 2014 onwards for photovoltaic power plants which were connected in the year 2010.

Effective as of 1 January 2022 there is a new law on the support of renewable energy sources ("**RES**") which empowers government to set maximum project internal rates of returns for the various supported RES in an interval from 8.4% to 10.6% for the respective support periods. For photovoltaic power plants commissioned in the years 2009 and 2010 a 10% increase of the solar levy has been approved, so that vintage 2009 power plants are paying 10% and vintage 2010 power plants are paying 20%.

In July 2021, the Parliament of Slovak Republic amended the Act No. 309/2009 Coll. on Subsidies for Renewable Energy Sources. This amendment was aimed at decreasing the price of electric energy for consumers and at the same time not to decrease the present net value of the affected power plants. In order to achieve these goals the provision of the feed-in-tariff was extended for an additional five years (until 31 December 2033 latest).

However, as of January 2022 the Group has started changing its business model from state supported to merchant, selling majority of generated electricity at the market prices. As of the Prospectus Date, approximately 75.7 MWp (82.4%) of the Group's PV portfolio sells electricity at the market prices, hence the dependence on the public support. Out of the merchant portfolio, approximately 51.3 MWp, i.e. the Czech power plants and Hungarian power plants under KÁT-licenses and METÁR-KÁT-licenses, can return to the feed-in-tariff model. In the case of the Czech power plants the decision about the potential return to feed-in-tariff will be made during November 2022 and will be applicable from the beginning of 2023. In the case of the Hungarian power plants, the return to feed-in-tariffs can be exercised after 12 months from the exit, i.e. from 1 April 2023.

All of the aforementioned factors can have a material adverse effect on the liquidity and the assets, financial and earnings position of the Group. The Group assesses the probability of this risk as medium. If the risk occurs, the impact on the Group's operations and financial results would be moderate.

### ***Regulatory Risk***

The Group is subject to a variety of laws and regulations in the markets where it does business, some of which may conflict with each other and all of which are subject to change. These laws and regulations include energy regulations, exports and import restrictions, tax laws and regulations, environmental regulations, labour laws and other government

requirements, approvals, permits and licenses. The Group also faces trade barriers and trade remedies such as export requirements, tariffs, taxes and other restrictions and expenses, including antidumping and countervailing duty orders, which could increase the prices of its products and make the Group less competitive in some countries.

In the countries where the Group operates, the market for solar projects, solar power products and solar electricity is heavily influenced by national, state and local government regulations and policies concerning the electricity utility industry, as well as policies disseminated by electric utilities. These regulations and policies often relate to electricity pricing and technical interconnection of customer-owned electricity generation, and could deter further investment in the research and development of alternative energy sources as well as customer purchases of solar technology, which could result in a significant reduction in the potential demand for the Group's solar power products, solar projects and solar electricity.

Changes in applicable energy laws or regulations, or in the interpretations of these laws and regulations, could result in increased compliance cost or the need for additional capital expenditures. If the Group fails to comply with such requirements, the Group could also be subject to civil or criminal liability and the imposition of fines. Further, national, regional or local regulations and policies could be changed to provide for new rate programs and undermine the economic returns for both new and existing projects by charging additional, non-negotiable fixed or demand charges or other fees or reductions in the number of projects allowed under net metering policies.

Photovoltaics are subject to comprehensive regulation in most countries attractive for the Group. The relative deceleration of the European photovoltaic market results from further deliberate regulatory changes. In several European countries, investors' confidence and viability of investments in photovoltaics were significantly affected due to radical reduction of support, retroactive measures, and unplanned changes of the regulatory framework. All these factors have resulted in a significant market slowdown. There is a risk that the regulatory changes may pre-vent the Investors from implementing projects in perspective countries, because such projects would not meet the minimum return on investment criteria. This would have a significant adverse effect on the Group's future financial situation, whereas the required and planned growth of Group's financial strength would not occur.

All of the aforementioned circumstances would have potentially adverse influence on the Group's financial situation, status and results. The Group assesses the probability of this risk as medium. If the risk occurs, the impact on the Group's operations and financial results would depend on the scope of such measures but thanks to geographical diversification the Group estimates the impact as moderate.

#### ***Risk Associated with Potential Bankruptcy (Insolvency) Proceedings***

In case the Company is unable to fulfil its liabilities as they become due, the Company may become subject to bankruptcy (insolvency) proceedings; according to Regulation (EU) 2015/848 of the European Parliament and of the Council of 20 May 2015 on insolvency proceedings, as amended, a court of law of the Member State of the European Union ("**Member State**" for the purpose of this subsection; with the exception of Denmark), within the territory of which the centre of the relevant company's main interests (as used in article 3 para 1 of the EU Regulation on Insolvency Proceedings) is situated will have jurisdiction to open insolvency proceedings. The centre of main interests is the place where the company conducts the administration of its interests on a regular basis and which is ascertainable by third parties. The determination of the centre of the Company's main interests is a question of fact that may be viewed differently (even with contradicting conclusions) by courts of individual Member States. In case the Company faces financial difficulties, it is not possible to state with certainty, which legal regulations would govern potential opening of insolvency or similar proceedings, or even anticipate the result thereof. In case insolvency proceedings are opened in the Kingdom of the Netherlands, the Dutch Bankruptcy Act (*Faillissementswet*) would govern the proceedings. Dutch legal regulations for insolvency proceedings vary from the legal regulation of other jurisdiction; this may affect the amount of settlement of any liabilities in the course of insolvency proceedings compared to other jurisdictions. Any liabilities would very likely be settled only partially and with delay from the Company's estate in the course of insolvency proceedings.

The Group assesses the probability of this risk as low. If the risk occurs, the impact on the Group's operations and financial results would be high.

### ***Risk of Information Leakage (Strategy, New Products, etc.)***

The Company employs individuals, who take part in creating the strategy of the entire Group, designing new products, and defining business direction of the Company and the whole Group. In case of any disclosure of sensitive information relating to the Company and/or companies within the Group, operations of the entire Group may be at risk and the existing market position may be lost; this could ultimately result in deteriorating financial results of the Company and companies within the Group.

Due to the Company's reporting obligations as a result of shares listed on the regulated market (parallel market) organised by the Warsaw Stock Exchange (*Gięlda Papierów Wartościowych w Warszawie S.A.*) (the "WSE") and on the regulated market (standard market) organised by the Prague Stock Exchange (*Burza cenných papírů Praha, a.s.*) (the "PSE"), there is a risk that any disclosure of financial information relating to the Company prior to their official communication would result in fines for the Company and other penalties (as appropriate); in case of repeat violations, the public trading of Company's shares may even be suspended. These sanctions may also be imposed as a result of the Company's failure to comply with its reporting obligations under the rules of the WSE and PSE.

The Group assesses the probability of this risk as low. If the risk occurs, the impact on the Group's operations and financial results would be low.

### ***Environmental Risk***

In environmental matters, the business activity of the Group has to comply with laws, regulations and directives valid in the location of the photovoltaic power plant; these laws regulate e.g. emissions in the air, sewages, protection of soil and groundwater as well as health and security of people. Transgressions against these environmental provisions can be pursued according to civil, criminal and public law. Especially temporary provisions could encourage a third party to open a process or – given the circumstances – to demand costly measures to control and remove environmental pollution or to upgrade technical facilities. The properties necessary for photovoltaic power plants are partially owned by the respective SPV. It cannot be ruled out that these are contaminated sites; for removing these, the respective SPV is responsible, regardless of the cause. This could result in liability risks and costs in the context of administrative orders or requirements.

One of the photovoltaic power plants in the Czech Republic was built on a property where lime had been quarried in the past and after that, the property was used as a landfill. This landfill is now closed; however, it cannot be completely ruled out that the ground slumps on some spots or that despite sealing off the contaminated substances from the landfill find their way into the soil which would result in relevant remediation measures. In both cases, there is the risk that the operation of a photovoltaic power plant would be tangibly damaged, in some cases even interrupted. In addition to that, there are still small remaining quantities of lime present, so that it would be legally possible to apply for a new license to quarry lime again. Following Czech laws, the granting of this license could lead to the situation where the lime would be quarried again regardless the presence of the SPV – or the photovoltaic power plant, which in further consequence would lead to the removal of this photovoltaic power plant.

All the aforementioned circumstances can have a negative impact on the financial situation, status and results of the Group. The Group assesses the probability of this risk as low. If the risk occurs, the impact on the Group's operations and financial results would be low.

## **Risk Factors Associated with the Bonds**

### **Risks Related to the Nature of the Bonds and their Terms and Conditions**

#### ***Risk of lacking influence on the management of the Company***

Investors who acquire the Bonds will become creditors of the Company. As creditors, they have no right to take part in the management of the Company. Therefore, the investors generally have no opportunity to influence the strategy and the development of the Company and depend on the decisions of the management and shareholders. There is accordingly a risk that faulty business decisions could lead to a situation where the payment of interest or principal on the Bonds could be adversely affected.

Any of the risks mentioned above may have a material adverse effect on the value of the Bonds. The Group assesses the probability of this risk as high.

***Risk connected with transaction costs, particularly for non-German investors***

Transaction costs, such as bank commissions and other costs related to the acquisition or sale of the Bonds can lead – especially in case of low volume of orders per transaction – to high expenses for bondholders, *e.g.* when minimal fees per transaction are required. These costs can substantially lessen the potential yields of the Bonds. Before purchasing the Bonds, potential investors should therefore inform themselves about the costs that may arise in connection with the purchase or sale of the Bonds.

In addition, although the Bonds are publicly offered in the Federal Republic of Germany, the Republic of Austria and the Grand Duchy of Luxembourg, paying agent offices are solely located in the Federal Republic of Germany. Accounting and administration of the Bonds could therefore be rather expensive for investors from abroad. Especially for investors with a place of residence outside the Federal Republic of Germany, the Republic of Austria and the Grand Duchy of Luxembourg or with non-German, Austrian or Luxembourg bank details, there is a risk that the acquisition of the Bonds via deposit booking and the execution of the interest payments and redemption payments can take place only through an international bank and before the acquisition it could be necessary to open a bank account with an international bank with access to the German, Austrian or Luxembourg securities markets. Consequently, additional costs could be incurred through the acquisition of the Bonds and with the execution of interest and redemption payments.

Any of the risks mentioned above may have a material adverse effect on the value of the Bonds. The Group assesses the probability of this risk as moderate.

***Risk arising from additional debt financing***

With the exception of restrictions arising from the Company's obligation not to create or allow the creation of any security of any of its liabilities by means of liens or other similar third party rights, unless the Company ensures that its liabilities under the Bonds are secured equally (*pari passu*) or in another manner approved in the form of a resolution of a meeting of bondholders, there are no significant legal restrictions relating to the volume or terms and conditions of any future debt financing of the Company. Other liabilities can be equal ranking with the Bonds or they can be superior. Each incurrence of additional liabilities increases the indebtedness of the Company and can reduce the sum which bondholders would be entitled to receive as creditors in case of a liquidation or insolvency of the Company. At the same time, further interest charges and liabilities that must be repaid can limit or completely remove the Company's capability to pay back principal and interest on the Bonds.

If the Company accepts additional debt financing, it could ultimately mean that bondholders' receivables from the Bonds may be satisfied to a lesser degree in the course of insolvency proceedings compared to a situation, where such debt financing is not accepted. Increasing indebtedness of the Company also increases the risk that the Company may be in default with the fulfilment of its liabilities under the Bonds.

Any of the risks mentioned above may have a material adverse effect on the value of the Bonds. The Group assesses the probability of this risk as low.

***Risk of lacking tradability of the Bonds***

The Bonds are freely transferable. It cannot be completely ruled out that no inclusion into trading will actually take place or the liquidity will be low and consequently that the possible future sales of the Bonds will be strongly limited or even not possible at all. The same applies to delisting – *i.e.* removal of the listed security from the exchange on which it was traded. In some cases, it is even not possible to sell the Bonds until their maturity so that the investor would have to wait six years before regaining the value of the Bonds.

It is uncertain whether a liquid secondary market will develop for the Bonds or that – if it does develop – it will persist or that the established quotation price will correspond to the calculated value of the Bonds. Due to the relative illiquidity of the market, it can be difficult for bondholders willing to sell to find an appropriate buyer. Therefore, it cannot be completely ruled out that investors will not be able to sell their Bonds at all, or not at the desired moment

or the desired price; the purchase price can be substantially lower than the price initially paid for the Bonds, so that the bondholder may suffer a loss.

Any of the risks mentioned above may have a material adverse effect on the value of the Bonds. The Group assesses the probability of this risk as low.

#### ***Risk of fixed-rate bonds***

Holders of fixed-rate Bonds are exposed to a risk of price change of the Bonds because of changes of market interest rates. While the nominal interest rate specified in the Terms and Conditions is fixed until the Bonds' maturity, the current capital market interest rate changes – usually on a daily basis. Changes in the market interest rate affect the price of the fixed-rate bonds – in opposite direction. Therefore, if the market interest rate increases, the price of the fixed-rate bonds usually drops to a level, where the yield on such bonds roughly equals the market interest rate. On the other hand, if the market interest rate decreases, the price of the fixed-rate bonds usually increases to a level, where the yield on such bonds roughly equals to the market interest rate.

Any of the risks mentioned above may have a material adverse effect on the value of the Bonds. The Group assesses the probability of this risk as moderate.

#### ***Risk of taxation***

Potential buyers or sellers of the Bonds should know that they might be required to pay taxes or other fees in compliance with the regulations or practice of a country in which the Bonds' transfer takes place, or in another relevant country in the given situation. In some jurisdictions, no official standpoints of tax authorities or court decisions relating to financial instruments such as the Bonds may be available. Prospective investors should follow recommendations of their tax advisors relating to their individual taxation situations. When considering investments in the light of the risks specified in this section, it is at least necessary to consider tax implications of acquiring, selling, and holding the Bonds and receiving interest income on the Bonds in compliance with the applicable tax regulations of a country in which the investor is a tax resident, or of other countries, in which the revenue from the holding and sales of the Bonds may be subject to taxation. Prospective investors in the Bonds should be aware of the fact that, because of any changes in tax regulations, the final yield of the Bonds may be lower than originally expected and investors may receive lower amount than originally expected upon the Bonds' sale or maturity.

The development of tax law is subject to constant change. The Company cannot influence whether the tax provisions, valid at the moment of creating of this document, and the tax administrative instructions, decrees, enactment and directives – issued in order to support the execution of the above mentioned provisions – will remain valid and unchanged until the Bonds mature. There is a risk that future changes of the tax law, changes of the perception of administration or a potentially changed jurisdiction of fiscal courts will have negative impacts both on the business activity of the company and its SPVs and on the tax condition for the investors in relation to the loans. This could lead to substantial additional tax burdens both for the Company or its SPVs on the one hand, and for the investors on the other.

Any of the risks mentioned above may have a material adverse effect on the value of the Bonds. The Group assesses the probability of this risk as low.

#### ***Risk of the possible loss of rights due to a bondholder majority decision***

Under applicable German law, bondholders are exposed to the risk of being outvoted by a majority decision (i.e. three-quarters majority) of other bondholders and to lose crucial rights with respect to the Bonds against their will. If a joint representative of all the bondholders is appointed, any individual bondholders can completely or partially lose the opportunity to assert and enforce its rights against the Company, independent of other creditors. A majority decision of bondholders that leads to a loss of rights of bondholders can have a very negative impact on the value of the Bonds.

Any of the risks mentioned above may have a material adverse effect on the value of the Bonds. The Group assesses the probability of this risk as low.

## Risks Related to the Use of Proceeds

*There can be no assurance that the use of proceeds for the Bonds will be suitable for the investment criteria of an investor.*

The Company intends to apply an amount of the proceeds from an offer of the Bonds specifically for projects and activities that promote climate-friendly, or other environmental, sustainable or social purposes (“**Eligible Assets**”). The Company has established a framework for such issues which further specifies the eligibility criteria for such Eligible Assets (the “**Green Financing Framework**”). The Green Financing Framework was issued in September 2021 and can be accessed on the website of the Company ([photonenergy.com/greenbond2022](http://photonenergy.com/greenbond2022)). For the avoidance of doubt, neither the Green Financing Framework nor the content of the website or any Second-Party Opinion (as defined below) are incorporated by reference into or form part of this Prospectus.

Prospective investors should have regard to the information in this Prospectus regarding the use of proceeds of the Bonds and must determine for themselves the relevance of such information for the purpose of any investment in such Bonds (together with any other investigation such investor deems necessary, including a review of the Green Financing Framework and the Second-Party Opinion). Due to the envisaged use of the proceeds from the issue of the Bonds, the Company may refer to the Bonds as, e.g., “green bonds”. There is currently no clearly defined definition (legal, regulatory or otherwise) of, nor market consensus as to what constitutes or may be classified as, a “green” or an equivalently labelled project. It is an area which has been, and continues to be, the subject of many and wide-ranging voluntary and regulatory initiatives to develop rules, guidelines, standards, taxonomies and objectives. Even if such voluntary or regulatory initiatives should arrive at a definition of “green” (or any equivalent label) they are not necessarily meant to apply to the Bonds nor will the Company necessarily seek compliance for any of the Bonds with all or some of such rules, guidelines, standards, taxonomies or objectives.

For example, at the EU level, Regulation (EU) 2020/852 of the Council and the European Parliament on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (the “**Taxonomy Regulation**”), establishes criteria for determining whether an economic activity qualifies as environmentally sustainable for the purposes of environmentally sustainable investments. The Taxonomy Regulation entered into force on 18 July 2020 and applies in part from 1 January 2022, and in whole from 1 January 2023. The Taxonomy Regulation empowers the European Commission to adopt delegated acts and to establish technical screening criteria to specify the requirements set out in the Taxonomy Regulation. Furthermore, the European Commission published a legislative proposal for a Regulation of the European Parliament and of the Council on European green bonds that intends to create a voluntary standard for bonds financing sustainable investment (the “**EU Green Bond Standard**”) on 6 July 2021. The Economic and Monetary Affairs Committee of the European Parliament published its proposed amendments to the EU Green Bond Standard on 17 May 2022. The proposed regulation lays down uniform requirements for issuers of bonds that seek to use the designation “European green bond” or “EuGB” for their environmentally sustainable bonds. The proposed EU Green Bond Standard will use the definitions set out in the Taxonomy Regulation and the delegated acts to define what is considered to be a green investment. The Bonds may not be eligible for the designation as “European green bond” or “EuGB”. The Company is under no obligation to take steps to have any Sustainability Bonds issued by it become eligible for such designation. The EU Green Bond Standard is reflected in the Green Financing Framework on a best-efforts basis only and no assurance or representation is given that the Bonds issued as described in the Green Financing Framework will, at any time, be compliant with the EU Green Bond Standard.

Accordingly, no assurance can be given by the Company that the envisaged use of proceeds for the Bonds by the Company for any Eligible Assets in accordance with the Green Financing Framework will satisfy, either in whole or in part,

- (i) any existing or future legislative or regulatory requirements, or
- (ii) any present or future investor expectations or requirements with respect to investment criteria or guidelines with which any investor or its investments are required to comply under its own governing documents, internal policies or other governing rules or investment portfolio mandates.

Further, no assurance or representation can be given by the Company that the reporting under the Green Financing Framework will meet investor needs or expectations.

There can be no assurance by the Company or any other person that the relevant project(s) or use(s) the subject of, or related to, any Eligible Assets will be capable of being implemented in or substantially in such manner and/or accordance with any timing schedule and that accordingly such proceeds will be disbursed in whole or in part for such Eligible Assets. Nor can there be any assurance by the Company or any other person that such Eligible Assets will be completed within any specified period or at all or with the results or outcome (whether or not related to the environment) as originally expected or anticipated by the Company.

Any such event or any failure by the Company to do so will not constitute an event or default under the Bonds or give the bondholders the right to otherwise early terminate the Bonds.

Payment of principal and interest on the Bonds issued in accordance with the Green Financing Framework will be made from the Group's general funds and will not be directly linked to the performance of any Eligible Assets.

No assurance or representation can be given by the Company as to the suitability or reliability for any purpose whatsoever of any opinion or certification of any third party (whether or not solicited by the Company) which has been or may be made available in connection with the issue of any Bonds and in particular with any Eligible Assets to fulfil any environmental, social sustainability and/or other criteria (each, a **"Second-Party Opinion"**). Any such sustainability evaluation may not address risks that may affect the value of any Bonds issued under the Green Financing Framework or any Eligible Assets against which the Company may assign the proceeds of the Bonds.

Such Second-Party Opinion provides an opinion on certain environmental and related considerations and is not intended to address any credit, market or other aspects of an investment in the Bonds, including without limitation market price, marketability, investor preference or suitability of any security. Such Second-Party Opinion is a statement of opinion, not a statement of fact, and is not, nor should be deemed to be, a recommendation by the Company or any other person to buy, sell or hold the Bonds. Any such Second-Party Opinion is only current as of the date it was initially issued and may be updated, suspended or withdrawn by the relevant provider at any time. Prospective investors must determine for themselves the relevance of any such Second-Party Opinion, the information contained therein and the provider of such Second-Party Opinion for the purpose of any investment in the Bonds.

As of the date of this Prospectus, the providers of such Second-Party Opinions are not subject to any specific regulatory or other regime or oversight. There can be no assurance that bondholders will have any recourse against the provider of any Second-Party Opinion.

Insofar as the Bonds are listed or admitted to trading on any dedicated "green", "environmental", "sustainable" or other equivalently labelled segment of any stock exchange or securities market (whether or not regulated) or included in any index so labelled, no representation or assurance is given by the Company any other person that such listing, admission or inclusion satisfies, whether in whole or in part, any present or future investor expectations or requirements with respect to investment criteria or guidelines with which any investor or its investments are required to comply under its own by-laws or other governing rules or investment portfolio mandates. Furthermore, it should be noted that the criteria for any such listing, admission to trading or inclusion in any index may vary from one stock exchange or securities market to another. Nor is any representation or assurance given or made by the Company or any other person that any such listing, admission to trading or inclusion in any index will be obtained in respect of the Bonds or, if obtained, that any such listing, admission to trading or inclusion will be maintained until the Bonds mature.

Any of the risks mentioned above and in particular (i) the non-compliance of the Bonds with any future voluntary or regulatory standard for sustainable instruments, (ii) a failure to apply an amount of the proceeds of the issue of the Bonds for any Eligible Assets and (iii) the withdrawal of any Second-Party Opinion may have a material adverse effect on the value of the Bonds. The Group assesses the probability of this risk as low.

### ***Credit risk***

The repayment of the principal and fulfilling of interest-paying commitments under the Bonds depend on whether the Company - within the framework of its business activities - uses the proceeds from the issue of the Bonds in such a way that is also able to meet its obligations to the bondholders. If the Company fails to do so, or if the creditworthiness of the Company is otherwise affected, then there is a risk of a partial or even complete loss of investment.

Any of the risks mentioned above may have a material adverse effect on the value of the Bonds. The Group assesses the probability of this risk as low.

## IMPORTANT INFORMATION

Capitalised terms used in this Prospectus and not otherwise defined in this Prospectus have the meanings ascribed to such terms in the “*Abbreviations and Definitions*” section. Moreover, certain industry terms and other terms used in this Prospectus are explained in the “*Abbreviations and Definitions*”, “*Glossary of Industry Terms*”, and “*Presentation of Financial and Other Information - Market, Economic and Industry Data*” sections below.

Unless implied otherwise in this Prospectus, the terms the “**Group**” or similar terms refer to the Company together with its consolidated subsidiaries. The terms the “**Company**” and the “**Issuer**” refer solely to Photon Energy N.V.

Unless indicated otherwise, references to statements as to beliefs, expectations, estimates and opinions of the Company or its management refer to the beliefs, expectations, estimates and opinions of the Board of Directors.

### Responsibility Statement

The Company accepts responsibility for the information contained in this Prospectus. To the best of the Company’s knowledge, the information contained in this Prospectus is in accordance with the facts and the Prospectus makes no omission likely to affect its import. The registered office of the Company is Amsterdam and its business address is Barbara Strozilaan 201, 1083 HN Amsterdam, the Netherlands.

### Important Notice

This Prospectus will be valid through and including 1 September 2023, *i.e.* 12 months after the date of its approval. The information contained in this Prospectus applies only as of the date hereof and any obligation to supplement this Prospectus in the event of significant new factors, material mistakes or material inaccuracies (insofar as required under the Prospectus Regulation) will not apply when the Prospectus is no longer valid. The CSSF only approves this Prospectus as meeting the standard of completeness, comprehensibility and consistency imposed by the Prospectus Regulation. Such approval should not be considered as an endorsement of the quality of the Bonds and the Company that are subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the Bonds.

This Prospectus is intended to provide information to prospective investors in the context and for the sole purpose of making the Offer. It contains selected as well as summary information, does not express nor is it intended to express any commitment or acknowledgement or waiver and does not create any express or implied right or claim towards anyone other than a prospective investor in the context of the Offer. The contents of this Prospectus are not to be construed as an interpretation of the Group’s obligations, its market practice or contracts entered into by the Group.

**Prospective investors are expressly informed that an investment in the Bonds entails financial risk and that they should therefore read this Prospectus in its entirety, in particular the “*Risk Factors*” section hereof, when considering an investment in the Bonds. In making an investment decision, prospective investors must rely on their own examination, analysis and enquiry of the Company and the Bonds, and the information contained in this Prospectus (and any supplement thereto), taking into account that any summary or description, set forth in this Prospectus (or any supplement thereto), of legal provisions, accounting principles or a comparison of such principles, corporate structuring or contractual relationships is for informative purposes only and should not be construed as legal, accounting or tax advice as to the interpretation or enforceability of such provisions, information or relationships.**

Except as provided for under mandatory provisions of law, no person is authorised to give any information or to make any representation in connection with the Offer other than as contained in this Prospectus, and, if given or made, such information or representation must not be relied upon as having been authorised by the Company.

The Company or any of its respective representatives does not make any representation to any prospective investor of the Bonds regarding the legality of an investment in the Bonds by such prospective investor under the laws applicable to such prospective investor. The contents of this Prospectus should not be construed as legal, financial or tax advice. The investors are advised to consult their own legal adviser, independent financial adviser or tax adviser for legal, financial or tax consequences relating to a purchase of the Bonds.

This Prospectus may not be used for, or in connection with, and does not constitute, or form part of, an offer by, or invitation by or on behalf of, the Company or any representative of the Company, to purchase any securities or an offer to sell or issue, or solicitation to buy securities by any person in any jurisdiction. The distribution of this Prospectus may, in certain jurisdictions, be restricted by law. Neither this Prospectus nor any advertisement or any other related material may be distributed or published in any jurisdiction except under circumstances that will result from and be compliant with applicable laws and regulations.

Neither the delivery of this Prospectus nor any sale made hereunder at any time after the date hereof will, under any circumstances, create any implication that there has been no change in the Company's affairs since the date hereof or that the entirety of the information included in this Prospectus is correct as of any time subsequent to its date.

### ***Notice to Prospective Investors from the United States***

This Prospectus does not constitute an offer of securities for sale in the United States or an offer to acquire or exchange securities in the United States. The Bonds may not be offered, sold, resold, delivered, distributed or otherwise transferred, directly or indirectly, in or into the United States absent registration under the U.S. Securities Act or an exemption therefrom. The Bonds have not been approved or disapproved by the U.S. Securities and Exchange Commission, any state securities commission in the United States or any other United States regulatory authority, nor have any of the foregoing authorities passed upon or endorsed the accuracy or adequacy of this Prospectus. Any representation to the contrary is a criminal offense in the United States.

## **Presentation of Financial and Other Information**

### ***Historical Financial Information and Other Data in the Prospectus***

#### ***Financial Information***

The audited historical consolidated financial information of the Group as of and for the year ended 31 December 2021, with comparative figures as of and for the year ended 31 December 2020, (the “**2021 Audited Consolidated Financial Statements**”), the audited historical consolidated financial information of the Group as of and for the year ended 31 December 2020, (the “**2020 Audited Consolidated Financial Statements**”, and together with the 2021 Audited Consolidated Financial Statements, the “**Audited Consolidated Financial Statements**”) and unaudited condensed consolidated interim financial statements of the Group as of and for the six months ended 30 June 2022 with comparative figures as of and for the six months ended 30 June 2021 (the “**Interim Consolidated Financial Statements**”, together with the Audited Consolidated Financial Statements, the “**Historical Consolidated Financial Statements**”) have been included by way of incorporation by reference in the Prospectus in order to present the historical financial information of general use for the purpose of the Offer conducted in accordance with the Prospectus.

The Historical Consolidated Financial Statements contained in this Prospectus were prepared in accordance with the International Financial Reporting Standards adopted by the EU (the “**IFRS**”). The Interim Consolidated Financial Statements have been prepared in accordance with IAS 34 ‘Interim Financial Reporting’. Interim Consolidated Financial Statements do not include all of the information required in annual financial statements in accordance with IFRS, and should be read in conjunction with the 2021 Audited Consolidated Financial Statements.

The Audited Consolidated Financial Statements were audited by PricewaterhouseCoopers Accountants N.V. (“**PwC**”). PwC are independent auditors and issued independent auditor's reports, in accordance with relevant regulations of law.

Unless stated otherwise, the financial data concerning the Group presented herein originates from or has been calculated on the basis of the Historical Consolidated Financial Statements. Unless stated otherwise, the method of presentation of the financial data in the Prospectus corresponds to the method of presentation of such data in the Historical Consolidated Financial Statements. Certain financial information and operating data presented in the Prospectus has been excerpted from, prepared or calculated based on sources other than the Historical Consolidated Financial Statements, such as management accounts and schedules prepared by the Group for its internal purposes. Such data has not been subject to any audit or review procedures carried out by independent certified auditors, and the Company has been indicated as their source, while the information is marked as “unaudited”.

References to the adjective “audited” used with respect to the financial information of the Group as of and for the years ended 31 December 2021 and 2020 presented in the body of this Prospectus mean that the data were derived from the 2021 Audited Consolidated Financial Statements audited by PwC, unless expressly indicated otherwise. References to the adjective “unaudited” used with respect to the financial information of the Group as of and for the years ended 31 December 2021 and 2020 presented in the body of this Prospectus mean that the data were not derived from the Audited Consolidated Financial Statements audited by PwC. References to the adjective “unaudited” used with respect to the financial information of the Group as of and for six months ended 30 June 2022 and 2021, respectively, mean that the data were not audited by any independent auditor.

The Historical Consolidated Financial Statements as well as other financial information and operating data are presented in EUR, the functional currency of the Company (in thousands of EUR, unless stated otherwise).

In certain instances, the sum of figures in a column or a row in the tables contained in the Prospectus may not conform exactly to the total figure given that column or row. Some percentages in the tables in the Prospectus have also been rounded and, accordingly, the totals in these tables may not exactly add up to 100%. Percentage changes during the periods compared were computed on the basis of the original (not rounded) amounts.

#### *Alternative Performance Measures*

*The Board of Directors evaluates the Company’s and the Group’s performance using selected capital, profitability, liability and liquidity ratios, which are not taken from the Historical Consolidated Financial Statements, but only have been calculated on the basis of the financial information presented in the Historical Financial Information. The ratios presented in this section are Alternative Performance Measures (APM) within the meaning of the ESMA Guidelines on Alternative Performance Measures. Such data has not been audited or reviewed by an independent certified auditor. The disclosed Alternative Performance Measures comply with ESMA Guidelines on Alternative Performance Measures. The Alternative Performance Measures are not indicative of financial performance and have not been prepared in accordance with the IFRS or any other generally accepted accounting principles or standards. The Board of Directors believes that the Alternative Performance Measures are among the measures used by the Board of Directors to evaluate the financial performance of the Company and the Group and they are frequently used by securities analysts, investors and other interested parties to perform their own evaluation. They do not have uniform definitions and are not calculated by entities in the same manner; therefore, no assurance may be given that the Alternative Performance Measures of the Group will be comparable with similar ratios presented by other entities, including entities operating in the same sector as the Group. Consequently, data presented or reported by other entities may not be comparable to the data presented below, and their inclusion in the Prospectus should be regarded as the presentation of additional information to such metrics. Therefore, investors should not consider these measures in isolation or as a substitute for operating profit or the data provided in the rest of this section and elsewhere in this Prospectus. The Alternative Performance Measures should not be given more importance than measures stemming directly from the Historical Consolidated Financial Statements. In the Company’s opinion, the other financial data or financial ratios presented in the Prospectus are not Alternative Performance Measures.*

The following tables show the basic Alternative Performance Measures of the Group used by the Board of Directors as of the dates and for the periods indicated along with a justification for their use, as well as the method of calculation of the individual Alternative Performance Measures with reference to the specific financial statement items.

	Six months ended / as of 30 June		12 months ended / as of 31 December	
	2022	2021	2021	2020
	<i>(EUR thousand, unless otherwise indicated) (unaudited, unless otherwise indicated)</i>			
EBITDA <sup>1</sup>	10,143	4,120	9,584	8,440
EBITDA TTM	15,607	7,005	9,584	8,440
EBIT <sup>1</sup>	5,169	(507)	(712)	(142)
Net debt/EBITDA TTM	6.60	12.52	9.36	10.07
Net debt/Equity	1.91	1.70	1.74	2.12
Total equity/ Total assets	26.7	29.1	26.2	25.2
EBITDA / Interest Expense (interest cover ratio)	2.36	1.32	1.46	1.51
Current ratio	1.86	3.36	1.59	1.57
Adjusted equity ratio in %	29.3	32.0	28.8	29.2

<sup>1</sup> Audited with respect to the figures as of and for the years ended 31 December 2021 and 2020, respectively. Figures shown for the six months ended 30 June 2022 and 2021 are solely for the relevant six-month period.

Source: The Company; \*Historical Consolidated Financial Statements

The following tables show reconciliation formulas for the Alternative Performance Measures that are not shown in the Historic Consolidated Financial Statements.

	Six months ended / as of 30 June		12 months ended / as of 31 December	
	2022	2021	2021	2020
	<i>(EUR thousand, unless otherwise indicated) (unaudited)</i>			
A. Loans and borrowings (Current and non-current liabilities)	39,757	61,173	45,460	50,151
B. Issued bonds (Current and non-current liabilities)	90,230	47,759	81,330	46,739
C. Lease liabilities (Current and non-current liabilities)	2,540	2,230	2,273	2,404
D. Liquid assets	29,510	23,449	39,362	14,290
E. EBITDA TTM (sum of the EBITDA reported in Q3 n-1, Q4 n-1, Q1, Q2 for 6 months ended June 30 2022)	15,607	7,005	9,584	8,440
<b>Net debt/EBITDA = (A+B+C-D)/E</b>	<b>6.60</b>	<b>12.52</b>	<b>9.36</b>	<b>10.07</b>
A. Loans and borrowings (Current and non-current liabilities)	39,757	61,173	45,460	50,151
B. Issued bonds (Current and non-current liabilities)	90,230	47,759	81,330	46,739
C. Lease liabilities (Current and non-current liabilities)	2,540	2,230	2,273	2,404
D. Liquid assets	29,510	23,449	39,362	14,290
E. Total Equity	53,935	51,573	51,538	40,114
<b>Net debt/Equity = (A+B+C-D)/E</b>	<b>1.91</b>	<b>1.70</b>	<b>1.74</b>	<b>2.12</b>
A. Total equity	53,935	51,573	51,538	40,114
B. Total assets	202,255	177,218	196,618	158,904
<b>Equity ratio = A/B in %</b>	<b>26.7</b>	<b>29.1</b>	<b>26.2</b>	<b>25.2</b>
A. EBITDA <sup>1</sup>	10,143	4,120	9,584	8,440
B. Interest expense <sup>1</sup>	4,292	3,115	6,576	5,599

<sup>1</sup> Figures shown for the six months ended 30 June 2022 and 2021 are solely for the relevant six-month period.

<b>EBITDA / Interest expense = A/B</b>	<b>2.36</b>	<b>1.32</b>	<b>1.46</b>	<b>1.51</b>
A. Current assets	61,589	37,169	54,155	23,851
B. Current liabilities	33,076	11,061	33,958	15,166
<b>Current ratio = A/B</b>	<b>1.86</b>	<b>3.36</b>	<b>1.59</b>	<b>1.57</b>
A. Loans and borrowings (Non-current liabilities)	34,988	54,254	41,106	44,143
B. Issued bonds and Other long term liabilities (Non-current liabilities)	67,494	48,327	57,596	47,140
C. Loans and borrowings (Current liabilities)	4,769	6,919	4,354	6,008
D. Issued bonds and Other loans (Current liabilities)	23,026	0	24,107	0
E. Total equity	53,935	51,573	51,538	40,114
<b>Adjusted equity ratio in % = E/(A+B+C+D+E)</b>	<b>29.3</b>	<b>32.0</b>	<b>28.8</b>	<b>29.2</b>

Source: The Company; \*Historical Consolidated Financial Statements

The table below presents the definitions of the Alternative Performance Measures and the rationale for their use.

<b>Name of Alternative Performance Measure</b>	<b>Definitions</b>	<b>Rationale for using the Alternative Performance Measure</b>
EBITDA	The Group defines EBITDA for a respective period as earnings on continuing operations for such period before interest, taxes, depreciation and amortisation.	EBITDA measures the Group's operating performance net of financial burdens and amortisation, depreciation and impairment, which makes it possible to analyse performance regardless of, mainly, any changes in the balance of non-current assets held by the Group, which, through depreciation and amortisation, may affect other performance measures.
EBIT	The Group defines EBIT for a respective period as earnings on continuing operations for such period before interest and taxes.	EBIT measures the Group's net income before income tax expense and interest expenses are deducted, which makes it possible to analyse the performance of the Group's core operations without the costs of the capital structure and tax expenses impacting profit.
Net debt / EBITDA	The Group defines and calculates net debt / EBITDA ratio as sum of current and non-current loans and borrowings, issued bonds and lease liabilities less liquid assets at period end to EBITDA for the last twelve months (so-called TTM, i.e. Trailing Twelve Month EBITDA).	Net debt / EBITDA measures the Group's financial leverage and its ability to pay off its debt.
Net debt / Equity	The Group defines and calculates net debt / equity ratio as current and non-current loans and borrowings,	Net debt / Equity measures the Group's financial leverage.

	issued bonds and lease liabilities less liquid assets as of the end of a given period divided by total equity as of the end of a given period.	
Equity ratio	The Group defines and calculates the Equity ratio as total equity as of the end of the period divided by total assets as of the end of the period	Equity ratio measures the value of the assets which are financed using the Group's equity
EBITDA/ Interest expense	The Group defines and calculates EBITDA / Interest expense ratio as EBITDA for the relevant period divided by Interest Expense	EBITDA / Interest expenses ratio is used to measure how well the Company can pay the interest due related to the outstanding debt
Current ratio	The Group defines and calculates current ratio as current assets as of the end of a given period divided by current liabilities as of the end of a given period.	Current ratio measures the Group's ability to meet short-term debt obligations.
Adjusted equity ratio	The Group defines and calculates adjusted equity ratio as total equity divided by the sum of interest-bearing debt and equity.	Adjusted equity ratio as defined by the Group is used to measure the amount of debt used by the Group compared to the amount of equity and is used as a bond governance.

### ***Presentation of Market and Operating Data***

Some of the terms regarding the Group's operations, the market in which it operates and the data presentation method may differ from the meaning assigned to a given term by the Company for the purposes of the Prospectus and the terms used by other entities operating in the PV industry. For the respective definitions and explanations of industry terms, see "*Glossary of Industry Terms*" and "*Market and Regulatory Overview*".

### **Market, Economic and Industry Data**

In this Prospectus, the Group presents selected industry and market data that has been derived from publicly available sources, including official industry sources and other third-party market sources that the Group believes to be reliable (see "*Market and Regulatory Overview*"). Such information, data and statistics may be based on a number of assumptions and estimates and may be subject to rounding. In addition, certain industry and market data as well as data regarding the competitive position provided in this Prospectus has been derived from internal studies and estimates of the Group based on its knowledge and experience in the markets in which it operates. Although the Group is reasonably convinced that such studies and estimates are rational and reliable, neither the studies and estimates, nor the methodology or assumptions used or made with respect thereto have been verified by any independent source in terms of their accuracy and completeness and they may change. In any case, macroeconomic and statistical data, as well as the source data on which such data is based, may not have been extracted or derived from a source in a manner analogous to that used in other countries. There is no guarantee that a third party using different methods of gathering, analysing and processing information would obtain the same results and conclusions.

The market data, certain industry data and data on market trends, as well as statements regarding the Company's and the Group's position in the industry included in the Prospectus were prepared or estimated on the basis of certain assumptions considered reasonable by the Board of Directors and data from publicly available sources. References are made in the Prospectus when information is derived from an external source. The Company has accurately reproduced third-party information from published sources and, as far as the Company is aware and to the extent the Company is able to ascertain from the information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading.

Industry publications generally state that the information they contain has been obtained from sources believed to be reliable, but that the accuracy and completeness of such information is not guaranteed. However, in the preparation of the Prospectus, the Company has not independently verified such third-party information. There has not been any investigation of the adequacy of the methodology or the basis used by such third parties in producing such data or making their estimates and forecasts.

The Company does not intend, nor is it required to update the data presented herein, save for the obligations arising under the provisions of applicable law.

### **Forward Looking Statements**

The Prospectus includes forward-looking statements, which include all statements other than statements of historical facts, including, without limitation, any statements preceded by, followed by or that include the words “targets”, “assumptions”, “believes”, “expects”, “aims”, “intends”, “will”, “may”, “anticipates”, “plans”, “assumes”, “would” or “could”, but also similar expressions or the negative thereof. The forward-looking statements apply specifically to the strategy, targets and plans of the Company, including in terms of the occurrence of specific economic events and assumed trends, including the development of the operations of the Group, the impact of the global coronavirus pandemic, as well as factors and estimates which could in the future impact the financial results, financial situation and cash flows of the Group. Such forward-looking statements involve known and unknown risks, uncertainties and other important factors beyond the Group’s control that could cause the real events and the actually realised and achieved assumptions, targets, plans, estimates and development of business, and, consequently, the Group’s results of operations, its financial situation and development prospects could materially differ from any of those expressed or implied by the forward-looking statements included in this Prospectus. The forward-looking statements included in the Prospectus are based on numerous assumptions regarding the future, including those relating to the future operations of the Group, the present and future business strategies in that respect, the occurrence of certain events and the environment in which the Group currently operates and will operate in the future. Among the factors and risks that could cause the Group’s business in the future and the actual results of the Group, its financial situation or prospects to differ from those assumed in such forward-looking statements are those factors discussed in the “*Risk Factors*” and “*Business–General Factors and Trends Affecting Operating and Financial Results*” sections and elsewhere in the Prospectus, including the COVID-19 outbreak and its impact on the results, operations, outlook, plans, reputation, goals, growth, cash flows, liquidity and stock price of the Group. The forward-looking statements speak only as of the Prospectus Date. The Company has no obligation and has made no undertaking to disseminate any updates of or revisions to any forward-looking statements contained in the Prospectus, unless it is required to do so under applicable laws or the listing rules of the WSE or PSE.

When relying on forward-looking statements, investors should, in particular, carefully consider the factors discussed in the “*Risk Factors*” and “*Business–General Factors and Trends Affecting Operating and Financial Results*” sections and other uncertainties and events, especially in light of the political, economic, social and legal environment in which the Group operates.

The Company makes no representation, warranty or prediction that the factors anticipated in such forward-looking statements will be present, and such forward-looking statements represent, in each case, only one of many possible scenarios and should not be viewed as the most likely or typical scenario.

The Company has not published and does not intend to publish any profit estimates within the meaning of Regulation 2019/980.

## DOCUMENTS INCORPORATED IN THE PROSPECTUS BY REFERENCE

The Prospectus contains the following information incorporated therein by reference:

- audited consolidated financial statements of the Group as of and for the year ended 31 December 2021;
- audited consolidated financial statements of the Group as of and for the year ended 31 December 2020; and
- unaudited condensed consolidated interim financial statements of the Group as of and for the six months ended 30 June 2022.

### **Cross-Reference List for the Documents Incorporated in the Prospectus by Reference (in line with the Article 19 (2) of the Prospectus Regulation)**

The following documents are incorporated by reference into this Prospectus:

- **Audited consolidated financial statements of the Group as of and for the year ended 31 December 2021**  
Consolidated Statement of Comprehensive Income for the year ended 31 December 2021 (page 73)  
Consolidated Statement of Financial Position as of 31 December 2021 (page 74)  
Consolidated Statement of Changes in Equity for the year ended 31 December 2021 (page 75)  
Consolidated Statement of Cash Flows for the year ended 31 December 2021 (page 76)  
Notes to the Consolidated Financial Statements for the year ended 31 December 2021 (pages 77-131)  
Independent Auditor's Report (last 15 pages following page 148)

These documents can be obtained on the Company's website <https://www.photonenergy.com/uploads/reports/annual/2021/peg-annual-report-2021.pdf>

- **Audited consolidated financial statements of the Group as of and for the year ended 31 December 2020**  
Consolidated Statement of Comprehensive Income for the year ended 31 December 2020 (page 65)  
Consolidated Statement of Financial Position as of 31 December 2020 (page 66)  
Consolidated Statement of Changes in Equity for the year ended 31 December 2020 (page 67)  
Consolidated Statement of Cash Flows for the year ended 31 December 2020 (page 68)  
Notes to the Consolidated Financial Statements for the year ended 31 December 2020 (pages 69-128)  
Independent Auditor's Report (last 10 pages following page 146)

These documents can be obtained on the Company's website: <https://www.photonenergy.com/uploads/reports/annual/2020/2020-photon-energy-nv-annual-report-22.pdf>.

- **Unaudited condensed consolidated interim financial statements of the Group as of and for the six months ended 30 June 2022**  
Consolidated Statement of Comprehensive Income for the six months ended 30 June 2022 (page 33)  
Consolidated Statement of Financial Position as of 30 June 2022 (page 34)

Consolidated Statement of Changes in Equity for the six months ended 30 June 2022 (page 35)

Consolidated Statement of Cash Flows for the six months ended 30 June 2022 (page 37)

Notes to the Interim Consolidated Financial Statements for the six months ended 30 June 2022 (pages 38-61)

These documents can be obtained on the Company's website: <https://www.photonenergy.com/uploads/reports/quarterly/2022/2022-q2-and-h1-report-penv-10082022.pdf>.

Any information not incorporated by reference into this Prospectus (which, for the avoidance of doubt, means any information not listed in the cross-reference list above) but contained in one of the documents mentioned as source documents in the cross-reference list above is either not relevant for the investor or covered in another part of this Prospectus.

### **No Incorporation of Website**

Prospective investors should only rely on the information that is provided in this Prospectus or incorporated by reference into this Prospectus. Where the Prospectus contains hyperlinks to websites, such websites does not form part of the Prospectus and has not been scrutinised or approved by the competent authority, unless that information is incorporated by reference into the Prospectus. No other documents or information, including the contents of the Company's website, including any websites accessible from hyperlinks on such website or any websites of any subsidiary, associated company and joint venture of the Company, form part of, and are incorporated by reference, into this Prospectus.

### **Available Information Regarding the Company as a Company Listed on the WSE and PSE**

Prospective investors should only rely on the information that is provided in this Prospectus or incorporated by reference into this Prospectus. As a public company with shares listed on the WSE and PSE, the Company is required to disclose certain information on an ongoing and/or periodic basis regarding its business, management, results of operations, financial condition and risks. This information may be obtained on the Investor Relations section on the Company's website at [www.photonenergy.com/en/investor-relations](http://www.photonenergy.com/en/investor-relations). All information with respect to the Company and the Group in this Prospectus is derived from information available on the Company's website, which is not incorporated by reference in this Prospectus (see "*Important Information—No Incorporation of Website*").

### **Supplements**

If a significant new factor, material mistake or inaccuracy relating to the information included in this Prospectus arises or is noted during the validity of the Prospectus, a supplement of this Prospectus will be published in accordance with relevant provisions under the Prospectus Regulation. Such a supplement will be subject to approval by the CSSF in accordance with Article 23 of the Prospectus Regulation, and will be made public in accordance with the relevant provisions of the Prospectus Regulation. The summary will also be supplemented, if necessary, to take into account the new information included in the supplement.

Statements contained in any such supplement (or contained in any document incorporated by reference in such supplement) will, to the extent applicable (whether expressly, by implication or otherwise), be deemed to modify or supersede statements contained in this Prospectus or in a document that is incorporated by reference in this Prospectus. Any supplement will specify which statement is so modified or superseded and will specify that such statement will, except as so modified or superseded, no longer constitute a part of this Prospectus.

### **Delivery and Enforceability of Foreign Court Judgements**

The Company is incorporated under the laws of the Netherlands and has its statutory seat in Amsterdam. The Netherlands is a member of the EU. Therefore, any judgement issued by a court in any EU Member State in civil or commercial matter will be recognised and enforceable in any other EU Member State under Regulation (EU) No 1215/2012 of the European Parliament and of the Council of 12 December 2012 on jurisdiction and the recognition and enforcement of judgments in civil and commercial matters, as amended. Investors who will attempt to enforce a judgement issued by a court outside the EU may face difficulties. In general, foreign court judgements issued in civil matters may be enforced in the Netherlands pursuant to the general provisions of the Dutch Civil Code. Foreign

judgements may be enforced in the Netherlands provided that, inter alia, they are final and conclusive and do not infringe the basic principles of the Dutch legal system (public policy). The Company cannot provide assurance that all conditions precedent required for enforcement of foreign judgements in the Netherlands will be satisfied, or that a particular judgement will be enforced in the Netherlands.

## BUSINESS

*For additional information regarding the financial information and operating data of the Group and related market data presented in this section, see: “Presentation of Financial and Other Information”, including “Presentation of Market and Operating Data” and “Market, Economic and Industry Data”, together with the Group’s Historical Consolidated Financial Statements and the notes thereto, each as included or incorporated elsewhere in this Prospectus. Definitions of selected industry terms are included in “Glossary of Industry Terms” in this Prospectus.*

### Overview

The Group delivers solar energy and clean water solutions around the world. Its solar power services are provided by Photon Energy. Since its foundation in 2008, the activities of the division cover the entire life cycle of the solar PV systems, including project development, EPC (engineering, procurement and construction) and operations and maintenance (O&M) of solar power plants. To date, Photon Energy has built and commissioned solar power plants with a combined capacity of over 120 MWp and has power plants with a combined capacity of 91.9 MWp in its proprietary portfolio across its CEE markets and Australia. It is currently developing projects with a combined capacity of over 820 MWp in Australia, Hungary, Poland and Romania and provides O&M services for over 330 MWp worldwide. The Group’s second major business line, Photon Water, provides clean water solutions, including treatment and remediation services, as well as the development and management of wells and other water resources.

The Group operates in Australia, the Czech Republic, Germany, Hungary, the Netherlands, Poland, Romania, Slovakia and Switzerland.

### Competitive Strengths

The Board of Directors believes that the following competitive strengths have driven its growth in the past and will continue to distinguish it from its competitors in the future (see also “Market and Regulatory Overview – Competitive Landscape”).

#### ***Experienced Management with Documented Experience in Developing PV Projects***

The Group’s management team, with an experience of over 14 years within the photovoltaic industry, combines international industry expertise and local markets knowledge with entrepreneurial drive. The management has documented experience in identifying, building, investing in and acquiring PV projects, as well as in international finance and strategy advisory (see also “Management – Members of the Board of Directors as of the Prospectus Date”). This expertise has led to innovative transformation and growth generation, particularly through the successful launch of new technology and logistics for the construction of power plants in the Group’s own project portfolio as well as for a range of international external clients. The Group’s continuous growth is also attributable to management fostering an organisational culture that prioritises shared values, timely project execution, strategic alignment and efficiency. Such corporate culture is deemed to create an employee base that drives a shared Group’s mind-set to stay close to customers, approach work with a can-do attitude.

The Group’s key employees have an experience in the relevant segments of the Group’s operations and are covered by an incentive scheme. Directors recognise the significant contribution of the team members to the future development of the Group. Therefore, the Group has introduced the Employee Share Purchase Program as a part of its motivation system for selected employees. Under the terms of the Employee Share Purchase Program, the Group periodically transfers shares for employees participating in Employee Share Purchase Programme equal to 10% of their gross compensation minus applicable personal taxes.

#### ***Project Development and Investment Management Competences***

With over 14 years of experience in the implementation of solar energy investments, in the view of the Board of Directors, the Group can be deemed competent to manage projects at every stage of their implementation. These competences consist of: (i) the ability to plan the design, engineering and construction works necessary to complete the entire investment and (ii) the ability to manage the entire logistics related to project handling, allowing for maintaining the timeliness and quality of products and services provided. The procedures and ways of proceeding, which the Group has developed thanks to its experience, are included in a coherent system covering the entire investment implementation process. This system is subject to continuous improvement, which allows for: (i)

optimisation of key elements of the process, including logistics related to the implementation of the entire investment, and (ii) standardisation of behaviour/processes, which allows to optimise costs and increase the accuracy of predictions related to project implementation parameters, including the date of project completion, the dynamics of incurring costs over time and the amount of margin obtained on the project. The Group has built competence in project management and execution which represents a potential necessary to effectively implement projects under the EPC formula.

### ***Technological Potential and Close Connections with the Manufacturers***

The Group focuses on the procurement of technology and logistics for the construction of power plants in the Group's own project portfolio as well as for a range of international external clients. The Group maintains close relationships with reputable manufacturers providing industry warranties and competitive pricing. The Group provides clients with such technological solutions that match their project's location, design and budget, including all logistics and professional after-sales support.

In order to ensure the competitiveness of its product and service offer, the Group offers technological solutions which represent: (i) crystalline modules, (ii) mono PERC modules, (iii) inverters, (iv) integrated power storage and backup systems, (v) monitoring and control devices.

Due to the close connection the Group has with its manufacturers (Huawei, Jinko Solar, Longi Solar, JA Solar and others), it confidently provides after-sales support to maximise the power plants output. Additionally, the Group is able to offer EPC activities to partners and clients and welcomes cooperation with large distributors and traders as well as local installers who are interested in delivering quality PV projects.

### ***Multi-market Presence and a Wide Range of Solutions and Services Provided***

The Group is a global solar power solutions and services provider with vertically integrated business covering the entire lifecycle of solar power systems. The Group operates in particular in Australia, the Czech Republic, Slovakia, Hungary, Romania and Poland. Business conducted by the Group covers the whole downstream segment of the solar industry with low capital tie-up and high operating leverage, i.e.

- (i) project development for rooftop and green-field installations from 300kWp to 300 MWp,
- (ii) design and construction of on-grid and off-grid installations, including battery storage solutions,
- (iii) trading of PV components (panels, inverters and batteries),
- (iv) investments in PV power plants for the sustainable production and sale of solar energy, and
- (v) operations and maintenance of PV power plants, including own control room and monitoring platform.

The Group's track record includes over 120 MWp of solar power plants built and commissioned and more than 330 MWp in O&M portfolio, moreover the Group also manages own proprietary portfolio of 91.9 MWp of power plants across its CEE markets and Australia. In addition, the Group launched in 2017 a new business line Photon Water which offers services in the fields of contaminated land and ground water remediation and water purification, which has broadened the scope of the Group's business.

Providing a wide range of solutions and services in many countries worldwide mitigates specific country risk and enables the Group to capture opportunities on markets where economic and natural conditions offer attractive returns.

## **Business Strategy**

The objective of the Group's strategy remains the expansion of recurring revenue streams while increasing the Group's and its customers' value. The Group's strategic goals in individual business segments include:

- Investments: increase the production of clean energy by expanding the Group's global electricity generation capacity of the proprietary portfolio of photovoltaic power plants; the Group intends to continue to acquire new PV projects to develop, design and construct them for the proprietary portfolio; in the Board of Directors' opinion this supports the growth of recurring revenue stream from clean electricity generation;

- **Energy Solutions:** further grow engineering, procurement and construction (EPC) business by leveraging existing experience and know-how into customised grid-connected and decentralised energy generation solutions in combination with cutting-edge energy storage technologies; the Group intends to compete for PV projects, which aim to address the needs for provision of clean energy in locations which require tailor-made approach to design complete energy systems, which would combine generation of clean energy with energy storage solutions; such PV projects require an integrated approach in application of PV technology, which, in the Board of Directors' opinion, the Group is able to provide;
- **Operations & Maintenance:** grow operations and maintenance (O&M) services to maximise the energy generation output of proprietary and clients' power plants and to optimise the useful life of PV assets; providing O&M services to increase revenues and reduce risks of the Group's customers; provision of O&M services that the PV power plants run smoothly at high generation levels; this will increase revenues from the Group's proprietary portfolio as well as revenue streams of the Group's customers;
- **Technology distribution:** benefit from the boom in the solar energy industry and utilise existing economies of scale through an upcoming business-to-business online sales platform to generate additional trading revenues from PV modules, inverters, batteries and other components.
- **Water:** grow water services and products and become a leading worldwide player in the PFAS remediation industry on the back of our proprietary patent-pending nanoremediation technology (and other technologies under development) so as to develop our water business line into the second pillar of our Group's activities.

The Group's focus as of the Prospectus Date remains on the Australian, Hungarian, Polish and Romanian markets for the expansion of PV generation capacity. Moreover, the Group has established its presence on other markets, where it actively analysis possible investment opportunities. Further markets in Central and South America, the Middle East and Africa remain under the Group's investigation. In addition, the Group's focus remains on expansion of operations & maintenance solutions in Central Europe and Australia and selective entry to new markets following its customers, and development of various water treatment technologies and preparation for its commercialisation.

## **History**

In 2008, Photon Energy a.s., was incorporated in the Czech Republic, with the aim to develop, procure components, build, invest into and provide long-term O&M services to PV power plants. In the same year the company debuted on the NewConnect segment of the WSE, raising EUR 0.6 million in a private placement.

Between 2009 and 2011, Photon Energy a.s. built and commissioned 11 PV plants with an installed capacity of 15.0 MWp in the Czech Republic and further 11 PV plants with an installed capacity of 10.4 MWp in Slovakia for its proprietary portfolio.

Between 2011 and 2012, Photon Energy a.s. expanded its portfolio to Germany and Italy with the construction of an additional 2.6 MWp of PV plants. Further, in 2011 Photon Energy a.s. established its presence in Australia.

On 9 December 2010, the Company was incorporated under the laws of the Netherlands by the two cooperatives, Solar Future Cooperatief U.A. and Solar Power to the People Cooperatief U.A., being entities controlled by Georg Hotar and Michael Gartner, respectively.

In 2012, a corporate restructuring took place, during which the main assets and business activities of Photon Energy a.s. were transferred under the Company and this a Dutch holding structure was established.

Following the restructuring, in 2013 the Company decided to undertake an exchange offer for minority shareholders of Photon Energy a.s. for shares of Photon Energy N.V. in the ratio 1:1 as well as a listing of the Companies shares on the NewConnect segment of the WSE. In the same year, a capital increase in the amount of EUR 24.0 million was realised by capitalisation of a receivable. Further, the placement of the first Company 5-year corporate bonds with an 8% coupon and quarterly payments took place and started trading in the unregulated market segments of the Stock Exchanges in Frankfurt, Berlin, Hamburg, Hannover, Munich, Stuttgart and Vienna.

In 2013, the Group commissioned its first power plant in Australia, at that time one of the largest rooftop PV power plants with an installed capacity of 0.1 MWp, which the Group holds until today in its proprietary portfolio. In 2014,

the Australian subsidiary of the Company installed its first off-grid capable PV power plant with battery storage system and Diesel back-up generation that powers a large-scale radio antenna.

In 2015, the Operations & Maintenance customer base grew by 35 MWp and maintenance activities expanded to Romania.

In 2016, dual listing of the Company's shares on the Prague Stock Exchange and issue of corporate bonds with 6% coupon in the Czech Republic took place. Moreover, the Group expanded its Australian activities, by building more power plants, including two rooftop projects totalling 347 kWp in Canberra, a smaller rooftop power plant for Sydney's Macquarie University, as well as a 99 kWp power plant in Leeton.

In 2017, the Group opened its office in Budapest and started development of a pipeline of utility-scale PV projects for its proprietary portfolio in the region of Monor and Fertöd.

In the same year, the Group expanded its strategic focus to water, intending to cover the entire life cycle of water purification and remediation systems.

On 21 September 2017, the Company launched a public offer for the second EUR-denominated 5-year corporate bonds (with a 7.75% coupon and quarterly payments) together with an exchange offer for the holders of its first 8% EUR-bonds due in March 2018.

In 2018, the Group entered into co-operation with Canadian Solar, one of the world's largest solar photovoltaic products and energy solutions providers, as well as one of the largest solar power plant developers globally, to jointly develop five utility-scale PV projects with a planned installed capacity exceeding 1.1 GWp in New South Wales. Moreover, the Group obtained an EPC contract for the installation of 4.6 MWp of rooftop solar systems for the retail chain ALDI across 31 locations in Australia.

In the same year, the Group constructed and commissioned in Hungary its first pilot project with an installed capacity of 0.5 MWp in the region of Fertöd and further eight projects with a combined installed capacity of 5.5 MWp in the region of Tiszakecske. The Group's Photon Water business brought ultra-sound-base solutions to fight blue-green algae formation in several locations in the Czech Republic.

In 2019, the Group continued its growth strategy by further expanding its proprietary portfolio in Hungary by connecting 29 PV power plants with a combined capacity of 20.1 MWp in the regions of Almásfüzitő, Nagyecsed, Monor, Fertöd, Kunszentmárton and Taszár (see "*Description of the Group's Project Pipeline*").

In 2020, the Company invested a minority equity investment in Australia based RayGen Resources Pty Ltd. in order to develop, build and invest into global renewable energy projects suitable for the roll-out of RayGen's solar power and electricity storage technology, as well as added further 23 PV power plants in Hungary in the regions of Tata, Malyi, Kunszentmárton and Püspökladány with a combined capacity of 23.0 MWp.

In September 2020, the Group announced its market entry in Poland. In the same month Photon Water, a subsidiary of Photon Energy Group, launched its in-situ remediation technology to clean PFAS contamination in the environment and announced a trial with the Australian Government Department of Defence, for the treatment of PFAS contaminated groundwater.

In December 2020, the Company's ordinary shares were introduced to trading on the parallel (regulated) market of the WSE and excluded from the alternative trading system NewConnect. In January 2021, the Company's ordinary shares were introduced to trading on the regulated Standard market of the PSE and excluded from the unregulated Free Market.

In January 2021, the Group closed a second long-term non-recourse project financing agreement with the Hungarian CIB Bank for ten proprietary photovoltaic (PV) power plants with a combined capacity of 14.1 MWp in Hungary. The financing, which totals HUF 4.6 billion (approx. EUR 12.9 million), is being provided for a period of 15 years by CIB Bank, a subsidiary of the Italian Intesa Sanpaolo Group and the second-largest commercial bank in Hungary.

In April 2021, the Group exchanged project rights with its development partner Canadian Solar. As a result, the Group was developing the 160 MWp Maryvale Solar Farm independently. Additionally, the Group has exchanged its 49%

stake in the 220 MWp Gunning Solar Farm and 25% stake in the 200 MWp Suntop2 Solar Farm for Canadian Solar's 51% stake in Maryvale Solar Farm. The 65% stake in Maryvale Solar Farm was held until December 2021 when it was sold to an international renewable energy sector investor.

Also in April 2021, the Company participated in Raygen Resources Pty Ltd. capital increase, with an equity investment of AUD 3 million. In June 2021, the Company participated in a further AUD 42 million capital raise in RayGen Resources Pty Ltd. The round comprised AUD 27 million of strategic investments by AGL, Schlumberger New Energy and Chevron Technology Ventures, alongside other new and existing investors, including the Group. This private funding was matched with AUD 15 million of non-dilutive, recoupable grant funding by ARENA.

In the same month, the Company received its first sustainability rating, being awarded a rating of 'very good' with 75 out of 100 points by imug | rating, an independent institution that assessed the Group's policies and activities in the area of sustainability.

In the same month, the Company sold 5,000,000 treasury shares, constituting 8.33% of the Company's share capital and representing an 8.89% share in the total number of votes in the General Meeting to investors at the sale price of PLN 7.00 per share.

In August 2021, the Group commissioned its first two utility-scale PV power plants in Australia with a combined capacity of 14.6 MWp. Located in Leeton, New South Wales.

In November 2021, the Company completed the public offer of its 6.50% EUR Green Bonds 2021/27 (ISIN: DE000A3KWKY4) which was oversubscribed in a maximum principal amount of EUR 50 million, issued at par. In addition, the 6.50% EUR Green Bonds 2021/27 were offered to bondholders of the existing 2017/2022 corporate bonds in form of an exchange offer who eventually subscribed for EUR 21,281,000. In the same month, the 6.50% EUR Green Bonds 2021/27 were increased by EUR 5 million to an aggregate amount of EUR 55 million and placed with a qualified investor.

In December 2021, the Company announced the early repayment of the remaining project financing of its Czech PV portfolio provided by Raiffeisen - Leasing, s.r.o. on 30 December 2021, and that Photon Energy Solutions HU Kft., the Group's Hungarian subsidiary dedicated to engineering, procurement and construction services, completed and grid-connected a photovoltaic power plant with a capacity of 1.3 MWp near the municipality of Tolna.

In January 2022, the Group switched its overall Czech portfolio from the feed-in-tariffs to the green bonus scheme. The system of green bonuses is enshrined in Act 165/2012 Coll., on Supported Energy Sources, as amended, valid and effective from 30 May 2012. The amount of the green bonus in CZK/MWh is adjusted annually for each type of renewable resource and published in the price decision of the Energy Regulatory Office. Switching from the system of green bonuses to the system of feed-in tariffs and vice versa can be done once a year.

Effective 1 April 2022, the Company temporarily switched all Hungarian PV power plants in its proprietary portfolio receiving support on the basis of KÁT-licenses and METÁR-KÁT-licenses to selling the produced electricity on the Hungarian day-ahead market to benefit from the currently much higher electricity prices. Government Decree No 787/2021 (XII.27.), published in the Hungarian Official Gazette on 27 December 2021, which came into effect on 1 January 2022, allows PV power plants to temporarily exit the support schemes and to return to the respective support scheme at any time after a 12-month-period.

In April 2022, the Company published full year 2022 guidance expecting its revenues to increase up to EUR 65.0 million from EUR 36.4 million in 2021 and EBITDA to increase up to EUR 18.0 million from EUR 9.6 million in 2021.

In May 2022, the Company successfully tapped its 6.50% Green EUR Bond 2021/2027 (ISIN: DE000A3KWKY4) by EUR 10 million to a total outstanding amount of EUR 65 million, which was placed with existing bondholders, including European Bank for Reconstruction and Development, as well as new institutional investors in Europe. Additionally, in the same month, the Group connected to the grid a 1.4 MWp power plant in Tolna, Hungary, bringing its total proprietary portfolio to 91.9 MWp.

In June 2022, the Company's Polish solar PV operations and maintenance services subsidiary, Photon Energy Operations PL Sp. z o.o., signed a full service O&M agreement with its first Polish anchor customer for two PV power

plants with a total installed capacity of 48 MWp, and successfully completed its ISO 9001:2015 certification process in the Polish market. In the same month, the Company broke ground on the construction of its first Romanian PV power plant with a generation capacity of 5.7 MWp, which will sell generated electricity on the energy market on a merchant basis, that is without any support or a power purchase agreement with an energy offtaker.

In July 2022, the Group started the construction of further projects in Romania, which will have a generation capacity of 4.7 MWp located near Aiud in Romania's Alba County and 6.0 MWp located near Calafat in Romania's Dolj County, as well as the construction start of a 4.7 MWp project located near Teius in Romania in August 2022.

## **Profit Forecast**

On 11 August 2022, the initial full year 2022 financial guidance, published by the Management Board on 19 April 2022, was raised in tandem with the publication of financial results for the six months ended 30 June 2022. The Management Board expects an increase of the Group's consolidated revenues up to EUR 85.0 million in 2022 (previously EUR 65 million) from EUR 36.4 million in 2021, leading to an increase in EBITDA to EUR 24.0 million (previously EUR 18.0 million) from EUR 9.6 million in 2021.

*Assumptions about factors which the members of the administrative, management or supervisory bodies can influence*

The following recent developments which have been spearheaded by the Group's management are expected to be the major drivers behind increased profitability for the Group in 2022:

- expansion of the proprietary portfolio, which results in the growth of electricity production. For the six-month period ended 30 June 2022, the Company reported 66.0 GWh of electricity produced compared to 47.6 GWh a year earlier (+38.7% YoY) propelled by the addition of two new power plants in Tolna, Hungary (1.4 MWp added in December 2021 and 1.4 MWp added in May 2022) and of its two utility-scale PV power plants in Leeton, Australia (14.6 MWp connected to the grid in August 2021);
- change of the business model and switch from state supported systems to a merchant model, based on the market electricity prices. As of 1 January 2022, the Group switched its Czech power plants (15.00 MWp) from a feed-in-tariff to a green bonus system which enables the Group to benefit from higher electricity prices. As of 1 April 2022, the Group switched an additional 43.5 MWp of its capacity in Hungary, which were entitled to receive state support on the basis of KÁT-licenses and METÁR-KÁT-licenses, to the merchant model, i.e. selling the produced electricity on the day-ahead market prices. Those events combined with power plants already operating on the commercial basis, including 14.6 MWp in Leeton, Australia and 1.3 MWp in Tolna, Hungary resulted in the total merchant portfolio to increase up to 74.3 MWp. Additional 1.4 MWp was added to the portfolio in May 2022, in Tolna, Hungary, increasing the total merchant capacity of the Group's power plants to 75.7 MWp as of the Prospectus Date; and
- growing pipeline of projects under development in Poland and Romania. As of 31 December 2021, the Group had 790 MWp of potential PV capacity in the pipeline, including 1.4 MWp under construction and 95.9 MWp in advanced stage of development. As of the Prospectus Date, the Group has 823.5 MWp of potential projects under development including 16.4 MWp under construction and 113 MWp in the advanced stage of development. Therefore, the management expects a material expansion of the proprietary portfolio and further growth of the electricity generation during 2022 and beyond.

*Assumptions about factors which are exclusively outside the influence of the members of the administrative, management or supervisory bodies*

The following market trends are expected to be the major drivers behind increased profitability for the Group in 2022:

- recent trends in the energy sectors have been very positive for the Group and in particular growing electricity prices on the markets where the group sells electricity under the merchant model, i.e. in Czech Republic and Hungary (between 30 June 2021 and 30 June 2022, an average day-ahead electricity prices increased from EUR 106.7 in Hungary and EUR 92.4 in Czech Republic to EUR 348.1 and EUR 346.8, respectively); and
- the overall solar boom in the sector in which the Group operates contributes positively mainly to technology sales, the engineering, procurement and construction business and the O&M business. Especially in

technology sales, the Company is experiencing significant growth with revenues growing already to EUR 13.507 million in the six months ended 30 June 2022 from EUR 1.845 million in the six months ended 30 June 2021 (an increase of 632.1% year-on-year), which is expected to continue. This expectation is mainly driven by additional demand the Company is experiencing for batteries and modules during the second half of the year. With the increased sales of higher margin products such as batteries, EBITDA will also continue to grow disproportionately high. In the six months ended 30 June 2022, EBITDA already increased to EUR 1.643 million from EUR -0.024 million in the six months ended 30 June 2021.

Please refer to the section “—*General Factors and Trends Affecting Operating and Financial Results*” below for a discussion of those uncertain factors which could materially change the outcome of this forecast.

The profit forecast has been compiled and prepared on a basis which is both comparable with the historical financial information and consistent with the Company’s accounting policies.

The prospective financial information included in this Prospectus, including the profit forecast, has been prepared by, and is the responsibility of, the Company’s management. PricewaterhouseCoopers Accountants N.V. has not audited, reviewed, examined, compiled nor applied agreed-upon procedures with respect to the such prospective financial information and, accordingly, PricewaterhouseCoopers Accountants N.V. does not express an opinion or any other form of assurance with respect thereto. Information from the PricewaterhouseCoopers Accountants N.V. reports incorporated by reference into this Prospectus relates to the Company’s previously issued financial statements. It does not extend to prospective financial information and should not be read to do so.

### **Description of the Group’s Business**

The Group is vertically integrated in the downstream segment of the photovoltaic industry, with low capital tie-up and high operating leverage. The Group’s business model covers the value chain of the whole life cycle of a power plant from development, design, construction, technology procurement, O&M, electricity generation and assets management to decommissioning.

In addition to the solar business operations under the banner of Photon Energy brand, the Group is also active in the segment of clean water solutions. Branded Photon Water, the Group’s second major business line provides clean water solutions including treatment and remediation services, as well as the development and management of wells and other water resources.

*Source: The Company.*

Main business activities of the Group comprise:

- (i) Project Development,
- (ii) Energy Solutions,
- (iii) PV Technology,
- (iv) Investments
- (v) Operations & Maintenance, and
- (vi) Water treatment.

The business activities are reported according the following segments:

- (i) Solutions includes engineering and construction services (EPC) of PV power plants,
- (ii) Technology includes import and wholesale of PV components like modules, inverters and batteries,
- (iii) Investments includes income from sale of electricity of the Groups IPP portfolio of own power plants and the revaluation of the Group’s newly build and connected PV power plants according to IAS 16,

(iv) Operations & Maintenance includes revenues from provision of operations, maintenance and supervision services related to the management of PV assets, and

(v) Others, includes activities not related to any of the above-mentioned segments such as project development activities, water treatment business and general administration.

### ***Project Development***

Project development is a crucial activity in the Group's business model of covering the entire value chain of PV power plants. The main objective of project development activities is to expand the PV proprietary portfolio, which provides recurring revenues and free cash flows to the Group. For financial or strategic reasons the Group may decide to cooperate with third-party investors either on a joint-venture basis or with the goal of exiting the projects to such investors entirely. Ownership of project rights provides the Group with a high level of control and allows locking in EPC (one-off) and O&M (long-term) services. Hence, project development is a key driver of the Group's future growth. The Group's experience in project development and financing in Australia, the Czech Republic, Germany, Hungary, Italy, Poland, Romania and Slovakia is an important factor in selecting attractive markets and reducing the inherent risks related thereto.

### ***EPC Solutions (Engineering, Procurement and Construction)***

The Group provides reliable turnkey solar solutions specialising in on-grid and off-grid installations and solar battery storage solutions.

#### *Commercial, Industrial and Institutional Solar*

The Group's commercial solar power solutions are managed and commissioned by the Group's in-house engineers. These solutions – both on-grid and off-grid – are engineered for the specific requirements of the Group's large clients, which include municipalities, large production facilities, water utilities, airports, service centres, shopping malls, hospitals, hotels, housing developments, office buildings, processing plants and mining infrastructure.

#### *Off-Grid Solar*

The Group offers scalable solar power storage solutions, both standardised and customisable for a broad range of applications. An autonomous off-grid energy supply offered by the Group enables industries and communities (even on islands or in remote areas) to pool their resources within a local power network and integrate them with solar power. This is done to high standards of reliability and power quality, without the need for a grid connection.

#### *Utility Solar*

The Group has built large utility-connected green-field solar power plants with a combined capacity of over 110 MWp. A control system architecture called SCADA communicates with the utility control room for remote control and monitoring purposes (see “–Technology”).

As an independent power producer, the Group integrates solar power enabling in to diversify power sources, boost weak spots in the grid, cover transmission losses and boost production during summer peak time. The Group's solutions are compatible with power storage infrastructure and natural gas peak generators.

#### *Solar-plus-Storage in partnership with RayGen Resources*

In April 2020, the Group entered a strategic partnership with the Melbourne-based technology company RayGen Resources in order to develop global renewable energy projects suitable for the rollout of RayGen's innovative solar power and electricity storage technology. Photon Energy is acting as a project developer and EPC contractor and – where suitable – as an equity investor in the projects, which will be supplied by RayGen. In April 2021, the Company participated in Raygen Resources Pty Ltd. capital increase, with an equity investment of AUD 3 million. In June 2021, the Company participated in a further capital raise in RayGen Resources Pty Ltd.

## *Solar Storage*

The Group provides power storage and ancillary services configuration for a multitude of off-grid and on-grid applications, from remote communities to facilities with high power needs. The power storage solutions are built around the SCADA architecture, which is using smart algorithms to optimise performance and extend the power storage assets life. The whole system is remotely monitored and controlled from a manned control room, and integrates various power storage technologies which include batteries, heat and water. In the Group's experience the power storage solutions are suitable for companies with large remote operations (mining etc.), aiming to reduce their fossil fuel consumption.

## *Operations & Maintenance*

The Group's O&M services include preventive maintenance, service interventions, compliance and reporting services, full system monitoring and control, accounting services, and security support, all supported by output and uptime guarantees.

The Group is also a provider of services for PV central inverters of various brands, including Satcon and Siemens.

The Group's approach is based on ensuring savings for power plant owners through a combination of preventive maintenance and data analysis from its own monitoring software. The Group's power plants run with an average uptime of more than 99%.

## *PV Monitoring*

The Group's monitoring systems include SCADA, smart PLC and grid protection, all of which are programmed and commissioned by the Group's experienced programmers and technicians (see "*Technology*").

## *Technology*

The Group oversees technology procurement and logistics for the construction of power plants in the Group's own project portfolio as well as for international, external clients. The Group provides each client with such technological solutions that match their project's location, design and budget, including required logistics and professional after-sales support. Professional handling of all logistics allows the Group to minimise the risks and direct involvement for the power plant owner.

The Group offers: (i) crystalline modules, (ii) mono PERC modules from Longi Solar, JA Solar and Jinko Solar and others (iii) inverters, (iv) integrated power storage and backup systems and (iv) monitoring and control devices.

The Group has access to warehousing capacities in the Netherlands, Germany, Slovakia and the Czech Republic. The Group also maintains certain stocks with its partners in Germany, Poland, Slovakia and Romania on a consignment stock basis. Such geographical distribution of products allows the Group to bring the technology closer to all its customers in a shorter period of time without having to sacrifice quality and competitive pricing.

In addition, the Group offers monitoring, control and planning software platform PECOM (Photon Energy Command), which was developed in-house, for managing portfolios of geographically distributed PV power plants. The platform is web-based and suitable for all types of PV projects.

## *Investments*

In connection with the portfolio expansion, the Group's business model relies on the effort to acquire and implement completed projects, and then to independently operate developed PV power plants through individual SPVs. If feasible from a strategic and economic perspective, the Group also strives to acquire already-completed solar facilities.

The Group primarily finances the project acquisition and development of PV power plants. However, following the completion thereof, it seeks to ensure refinancing, with a significant share of debt financing. The Group's net financial debt amounted to EUR 103,017 thousand as of 30 June 2022, compared to EUR 89,701 as of 31 December 2021 and EUR 85,005 thousand as of 31 December 2020. The PV project plans, services and activities that might be necessary

in the course of a project's implementation, such as the development of PV power plants and commercial or technical management of operations, is ensured by the Group's affiliated companies, utilising the expertise of the Group.

The Company's management assumes that this has a synergistic effect, leading to cost minimisation and possibility of securing a certain level of guaranteed quality. Synchronised and standardised processes result in the improved and security of all operations.

### **Photon Water**

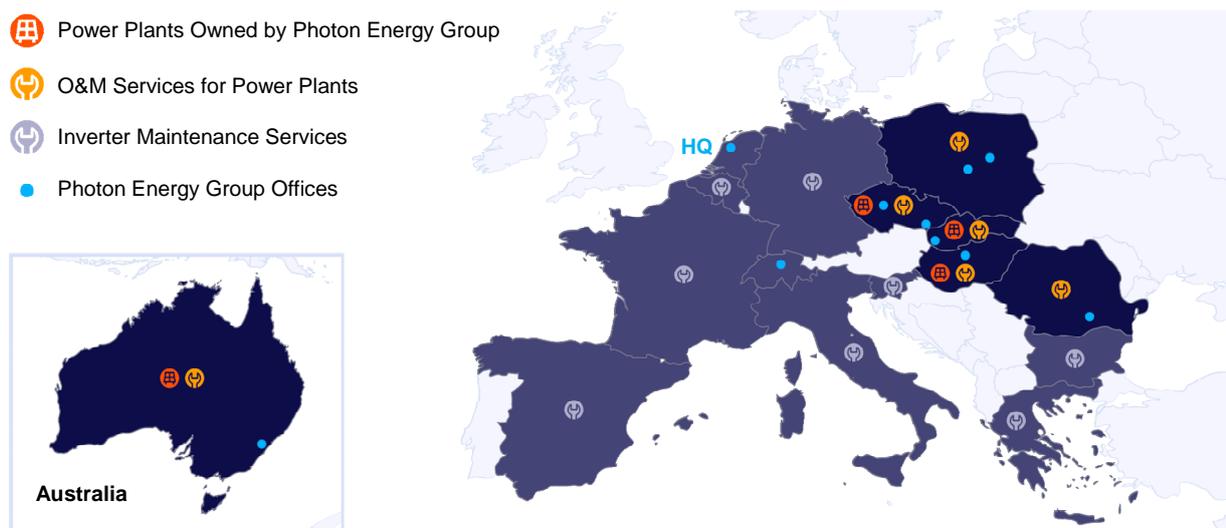
Photon Water ("PW") represents a separate business line of the Group's global activities, aiming to complement solar energy and help face the world's growing problem of scarce fresh drinking water. The PW covers the entire cycle of water management, from analysis of the current need to design of the suitable customised solution, applicable technology recommendation, project implementation as well as provision of remote monitoring and control software.

The range of activities include water management, purification and treatment, ensuring sufficient water resources, contaminated water remediation and algae and biofilm control. Where applicable, solar energy or battery storage solutions are integrated in order to provide clean water using clean energy.

### **Geographical Diversification**

The Group is headquartered in the Netherlands, and its business and investments primarily operate in Australia, the Czech Republic, Hungary, Poland, Romania, Slovakia and Switzerland.

The graphic below provides an overview on the Group's locations worldwide.



Source: The Company.

Geographical diversification enables the Group to mitigate country-specific risks and capture opportunities in markets where economic and environmental conditions offer attractive returns. As of the Prospectus Date, the Group has built and commissioned over 120 MWp of PV power plants across six countries, owns PV power plants with an installed capacity of 91.9 MWp in four countries and has more than 330 MWp of PV power plants under O&M management across two continents (see "–Description of the Group's Current Portfolio").

### **Customers**

As an independent power producer ("IPP"), the Group sells electricity to local distributors in each market, who further deliver and resell electricity to end users. Distributors are obliged to purchase all of the electricity production for the price based on feed-in tariff prices.

As an EPC provider, the Group designs, constructs and commissions PV power plants for its own portfolio as well as for a wide range of electricity customers, including commercial businesses, governments, utilities, agriculture and industrial facilities.

As an O&M provider, the Group provides its customised service packages (including PV monitoring services) to both its own asset base and third parties.

As a technology wholesaler, the Group is an official supplier and distribution partner of Jinko Solar, Longi Solar, JA Solar, Mounting Systems and Huawei, which represent top-tier technology producers. Photon Water Technology's customers include public authorities, governments and utilities. The Group is not dependent on any individual customer.

## Description of the Group's Current Portfolio

### Czech Republic

The proprietary portfolio of the Group in the Czech Republic comprises 11 photovoltaic power plants. It mainly includes green-field installations, with a total installed output of approximately 15.0 MWp.

The table below presents information on the Group's portfolio in the Czech Republic as of the Prospectus Date.

Project name	Legal entity	Capacity kWp
Komorovice	Exit 90 s.r.o.	2,354
Zvikov I	Photon SPV8 s.r.o.	2,031
Dolní Dvořiště	Photon SPV10 s.r.o.	1,645
Svatoslav	Photon SPV4 s.r.o.	1,231
Slavkov	Photon SPV6 s.r.o.	1,159
Mostkovice SPV 1	Photon SPV1 s.r.o.	210
Mostkovice SPV 3	Photon SPV3 s.r.o.	926
Zdice 1	Onyx Energy I s.r.o.	1,499
Zdice 2	Onyx Energy projekt II s.r.o.	1,499
Radvanice	Photon SPV11 s.r.o.	2,305
Breclav rooftop	Photon Energy Solutions CZ a.s.	137

Source: The Company.

The total O&M portfolio operated in the Czech Republic includes 102.5 MWp of PV capacities managed for the proprietary portfolio and external clients.

### Hungary

The proprietary portfolio of the Group in Hungary comprises 63 photovoltaic power plants. It only includes green-field installations, with a total installed output of 51.8MWp.

The table below presents information on the Group's portfolio in Hungary as of the Prospectus Date.

Project name	Legal entity	Capacity kWp
Tiszakecske 1	Ekopanel Befektetesi Kft.	689
Tiszakecske 2	Energy499 Invest Kft.	689
Tiszakecske 3	Future Solar Energy Kft.	689
Tiszakecske 4	Green-symbol Invest Kft.	689
Tiszakecske 5	Montagem Befektetesi Kft	689
Tiszakecske 6	Onyx-sun Kft.	689
Tiszakecske 7	Solarkit Befektetesi Kft.	689
Tiszakecske 8	SunCollector Kft.	695
Almasfuzito 1	Racio Master Kft.	695
Almasfuzito 2	Racio Master Kft.	695

Almasfuzito 3	Racio Master Kft.	695
Almasfuzito 4	Racio Master Kft.	695
Almasfuzito 5	Racio Master Kft.	695
Almasfuzito 6	Racio Master Kft.	660
Almasfuzito 7	Racio Master Kft.	691
Almasfuzito 8	Racio Master Kft.	668
Nagyecsed 1	MEDIATOR Ingatlanközvetítő Kft.	689
Nagyecsed 2	Aligote Kft.	689
Nagyecsed 3	PROMA Matra Kft.	689
Fertod I No 1	Fertod Napenergia-Termelő Kft.	528
Fertod II No 2	Photon Energy HU SPV 1 Kft.	699
Fertod II No 3	Photon Energy HU SPV 1 Kft.	699
Fertod II No 4	Alfemo Alpha Kft.	699
Fertod II No 5	Racio Master Kft.	691
Fertod II No 6	Photon Energy HU SPV 1 Kft.	699
Kunszentmarton I No 1	Ventiterra Kft	697
Kunszentmarton I No 2	Ventiterra Kft.	697
Kunszentmarton II No 1	Ventiterra Alpha Kft	693
Kunszentmarton II No 2	Ventiterra Beta Kft	693
Taszar 1	Optisolar Kft.	701
Taszar 2	Optisolar Kft.	701
Taszar 3	Optisolar Kft.	701
Monor 1	Photon Energy HU SPV 1 Kft.	688
Monor 2	Photon Energy HU SPV 1 Kft.	696
Monor 3	Photon Energy HU SPV 1 Kft.	696
Monor 4	Photon Energy HU SPV 1 Kft.	696
Monor 5	Photon Energy HU SPV 1 Kft.	688
Monor 6	Photon Energy HU SPV 1 Kft.	696
Monor 7	Photon Energy HU SPV 1 Kft.	696
Monor 8	Photon Energy HU SPV 1 Kft.	696
Tata 1	Tataimmo Kft.	672
Tata 2	ALFEMO Beta Kft.	676
Tata 3	ALFEMO Gamma Kft.	667
Tata 4	Tataimmo Kft.	672
Tata 5	Öreghal Kft.	672
Tata 6	Tataimmo Kft.	672
Tata 7	European Sport Contact Kft.	672
Tata 8	Tataimmo Kft.	672
Malyi 1	Zuggó-Dűlő Kft.	695
Malyi 2	ÉGÉSPART Kft.	695
Malyi 3	Zemplénimpex Kft.	695
Püspökladány 1	Ladány Solar Alpha Kft.	1,406
Püspökladány 2	Ladány Solar Alpha Kft.	1,420
Püspökladány 3	Ladány Solar Alpha Kft.	1,420
Püspökladány 4	Ladány Solar Beta Kft.	1,406
Püspökladány 5	Ladány Solar Beta Kft.	1,420
Püspökladány 6	Ladány Solar Beta Kft.	1,394
Püspökladány 7	Ladány Solar Gamma Kft.	1,406
Püspökladány 8	Ladány Solar Gamma Kft.	1,420
Püspökladány 9	Ladány Solar Delta Kft.	1,406
Püspökladány 10	Ladány Solar Delta Kft.	1,420

Tolna 1	Barbican Solar Kft.	1,358
Tolna 2	Hampstead Solar Kft.	1,358

Source: The Company.

The total O&M portfolio operated in Hungary amounts to 118.9 MWp managed for the proprietary portfolio and external clients.

### **Slovakia**

The proprietary portfolio of the Group in Slovakia comprises 11 photovoltaic power plants. It only includes green-field installations, with a total installed output of approximately 10.4 MWp.

The table below presents information on the Group's portfolio in Slovakia as of the Prospectus Date.

<b>Project name</b>	<b>Legal entity</b>	<b>Capacity kWp</b>
Babina II	Sun4Energy ZVB s.r.o.	999
Babina III	Sun4Energy ZVB s.r.o.	999
Prsa I	Fotonika s.r.o.	999
Blatna	ATS Energy s.r.o.	700
Mokra Luka 1	EcoPlan 2 s.r.o.	963
Mokra Luka 2	EcoPlan 3 s.r.o.	963
Jovice 1	Photon SK SPV2 s.r.o.	979
Jovice 2	Photon SK SPV3 s.r.o.	979
Brestovec	Photon SK SPV1 s.r.o.*	850
Polianka	Solarpark Polianka s.r.o.*	999
Myjava	Solarpark Myjava s.r.o.*	999

Source: The Company; \*50% JV with private individuals.

The total O&M portfolio operated in Slovakia includes 20.8 MWp of PV capacity managed for the proprietary portfolio and external clients.

### **Australia**

The Group's proprietary portfolio in Australia comprises a rooftop photovoltaic power plant in Symonston with a total capacity of 144 kWp, which operates on the basis of a Feed-in-Tariff, and two utility-scale photovoltaic power plants with a total capacity of 14.6 MWp selling electricity to the market.

The table below presents information on the Group's portfolio in Australia as of the Prospectus Date.

<b>Project name</b>	<b>Legal entity</b>	<b>Capacity kWp</b>
Symonston	Photon Energy AUS SPV 1 Pty Ltd	144
Leeton	Leeton Solar Farm Pty Ltd	7,261
Fivebough	Fivebough Solar Farm Pty Ltd.	7,261

Source: The Company.

The total O&M portfolio operated in Australia comprised 24.1 MWp of PV plants managed for the proprietary portfolio and external clients.

### **Italy**

The total O&M portfolio operated in Italy comprises 14.0 MWp of serviced capacity.

### **Germany**

The total O&M portfolio operated in Germany comprises 1.75 MWp of serviced capacity.

## **Belgium and France**

Following the bankruptcy of Satcon (estimated capacity of 350 MWp of inverters installed across Europe), the Group secured both key personnel and access to spare parts. The Group services Satcon inverters in Belgium comprising 10.2 MWp of PV plants, and provides preventive maintenance in France on the basis of contracts for Satcon central inverters at power plants worth 21.3 MWp.

## **Romania**

The total O&M portfolio operated in Romania comprises 4.0 MWp of installed capacity.

## **Slovenia**

The total O&M portfolio operated in Slovenia comprises 2.0 MWp of installed capacity.

## **Poland**

The total O&M portfolio operated in Poland comprises of 9.9 MWp of installed capacity.

## **Description of the Group's Project Pipeline**

As of the Prospectus Date, the Group is developing PV projects in Australia (300.0 MWp), Hungary (25.8 MWp), Romania (235.4 MWp) and Poland (263.9 MWp).

The table below presents more detailed information on the Group's project pipeline as of the Prospectus Date.

<b>Location</b>	<b>Function</b>	<b>Share</b>	<b>MWp</b>	<b>Commercial Model</b>	<b>Land</b>	<b>Grid connection</b>	<b>Construction permit</b>	<b>Expected RTB</b>
Siria, Romania	Own portfolio	100%	5.7	Merchant/PPA	Secured	Secured	Secured	Under construction
Aiud, Romania	Own portfolio	100%	4.7	Merchant/PPA	Secured	Secured	Secured	Under construction
Calafat, Romania	Own portfolio	100%	6.1	Merchant/PPA	Secured	Secured	Secured	Under construction
Teius, Romania	Own portfolio	100%	4.7	Merchant/PPA	Secured	Ongoing	Secured	Under construction
Sahatani, Romania	Own portfolio	100%	12.0	Merchant/PPA	Secured	Secured	Secured	Q3 2022
Tolna 3-4, Hungary	Own portfolio	100%	2.7	Merchant/PPA	Secured	Secured	Secured	Q3 2022
Tolna 5-13, Hungary	Own portfolio	100%	23.1	Merchant/PPA	Ongoing	Secured	Secured	Q4 2022
Yadnarie, Australia	All options open	100%	300.0	All options open	Secured	Ongoing	Ongoing	Q4 2023

Source: The Company.

## **Romania**

As of the Prospectus Date, the project pipeline in Romania consists of 19 projects with a total planned capacity of 235.4 MWp.

<b>Project name</b>	<b>Status</b>
Siria (5.7 MWp)	In June 2022, the Company broke ground on the construction of its very first Romanian PV power plant with a generation capacity of 5.7 MWp. High efficiency bifacial solar modules mounted on single-axis trackers will deliver around 8.7 GWh of renewable energy annually to the grid of Enel E-Distributie Banat. Located near Şiria in Romania's Arad County, the power plant will extend over 9.3 hectares of greenfield land and will be equipped with some 10,600 solar panels. The project is starting to take shape as the Company has just completed the mounting structures and installed half of the total of 10,600 solar modules.

Aiud (4.7 MWp)	In July 2022, the Company announced that it started the construction of its second Romanian PV power plant in Aiud with a capacity of 4.7 MWp and an expected annual generation of 6.8 GWh that will be delivered to the grid of Distribuție Energie Electrică Romania. Located near Aiud in Romania's Alba County, the power plant will extend over 6.6 hectares of greenfield land and will be equipped with around 8,700 solar panels.
Calafat (6.1 MWp):	In July 2022, the Company announced that it started the construction of another three Romanian PV power plants in Calafat, with a combined capacity of 6.1 MWp and an expected annual generation of 9.6 GWh that will be delivered to the grid of Distribuție Energie Oltenia.
Teius (4.7 MWp):	In August 2022, the Company announced that it started the construction of another Romanian PV power plant in Teius with a combined capacity of 4.7 MWp and an expected annual generation of 7.1 GWh that will be delivered to the grid of Distribuție Energie Electrică Romania The six power plants are scheduled to commence operations in the fourth quarter of 2022 and to sell electricity on the energy market on a merchant basis, that is without any support or a power purchase agreement with an energy off-taker.

Source: The Company.

For the other projects which are at an earlier stage of development, no further project details have been disclosed as of the Prospectus Date.

The Company is currently developing utility-scale solar PV projects with a combined capacity of 235.4 MWp in Romania. The remaining project development pipeline is expected to be built and commissioned in 2023 and 2024. All projects to be built in Romania will be selling electricity after grid connection on a merchant basis into the grid.

### **Hungary**

As of the Prospectus Date, the project pipeline in Hungary consists of 11 projects with a total planned capacity of 25.8 MWp.

<b>Project name</b>	<b>Status</b>
Tolna (25.8 MWp)	<p>Two power plants have a grid connection capacity of 5.0 MW AC each, whereas 1 MW AC have been secured for each of the remaining nine projects. The grid connection points have been secured and the negotiations for suitable land plots have been finalised for several projects. Grid connection plans have been initiated and already partially approved, to allow the Group to conclude grid connection agreements with E.ON. with a validity of two years.</p> <p>On 8 December 2020, one of the 1MW AC (approx. 1.4 MWp DC) projects was granted a METAR premium of 24,470 HUF/MWh (approx. EUR 68 per MWh) with a maximum supported production of 21,585 MWh over a period of up to 15 years. This achievement results from the approval of the project application to the first pilot tender for the METAR system organised in September 2019. Outside this project, one project is in advanced development after securing the binding extraction and construction permits.</p> <p>The revenue model will be the direct sale of electricity through a trader on the Hungarian electricity market for the time being. Entering into a contract-for-difference based on a METAR license (for the project that has proven successful through the auction process) or entering into PPAs in the future, remain possible options. Construction plans include the use of tracking technology allowing bi-facial solar modules to follow the course of the sun, which are expected to achieve a 15-20% higher specific performance than fixed installations.</p>

Source: The Company.

### **Australia**

As of the Prospectus Date, the Company has one large-scale solar farm at an advanced development stage. In November 2021, the Group secured 1,200 hectares of land in Yadnarie, South Australia to develop a 300 MWp solar farm suitable for RayGen's solar technology in combination with its energy storage solution.

Based on preliminary designs, Photon Energy will develop a solar generation capacity of 300 MWp with a grid connection capacity of 150 MW. The target storage energy storage capacity is 3.6 GWh, equivalent to 24 hours of full load, to the grid, from storage. This will exceed the 3 GWh capacity of the Ouarzazate Solar Power Station in Morocco, which currently has the world's largest energy storage capacity of any type, excluding pumped hydro.

The project received Crown Sponsorship from the South Australian Government for development approval. Crown Sponsorship is a development process undertaken directly with, in this case, the Department of Energy and Mining, as a development of public infrastructure under section 49(2)(c) of the Development Act 1993 for the approval of the

project with the South Australian Government. The proposed development complies with the requirements of the Technical Regulator in relation to the security and stability of the State's power system. In parallel, Photon Energy has applied for grid connection for the project to the Electranet transmission network and has engaged a grid connection consultant to manage the process and conduct Grid Performance Studies which will be submitted for approval.

As early as Q1 2022, the Company conducted community consultation sessions with positive response from both the community and the local council. The local council stated that it is supportive of the project and has expressed interest in working with the Company on accommodation and local supply chain in any areas that will be mutually beneficial to both the local community and the project.

### ***Poland***

As of the Prospectus Date, the project pipeline in Poland consists of 81 projects with a total planned capacity of 263.9 MWp at an early stage of development; no further project details have been disclosed as of the Prospectus Date.

### **PV projects**

#### ***Investments in PV Projects in the Last Two Financial Years and in Progress Up to the Prospectus Date***

The majority of the Group's material investments are associated with the PV portfolio building. The Group has invested strategically in its PV projects over the last several years and is continuously reviewing various market opportunities for further spectrum acquisition and power plant building which will enhance its total installed capacity and hence, its market position. The Group's cumulative investment expenditures on portfolio development for the financial years ended 31 December 2021 and 2020 were EUR 8,483 thousand and EUR 17,797 thousand, respectively. These investments were financed using the Group's own funds derived from operating activities and external sources such as bond and bank financing.

Apart from the PV projects described in section "*–Description of the Group's Project Pipeline*" above, there are no material PV projects that are in progress as of the Prospectus Date. Up to the end of June 2022, the Group spent EUR 3,883 thousand on these investments. The PV projects that are in progress as of the Prospectus Date are being financed with the Group's own funds derived from operating activities and external sources such as bond and bank financing.

The Company expects that its future investments will primarily comprise the further development of PV projects around the world, with the focus on combining solar energy, energy storage and water technologies. Except for the described ongoing projects, as of the Prospectus Date, no other material investments by the Group have been contractually agreed and there are no binding commitments to do so in the current financial year or in the future.

### **Property, Plant and Equipment**

Apart from the portfolio properties held in the form of shares in property companies, including the associated technical and operating equipment (see "*–Description of the Group's Current Portfolio*"), the Company does not have any material property, plant and equipment as of the Prospectus Date. The Company's business premises are leased.

### **General Factors and Trends Affecting Operating and Financial Results**

In the period from 31 December 2021 to the Prospectus Date, the Group did not observe any material adverse changes in the trends concerning its operating and financial results compared to those trends in 2021, and there has been no material adverse change in its prospects.

There has also been no significant change in the financial performance or the financial position of the Group which has occurred since 30 June 2022.

The key factors affecting the Group's financial and operating results in the years 2021 and 2020 are discussed below. The Board of Directors believes that these factors, historically and in the period until the date hereof, had and may continue to have an effect on the business activities, operating and financial results, financial condition, cash flows and prospects of the Group, and they also present the trends which, in the Company's opinion, will apply to the photovoltaic market and the Company's prospects in the next few years:

- uncertainties relating to the impact of the coronavirus pandemic on the global economy as well as measures taken by the respective governments in the countries that the Group is active;
- uncertainties relating to the market price for electricity;
- uncertainties relating to the Ukrainian war and its impact on the global economy and energy markets in particular;
- the availability of government subsidies and incentives to support the development of the solar power industry, and possible changes in government policies (as recently decided for the Slovak Republic and the Czech Republic);
- the availability and cost of capital, including long-term debt and project finance, for solar power projects;
- the development of other alternative energy technologies, such as wind power, hydroelectric power, geothermal power and biomass fuel;
- fluctuations in economic and market conditions that affect the viability of conventional and other renewable energy sources, such as increases or decreases in the prices of oil, gas and other fossil fuels;
- capital expenditures by end users of solar power products and services, which tend to decrease when the economy slows;
- the availability of favourable regulation for solar power within the electric power industry and the broader energy industry, that encourage investment in renewable energy resources;
- migration from feed-in-tariffs to maturing solar market and volatility of electricity prices;
- high growth rates in the solar industry, being one of the fastest growing sector within the energy industry;
- the increased cost of understanding local markets and trends and developing and maintaining an effective marketing and distribution presence in various countries;
- fluctuations in foreign currency exchange rates, interest rates, inflation and differing regulatory and tax regimes across different markets;
- seasonal fluctuations, which are lower in autumn and winter due to lower generation of electricity. For the same reasons installation of solar power systems and technology trading slows down in the same period.

#### *Liquidity and Capital Resources*

The Group finances its liquidity and capital needs mainly through loans and borrowings and from cash flows generated from its operations. The Group's main capital requirements are related to its operating activities, financing its capital expenditures and servicing its trade and other liabilities.

The Group's financial strategy aims to ensure, to the greatest extent possible, that the Group has sufficient financial resources and liquidity to repay its liabilities once they become due, both in the ordinary course of business and in extraordinary circumstances, so that the Group is not exposed to losses or damage to its reputation. The Group maintains sufficient cash resources to settle due liabilities. The Board of Directors regularly monitors the expected cash flows. The time cycles of solar power project development and operation can vary substantially and take many years. As a result, the Group may need to make significant up-front investments of resources before the collection of any cash from the sale or operation of these projects. These investments include payment of interconnection and other deposits, posting of letters of credit, and incurring engineering, permitting, legal and other expenses. The Group may have to use part of its existing bank facilities to finance the construction of the solar power projects. Depending on the size and number of solar power projects that the Group is developing and self-financing, its liquidity requirements could be significant. Delays in constructing or completing the sale of any of the Group's solar power projects which are self-financed by the Group could also impact its liquidity.

Since 31 December 2021, there have been the following material changes in the Company's borrowing and funding structure:

In May 2022, the Company successfully tapped its 6.50% Green EUR Bond 2021/2027 (ISIN: DE000A3KWKY4) by EUR 10 million to a total outstanding amount of EUR 65 million.

## **Material Contracts**

Other than those discussed below, there are no material contracts that are not entered into in the ordinary course of the Issuer's business, which could result in any Group member being under an obligation or an entitlement that is material to the Issuer's ability to meet its obligations to security holders in respect of the Bonds.

### ***Agreements Relating to Financing of the Photovoltaic Power Plant Portfolio in the Slovak Republic***

#### *Loan Agreement Dated 15 April 2011 Between UCB SK and ATS Energy s.r.o.*

On 15 April 2011 UniCredit Bank Czech Republic and Slovakia a.s., pobočka zahraniční banky (as the creditor) ("UCB SK") and ATS Energy s.r.o. (as the debtor) entered into loan agreement with credit limit of EUR 1,749,806 repayable until 2024 and interest rate of 2.9% p.a. + 3M EURIBOR. The reference interest rate EURIBOR 3M has been fixed at 0.98% p.a. until 2024. In 2014, the outstanding amount was increased from EUR 1,210,313 to EUR 1,530,000 with the loan increase subject to interest rate of 2.7% p.a. + 3M EURIBOR. In June 2022, the Loan Agreement was amended with the tenor prolonged till 30 September 2026 and interest rate of 1.55% + 3M EURIBOR on the entire outstanding volume. The reference interest rate EURIBOR 3M has been fixed at 1.89% p.a. until the end of the maturity. The current outstanding value of loans is EUR 379,101.

The loans are due and repayable until 30 September 2026.

#### *Loan Agreement Dated 9 September 2011 Between UCB SK and Eco Plan 2 s.r.o.*

On 9 September 2011, UCB SK (as the creditor) and Eco Plan 2 (as the debtor) entered into loan agreement entered with credit limit of EUR 2,507,000 repayable until 2024 and interest rate of 2.9% p.a. + 3M EURIBOR. The reference interest rate EURIBOR 3M has been fixed at 1.06% p.a. until 2024. In 2014, the outstanding amount was increased from EUR 1,875,923 to EUR 2,080,000, with the loan increase subject to interest rate of 2.7% p.a. + 3M EURIBOR. In June 2022, the Loan Agreement was amended with the tenor prolonged till 30 September 2026 and interest rate of 1.55% + 3M EURIBOR on the entire outstanding volume. The reference interest rate EURIBOR 3M has been fixed at 1.89% p.a. until the end of the maturity.

The current outstanding value of the loans is EUR 588,804. The loan is due and repayable until 30 September 2026.

#### *Loan Agreement Dated 9 September 2011 Between UCB SK and Eco Plan 3 s.r.o.*

On 9 September 2011, UCB SK (as the creditor) and Eco Plan 3 s.r.o. (as the debtor) entered into loan agreement entered with credit limit of EUR 2,507,000 repayable until 2024 and interest rate of 2.9% p.a. + 3M EURIBOR. The reference interest rate EURIBOR 3M has been fixed at 1.06% p.a. until 2024. In 2014, the outstanding amount was increased from EUR 1,875,923 to EUR 2,080,000, with the loan increase subject to interest rate of 2.7% p.a. + 3M EURIBOR. In June 2022, the Loan Agreement was amended with the tenor prolonged till 30 June 2026 and interest rate of 1.55% + 3M EURIBOR on the entire outstanding volume. The reference interest rate EURIBOR 3M has been fixed at 1.86% p.a. until the end of the maturity.

The current outstanding value of the loans is EUR 584,804. The loan is due and repayable until 30 June 2026.

#### *Loan Agreement Dated 9 September 2010 Between UCB SK and Fotonika s.r.o.*

On 9 September 2011 UCB SK (as the creditor) and Fotonika s.r.o. (as the debtor) entered into loan agreement entered with credit limit of EUR 3,125,364 repayable until 2024 and interest rate of 3.0% p.a. + 3M EURIBOR. The reference interest rate EURIBOR 3M has been fixed at 20.93% p.a. until 2024. In 2014, the outstanding amount was increased from EUR 1,831,998 to EUR 2,205,000, with the loan increase subject to interest rate of 2.7% p.a. + 3M EURIBOR. In June 2022, the Loan Agreement was amended with the tenor prolonged till 30 June 2026 and interest rate of 1.55%

+ 3M EURIBOR on the entire outstanding volume. The reference interest rate EURIBOR 3M has been fixed at 1.86% p.a. until the end of the maturity.

The current outstanding value of the loans is EUR 541,114. The loan is due and repayable until 30 June 2026.

*Loan Agreement Dated 9 September 2011 Between UCB SK and Photon SK SPV 1 s.r.o.*

On 9 September 2011, UCB SK (as the creditor) and Photon SK SPV 1 s.r.o. (as the debtor) entered into loan agreement entered with credit limit of EUR 2,299,000 repayable until 2024 and interest rate of 2.9% p.a. + 3M EURIBOR. The reference interest rate EURIBOR 3M has been fixed at 1.06% p.a. until 2024. In 2014, the outstanding amount was increased from EUR 1,513,583 to EUR 1,800,000, with the loan increase subject to interest rate of 2.7% p.a. + 3M EURIBOR.

The current outstanding value of the loans is EUR 465,950. The loan is due and repayable until 30 June 2026.

*Loan agreement dated 9 September 2011 between UCB SK and Photon SK SPV 2 s.r.o.*

On 9 September 2011, UCB SK (as the creditor) and Photon SK SPV 2 s.r.o. (as the debtor) entered into loan agreement entered with credit limit of EUR 2,569,000 repayable until 2024 and interest rate of 2.9% p.a. + 3M EURIBOR. The reference interest rate EURIBOR 3M has been fixed at 1.06% p.a. until 2024. In 2014, the outstanding amount was increased from EUR 1,833,519 to EUR 1,920,000, with the loan increase subject to interest rate of 2.7% p.a. + 3M EURIBOR. In June 2022, the Loan Agreement was amended with the tenor prolonged till 30 September 2027 and interest rate of 1.55% + 3M EURIBOR on the entire outstanding volume. The reference interest rate EURIBOR 3M has been fixed at 2.00% p.a. until the end of the maturity.

The current outstanding value of the loans is EUR 548,220. The loan is due and repayable until 30 September 2027.

*Loan Agreement Dated 9 September 2011 Between UCB SK and Photon SK SPV 3 s.r.o.*

On 9 September 2011, UCB SK (as the creditor) and Photon SK SPV 3 s.r.o. (as the debtor) entered into loan agreement entered with credit limit of EUR 2,569,000 repayable until 2024 and interest rate of 2.9% p.a. + 3M EURIBOR. The reference interest rate EURIBOR 3M has been fixed at 1.06% p.a. until 2024. In 2014, the outstanding amount was increased from EUR 1,843,105 to EUR 1,920,000, with the loan increase subject to interest rate of 2.7% p.a. + 3M EURIBOR. In June 2022, the Loan Agreement was amended with the tenor prolonged till 30 September 2027 and interest rate of 1.55% + 3M EURIBOR on the entire outstanding volume. The reference interest rate EURIBOR 3M has been fixed at 1.99% p.a. until the end of the maturity.

The current outstanding value of the loans is EUR 546,218. The loan is due and repayable until 30 September 2027.

*Loan Agreement Dated 9 September 2011 Between UCB SK and Solarpark Myjava s.r.o.*

On 9 September 2011, UCB SK (as the creditor) and Solarpark Myjava s.r.o. (as the debtor) entered into loan agreement entered with credit limit of EUR 2,658,000 repayable until 2024 and interest rate of 2.9% p.a. + 3M EURIBOR. The reference interest rate EURIBOR 3M has been fixed at 1.03% p.a. until 2024.

The current outstanding value of loan is EUR 358,480. The loan is due and repayable until 30 June 2025.

*Loan Agreement Dated 9 September 2011 Between UCB SK and Solarpark Polianka s.r.o.*

On 9 September 2011, UCB SK (as the creditor) and Solarpark Polianka s.r.o. (as the debtor) entered into loan agreement entered with credit limit of EUR 2,655,000 repayable until 2024 and interest rate of 2.9% p.a. + 3M EURIBOR. The reference interest rate EURIBOR 3M has been fixed at 1.06% until 2024. In 2014, the outstanding amount was increased from EUR 1,868,294 to EUR 1,970,000, with the loan increase subject to interest rate of 2.7% p.a. + 3M EURIBOR.

The current outstanding value of the loans is EUR 512,414. The loan is due and repayable until 31 March 2027.

*Loan Agreement Dated 9 September 2010 Between UCB SK and SUN4ENERGY ZVB s.r.o.*

On 9 September 2010, UCB SK (as the creditor) and SUN4ENERGY ZVB s.r.o. (as the debtor) entered into loan agreement entered with credit limit of EUR 3,155,714 repayable until 2024 and interest rate of 3.0% p.a. + 3M EURIBOR. The reference interest rate EURIBOR 3M has been fixed at 0.93% p.a. until 2024. In 2014, the outstanding amount was increased from EUR 1,854,688 to EUR 2,120,000, with the loan increase subject to interest rate of 2.7% p.a. + 3M EURIBOR. In June 2022, the Loan Agreement was amended with the tenor prolonged till 30 September 2026 and interest rate of 1.55% + 3M EURIBOR on the entire outstanding volume. The reference interest rate EURIBOR 3M has been fixed at 1.91% p.a. until the end of the maturity.

The current outstanding value of the loans is EUR 522,635. The loan is due and repayable until 30 September 2026.

*Loan Agreement Dated 9 September 2010 Between UCB SK and SUN4ENERGY ZVC s.r.o.*

On 9 September 2010, UCB SK (as the creditor) and SUN4ENERGY ZVC s.r.o. (as the debtor) entered into loan agreement entered with credit limit EUR 3,155,714 repayable until 2024 and interest rate of 3.0% p.a. + 3M EURIBOR. The reference interest rate EURIBOR 3M has been fixed at 0.93% p.a. until 2024. In 2014, the outstanding amount was increased from EUR 1,854,688 to EUR 2,120,000, with the loan increase subject to interest rate of 2.7% p.a. + 3M EURIBOR. In June 2022, the Loan Agreement was amended with the tenor prolonged till 31 December 2026 and interest rate of 1.55% + 3M EURIBOR on the entire outstanding volume. The reference interest rate EURIBOR 3M has been fixed at 1.94% p.a. until the end of the maturity.

The current outstanding value of the loans is EUR 527,635. The loan is due and repayable until 31 December 2026.

***Agreements Relating to Financing of the Photovoltaic Power Plant Portfolio in Hungary***

*Agreements Between the K&H Bank and the Relevant Project Companies for Financing PV Power Plants in Fertöd, Almásfüzitő and Tiszakécske, Hungary dated 16 January 2019*

On 16 January 2019, the Company concluded with K&H Bank, the Hungarian subsidiary of Belgian KBC Group N.V. (“**K&H Bank**”) long-term non-recourse project financing framework agreement for 11.5 MWp of its proprietary PV power plant portfolio in Hungary in the amount of HUF 3.33 billion (EUR 10.4 million).

The loans were fully drawn down within 2019 with interest rate of 2.2% p.a. + 3M BUBOR 60% of the reference interest rate BUBOR 3M has been fixed at 1.6% p.a. until 2026. Since 1 April 2022, the interest rate has been increased to 2.5% p.a. + 3M BUBOR.

The current outstanding value of the loans is HUF 2.82 billion (EUR 8.84 million). Final maturity of the loans is 28 June 2034.

*Agreements Between the K&H Bank and the Relevant Project Companies for Financing PV Power Plants in Fertöd, Monor, Taszár, Tata, Kunszentmárton and Mályi, Hungary dated 9 December 2019*

On 9 December 2019, the Company concluded with K&H Bank, long-term non-recourse project financing framework agreement for an additional 20.1 MWp of its proprietary PV power plant portfolio in Hungary in the amount of 5.93 billion HUF (17.9 million EUR).

The loans for projects Monor, Taszár, Tata, Kunszentmárton, Malyi and Fertöd were drawn down within 2019 and 2020 with interest rate of 2.2% p.a. + 3M BUBOR. 60% of the reference interest rate BUBOR 3M has been fixed at 1.30% p.a. until 2030. Since 1 April 2022, the interest rate of all the project has been increased to 2.5% p.a. + 3M BUBOR.

The current outstanding value of the loans is HUF 4.89 billion (EUR 12.31 million). Final maturity of the loans is 31 March 2035.

*Agreement between the CIB Bank and the Company for Refinancing PV Power Plants in Nagyecséd and Kunszentmarton dated 16 December 2020*

On 16 December 2020, the Company concluded with CIB Bank, the Hungarian subsidiary of the Italian Intesa Sanpaolo Group, long-term non-recourse project financing agreement for 3.5 MWp of its proprietary PV power plant portfolio in Hungary in the amount of HUF 1.0 billion (EUR 2.8 million).

The loans were drawn down in 2021 with an interest rate of 2.50% + 3M BUBOR. 50% of the reference interest rate BUBOR 3M has been fixed at 3.6% p.a. until 2028. The reference interest rate BUBOR 3M has not been fixed until now. The current outstanding value of the loans is HUF 0.93 billion (EUR 2.35 million). Final maturity of the loans is 31 December 2035.

*Agreement between the CIB Bank and the Company for Refinancing PV Power Plants in Püspökladány dated 22 January 2021*

On 22 January 2021, the Company concluded with CIB Bank, the Hungarian subsidiary of the Italian Intesa Sanpaolo Group, long-term non-recourse project financing agreement for 14.1 MWp of its proprietary PV power plant portfolio in Hungary in the amount of HUF 4.6 billion (approx. EUR 12.9 million).

The loans were drawn down in 2021 with an interest rate of 2.50% + 3M BUBOR. 50% of the reference interest rate BUBOR 3M has been fixed at 3.6% p.a. until 2028. The reference interest rate BUBOR 3M has not been fixed until now. Partial repayment of the loan (early entire repayment for the projects owned by Ladány Solar Delta kft.) occurred in June 2022 in amount of HUF 869.5 million (EUR 2.19 million).

On 30 August 2022, a restructuring of the remaining financing has been executed by an early repayment in the amount of HUF 291 million (EUR 0.73 million) and an exchange into EUR financing of an equivalent of HUF 1.85 billion (EUR 4.63 million) of the remaining outstanding amount in HUF. The interest rate of the new EUR facility is 2.75% + 3M EURIBOR (zero floor). Final maturity of the HUF loans is 31 December 2035 and of the EUR loans 30 September 2032.

The total current outstanding value of loans is HUF 3.13 billion (EUR 7.75 million).

***Agreements Relating to Financing of the Photovoltaic Power Plant Portfolio in Australia***

*Syndicated facility agreement dated 28 May 2020 between Leeton Solar Farm Pty Ltd and Fivebough Solar Farm Pty Ltd on one side and Infradebt Pty Ltd and Infradebt Security Holdings Pty Ltd on the other side*

On 28 May 2020, Leeton Solar Farm Pty Ltd and Fivebough Solar Farm Pty Ltd (as the debtor) and Infradebt Pty Ltd and Infradebt Security Holdings Pty Ltd. and Clean Energy Finance Corporation (as creditors) entered into a syndicated facility agreement with credit limit of AUD 9,000,000 and interest rate of 3.25% p.a. plus 3M BBSY. 75% of the reference rate 3M BBSY has been fixed at 0.79% p.a. until 2025. The loan incorporate construction finance and long term project refinance of two PV power plants in Leeton in New South Wales, with a grid connection capacity of 4.95 MWp AC and an installed capacity of 7.3 MWp DC each.

The loan has a 10-year amortisation profile and a bullet payment on 31 December 2025. The current outstanding value of loans is AUD 6.81 million (EUR 4.51 million).

**Sustainability and Environmental Matters**

The Group's assets and operations are subject to various environmental laws and regulations in the jurisdictions in which it operates. These environmental requirements include, among other things, ecological waste disposal of PV components. Non-compliance with such requirements may result in criminal or civil penalties, damage claims, an obligation to remediate any environmental damages (including damages to natural resources) and/or an obligation to take reasonable measures to prevent pollution or degradation of the environment from occurring, continuing or recurring.

The Group keeps records of waste in accordance with the provisions of environmental law and transfers waste to specialist companies holding waste management permits. In addition, the Group conducts systematic environmental

impact assessments during its project development activities for PV power plants, when required by law. Specific national regulations for ecologic waste disposal for photovoltaic components are in place and that the Group complies with those regulations accordingly.

## **Regulatory Matters**

Each of the investments carried out by the Group requires a number of permits and concessions issued by the national administrative authorities. The investments implemented by the Group require, in particular, building permits, the possession of appropriate construction projects and connection conditions to the power plant, as well as obtaining appropriate environmental decisions. In addition, the activity of energy generation is a regulated activity which requires obtaining appropriate concessions.

The Group holds all the decisions required by the law, specifying the scope and manner of use of the environment, the obligation to obtain which is related to the specific nature of its operations, and also obtains new required permits on an ongoing basis. The Group also operates installations, the operation of which does not require obtaining environmental decisions.

Board of Directors believes that the Group's operations are in compliance with the terms of the Group's permits, decisions and licenses and that there are no issues that are material to the Group's current operations.

## **Governmental, Legal or Arbitration Proceedings**

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware), during a period covering the previous 12 months which may have, or have had in the recent past significant effects on the Company and/or the Group's financial position or profitability.

## **Insurance**

The Group has insurance policies covering property, against all risks, including in particular fire and related risk, storm, hailstorm, flood and deluge, other risk, theft by burglary. In addition, the Group holds third-party liability insurance for damage caused in connection with the Group's business including reimbursement of medical expenses incurred by the health insurance company and provided benefits social insurance, damaged to rented property, damage to employees' property, damages to received property, damage to underground and overhead power lines, counter-claim insurance, damage caused by environmental damage, purely financial damage. The indemnification limit and the scope of insurance of each of the insurance contracts is in line with market standards.

Insurance coverage is up to 100% of lost revenues for 3 months for interruption of power plant operation, 100% of property value in case of fire, explosion or lightning strike, 25% of property value in case of hurricanes or hail, 10% of property value in case of flooding, 1% of property value in case of theft or vandalism and 10% of property value in case of other hazards.

## MARKET AND REGULATORY OVERVIEW

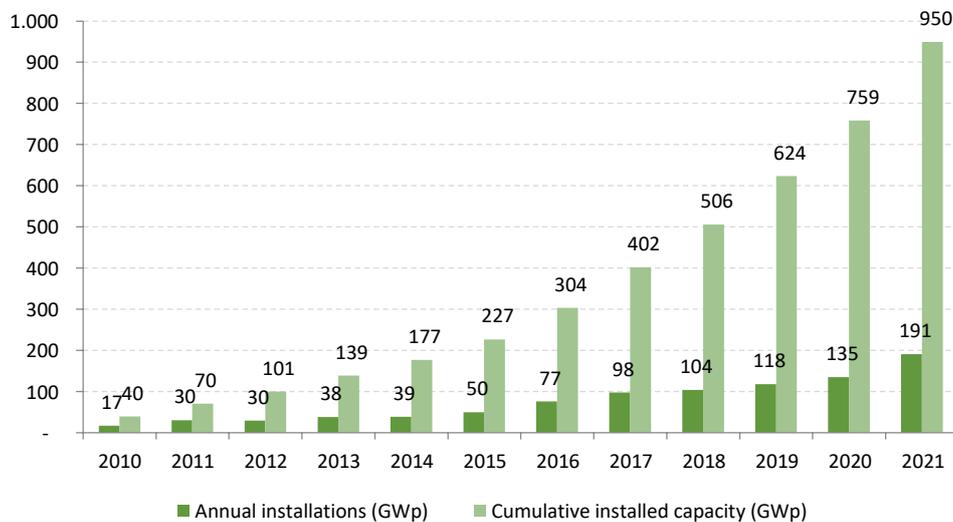
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Before reading this section, investors should read “Important Information–Market, Economic and Industry Data”, where sources of third-party data are indicated. In addition, information presented in this section should be read in conjunction with the information in “Abbreviations and Definitions”.

### Overview of the Global Solar Market<sup>1</sup>

In the last 15 years, PV technology has shown an ever-increasing market growth thanks to technology and price development and has gone from being a niche technology mostly used for electricity production, either in space or in remote places, to a mainstream energy source. Despite a second year of the COVID-19 pandemic, market data show that the global PV market again grew significantly in 2021.

### Evolution of global annual and cumulative installed capacity 2010–2021 (GWp)<sup>1</sup>



<sup>1</sup> Source BloombergNEF, Company’s own research.

The majority of the growth of the PV market in 2021 came from China, the US, Europe, India and emerging countries. The Chinese PV market grew again in 2021, despite shortages observed in the value chain during the year and was the largest market in terms of annual installed capacity. In 2021, 54.9 GWp of PV were installed, compared to 48.2 GWp in 2020. China remains the leader in terms of cumulative capacity with 308.5 GW installed, almost one third of the global PV installed capacity. In addition to China, the rest of the global PV market grew significantly from 97 GWp in 2020, to at least 120 GWp in 2021, a 24% increase year on year. The US market saw its market increasing to 26.9 GWp, which allowed it to overtake the European Union that was ranked second last year. Utility-scale installations accounted for about 75% of the new additions. The European Union lost its position as the second global PV market and ranked third in 2021 by installing close to 26.8 GWp. The largest European market in 2021 was again Germany (5.3 GWp), followed by Spain (4.9 GWp), France (3.4 GWp), the Netherlands (3.3 GWp) and Poland (3.3 GWp).

While the market continued its development, one might consider that it could have grown even more without the impact of the pandemic on international trade and in some cases on local PV manufacturing. However, the impacts seen in China in 2021 were not directly correlated to the pandemic itself and reflect more the growing part of PV in the economy, especially regarding raw material consumption.

In 2021, polysilicon and glass, but also aluminium, saw price surges, which impacted the end-user price of PV modules. This led to contract cancellations and price increases for developers, and with a possible slowed down market development in many locations as a result. The additional shipping costs incurred in 2021 due to the pandemic also contributed to PV component price increases and possibly terminated some very competitive business models.

At the same time, the increases in costs of energy, and specifically electricity prices, have enhanced the PV competitiveness in numerous countries. It is difficult to distinguish if this acceleration effect is stronger or weaker than the braking effect of higher PV hardware prices.

Overall, we can consider that the COVID-19 pandemic did not significantly impact market development in 2021. The national market regressions or stagnations discussed above can be linked to regulatory burdens. But in a nutshell, most key markets progressed.

The resiliency of the PV market despite the major economic and logistic disruptions is remarkable and shows the potential of the technology to limit the economic downturn and social damage brought by the COVID-19 pandemic. This shows that national green recovery plans and better regulations could propel the PV industry far beyond the current installation trends (which is needed to achieve the Paris Climate Agreement).

Data from Solar Power Europe show that the utility-scale PV market increased in absolute numbers compared to 2020. This trend was observed in many countries, due to the easiness to develop utility-scale PV compared to the difficulties or setting-up sound regulations for distributed PV under self-consumption and even more in energy communities. The rooftop market grew in 2021 in absolute terms, due to growth in China, Australia, Germany, and the United States.

Important growth of the distributed market was also observed in Spain (+100% compared to 2020). However, the relative shares of rooftop PV and utility-scale PV remained similar in 2021 compared to the previous year.

In several countries, the PV contribution to the electricity demand has passed the 10% mark, with Australia in first place with 15.5%. Spain is second with an estimated 14.2 % and Greece third with a theoretical penetration level of 13.6%. In total, PV contribution amounts to close to 5% of the electricity demand in the world.

### **Key regions in which the Group operates**

The principal markets in which the Group currently operates are Czech Republic, Hungary, Slovakia, Australia, Poland and Romania.

## *Growth Rates and Drivers*

Below the growth rates and drivers by the markets in which the Group operates has been presented<sup>2</sup>:

**Czech Republic** – the PV market in the Czech Republic reached a total of 62 MWp, representing a significant growth compared to 51 MWp installed in 2020 (+21%), according to the Czech solar association (Solární Asociace). Despite the country installing 3,028 systems more than in 2020, the total annual capacity was only slightly higher at 62 MW, up from 51.4 MW in 2020, due to a lower average size of new systems (6.7 kW) compared to 8.3 kW in 2020. The Czech Republic awarded subsidies to around 6,500 residential rooftop solar applications under its New Green Savings Program in 2021, out of which 80% were for hybrid systems comprising battery storage. Even as residential solar installations were robust last year, the commercial and industrial (C&I) segment witnessed a decline of 70% in terms of projects. Less than 400 systems were installed with a combined capacity of 19.2 MW due to complex administration associated with construction and lengthy implementation of projects. The Czech Republic targets to increase the share of renewables in its energy mix to 29% by 2030.

The country has around 2,2 GWp of installed PV capacity with no significant additions since 2010, the year during which the country reached its national solar target of 1,695 MWp.

**Hungary** – Hungary saw around 800 MWp of PV capacity deployed in 2021, compared to 650 MWp in 2020. As of the end of December 2021, the country's cumulative installed PV capacity stood at around 2,900 MWp. This year's growth was mainly driven by the new Renewable Energy Support Scheme METÁR which came into force in 2017, and by an auction mechanism for renewable energy sources, which commenced in late 2019. The new scheme allows large energy producers, with over 1 MWp of planned project capacity, to compete for a premium support if they participate and win the tender. In March 2022, the Hungarian Energy and Public Utility Regulatory Authority (HEPURA) has launched the nation's fifth auction for procuring renewable energy generation capacity. The regulator expects to contract around 864 GWh of renewable energy in the procurement exercise, of which 144 GWh should be contracted from renewable energy plants ranging in size from 5 to 20 MW and around 720 GWh from facilities with a capacity between 20 and 50 MWp. For comparison, in the third auction held in December 2021, HEPURA contracted a total of 299 GWh.

**Slovakia** – Slovakia's additional capacity was almost non-existent in 2021, the same as in 2020. The country's cumulative capacity amounted to around 535 MWp at the end of December 2020. However, changes may take place in the near future as the Slovak Electricity Transmission System (SEPS)<sup>3</sup> operator together with representatives of the Ministry of Economy and the Ministry of Finance announced the official end of the "stop-stav" (standstill) in Slovakia, which made it impossible to connect new energy sources and thus develop green energy in Slovakia.

**Australia** – The growth of Australia's renewable energy industry showed no sign of slowing in 2021 as increased support from state and territory governments saw numerous records set across the large- and small-scale sectors. The country's cumulative capacity amounted to around 25.4 GWp at the end of 2020, compared to around 20.2 GWp at the end of December 2020. The rooftop solar industry continued its remarkable run in 2021, with 389,577 systems and 3.3 GWp of new capacity installed throughout the year both new records for the sector. Installed capacity in the medium-scale solar sector (between 100 kWp and 5 MWp) has fallen in each of the past two years as businesses have felt the effect of the COVID-19 pandemic. Yet despite the difficult economic conditions, 2021 was the fourth-straight year that the sector has seen more than 100 MWp of new capacity installed, bringing the sector's total capacity to 667 MWp. Medium-scale solar was responsible for 1% of Australia's total renewable energy generation in 2021. The large-scale solar sector saw 19 projects commissioned during 2021 with a cumulative capacity of 1,209 MWp. The number of new projects was slightly down on the 22 projects completed in 2020, but the corresponding capacity increased by 38% due to Australia's three largest solar farms all being commissioned during the year. Large-scale solar's contribution to Australia's renewable energy generation increased from 10.9% in 2020 to 12.3% in 2021, while it accounted for 4.0% of Australia's total electricity generation<sup>4</sup>.

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<sup>2</sup> Source: Company own research and analysis.

<sup>3</sup> Slovak Solar Association.

<sup>4</sup> Source Clean Energy Council report 2022.

**Poland** – The country’s cumulative installed capacity amounted to around 6,900 MWp as of the end of December 2021, up 92% from 3,600 MWp installed in 2020. The installed power is gradually increasing, and the growth rate has been extremely high for two years. Individual prosumers made the greatest contribution to the increase in new power. Poland’s auction system also brought measurable effects with the first gigawatt of capacity in photovoltaic farms is already feeding energy into the grid. The sudden increase in solar installations in recent years was mainly due to Poland’s rooftop PV incentive program and its net metering schemes, which ended by 1 April 2022, but also due to a ‘contract for difference’ (CfD) tender scheme for 1 MWp solar farms implemented at the end of 2016, and a developing PPA segment. Aside from those systems, there is also significant potential for large-scale PV development in Poland. Especially since 2019 - in the CfD tenders for large-scale RES installations - solar PV was able to successfully compete with onshore wind farms.

**Romania** – The country’s cumulative installed capacity amounted to around 1,500 MWp as of the end of December 2021, up 7% from 1,400 MWp installed in 2020. Most of this capacity comes from megawatt-scale PV plants built under the country’s now-expired green certificates scheme. Green certificates were only granted to companies that connected their PV projects to the grid before 31 January 2016. However, several recent developments indicate positive changes are on their way. In 2020, the power purchase agreement (PPA) model has entered the regulatory framework in Romania, to support its strategy of increasing energy independence by 2030.

**The Netherlands** – The country added an estimated capacity of 3.30 GWp in 2021, up 13% from 2.93 GWp installed in 2020. By comparison, newly deployed PV systems hit 2.57 GWp in 2019, 1.69 GWp in 2018, and 853 MWp in 2017. According to the Dutch Central Agency for Statistics, the large increase in solar capacity – and that of wind power, which grew by around 1.1 GW last year – raised the share of electricity production from renewable energy in the country to 33%, which compares to 27% in 2020. The country’s cumulative capacity amounted to around 13.41 GWp at the end of December 2021.

**Switzerland** – The country added an estimated capacity of 0.68 GWp in 2021, up 43% from 0.48 MWp installed in 2020. Increased growth compared to the previous year could be observed in all segment sizes and application areas. Growth was particularly high for systems on industrial and commercial buildings, on single-family homes and for large systems with an output of more than one megawatt. According to the latest solar energy statistics from the Swiss Federal Office of Energy, the share of solar power production in Switzerland’s electricity consumption was 5% in 2021. The country’s cumulative capacity amounted to around 3.65 GWp at the end of December 2021.

#### *Competitive Landscape*

The Group’s competitive landscape is comprises internal PV departments of large utilities companies, as well as independent competitors or new entrants that may compete broadly with the Group or in limited segments of its market.

With the end or reduction of incentives in some big markets, one of the main drivers for creating value in the PV sector is the improvement of operating efficiency in existing plants through operations and maintenance, an increasingly central activity for many operators in different markets.

The competitive landscape of the PV O&M market is country specific, with different firms leading in each of the top solar markets.

The companies that offer O&M services are mostly: EPCs, developers, electrical/inverter firms, vertically integrated solar firms, IPPs/utility companies and independent O&M providers.

The typical clients are solar system owners, ranging from private investors to large banks.

Based on the Company’s internal analyses and estimates resulting from its knowledge of and experience on the markets where it operates, the market shares held in the Czech Republic, Slovakia, Hungary and Australia are as follows:

- **Czech Republic** – The proprietary portfolio of the Group in the Czech Republic comprises 11 photovoltaic power plants. It mainly includes green-field installations, with a total installed output of approximately 15.0 MWp, representing approximately 0.6% of the total installed capacity in the country (approximately 2,700 MWp as of the end of 2021). The total O&M portfolio operated in the Czech Republic included 133.3 MWp of PV capacities managed for the proprietary portfolio and external clients as of the end of 2021, representing approximately 4.9% of the total installed capacity in the country.
- **Slovakia** – Photon Energy currently owns shares in 11 SPVs in Slovakia with a total installed output of approximately 10.4 MWp, representing approximately 1.9% of the total installed capacity in the country (approximately 535 MWp as of the end of 2020; the total capacity installed at the end of 2021 was not available as of the Prospectus Date). The total O&M portfolio operated in Slovakia includes 20.8 MWp of PV capacity managed for the Company’s proprietary portfolio and external clients, representing approximately 3.9% of the total installed capacity in the country.
- **Hungary** – the Company’s proprietary portfolio comprised 62 power plants with a total capacity of 50.5 MWp at the end of 2021, representing approximately 1.7% of the total installed capacity in the country (approximately 3,000 MWp as if the end of 2021). The total O&M portfolio operated in Hungary comprised 100.7 MWp of PV plants managed for the proprietary portfolio at the end of 2021 and external clients, representing approximately 3.4% of the total installed capacity in the country.
- **Australia** – as of the end of 2021, the Company’s proprietary portfolio comprised one rooftop photovoltaic power plant in Symonston with a total capacity of 144 KWp connected in April 2013 and two utility-scale photovoltaic power plants in Leeton with a total capacity of 14.6 MWp connected in August 2021, representing approximately 0.06% of the total installed capacity in the country (approximately 25,600 MWp as of the end of 2021). The total O&M portfolio operated in Australia comprised 24.1 MWp of PV plants managed for the proprietary portfolio and external clients, representing approximately 0.09% of the total installed capacity in the country (25,600 MWp at the end of 2021).

The Group believes that is able to differentiate itself from its competitors on the markets where it operates by, among other things:

- applying its 12-year experience to the development and delivery of products and professional services that enable the Group’s customers to overcome their challenges and achieve service differentiation by providing a personalised and intelligent customer experience, simplifying the complexity of the operating environment (see “–*Competitive Strengths*”);
- continuing to design and develop solutions targeted specifically to the PV industry;
- innovating in a changing market, with the development of solar-hybrid power solutions or off-grid solutions, as energy storage is increasingly important in regions with a high penetration of solar power to maintain a continuous and reliable electricity supply. The Group also develops solutions directly coupled with off-grid applications, such as on-site water pumping and filtration powered by solar energy for which a growing demand is driven by a wide range of applications, from household to agriculture and irrigation; and
- providing scalable, integrated, yet modular services.

## **Regulatory Framework**

### ***Auctions and Tendering Schemes***

Auctions and tendering schemes for RES are competitive mechanisms for allocating financial support to RES projects, usually on the basis of the cost of electricity production. In auctions, the price is the only criterion to be evaluated, while tenders may include additional criteria. RES auctions and tenders are organised by public authorities who have the responsibility for the preparation of the tender documents, the publication of the tender, the evaluation of the bids and the selection of the winning bids. Depending on the RES tender design, the bids can refer to installed capacity or electricity production. The tender is competitive if the total cumulated capacity or electricity production that is being offered in the bids exceeds the capacity or electricity production that is being tendered. In some cases, these limits are also defined in the form of the available budget for public financial support. The support that is granted to the winning bids can be in the form of feed-in-tariff, feed-in-premium, capacity payments, certificate

prices or investment grants. RES tenders can be technology neutral or focusing on a specific RES technology (e.g. solar PV or offshore wind energy).

The bidding procedure for RES capacity or electricity usually takes the form of a reverse multi-unit auction. This means that offers for multiple units of RES capacity (e.g. in MW), electricity (e.g. in MWh) or individual RES projects are submitted by multiple sellers to a sole buyer who is ranking the bids based on their unit price starting with the lowest offers. In some cases, single-unit RES auctions are organised for a single pre-defined RES project, e.g. an offshore wind park at a specific location. In a sealed bid auction, single undisclosed bids are submitted by each bidder, without knowing the bids of the competitors and being able to react to them (“*static auction*”). The price determination can take the form of pay-as bid (each bidder receives the price offered) or of a common price for all bidders, e.g. the price of the most expensive successful bid (“*marginal price*”). In open bid auctions, bids are submitted publicly and there is the possibility of adjusting them downwards as a reaction to other bidders (“*dynamic auction*”) until the least-cost price has been determined. In most RES tenders, maximum price limits are set by public authorities in order to eliminate the risk of excessive bids that would result in high costs for the RES support scheme.

Bidders in RES tenders usually have to fulfil a number of criteria in order to qualify for participation in the tender. These can include requirements related to the bidder (e.g. turnover volume, references, financial solidity, etc.), technical or commercial requirements related to the RES project, as well as the availability of licenses and permits that are required for the RES project. These criteria can either be evaluated in a pre-qualification phase (“*two stage tender*”) or during the evaluation of the final bids (“*single stage tender*”). In many cases, bid bond guarantees are required either from the bidding participants or only from the successful participants. In the case of non-realisation or significant delay of a project that has been selected during the tendering procedure, this bid bond can be retained and other types of penalties (e.g. termination of contracts, lowering of support levels, shortening the duration of support, other financial penalties), can be applied. Here it is important to make a clear differentiation between delays that are attributable to the RES investor and delays that are outside of the investor's responsibility (e.g. non-respect of deadlines by public licensing authorities).

**Competitive Tenders & Merchant PV** Tenders have driven PV development in the last years and continued to be granted in several places in the world with extremely competitive prices, well below 20 USD/MWh in the sunniest places. Winning bids down to almost 10 USD/MWh have been reported in the Middle East, while some tenders with prices below 14 USD/MWh have been recorded in Europe. The decreasing price trend halted in 2021 due to module prices hikes, and most believe that prices will hardly continue to go down in the coming years, at least until the raw material crisis can be solved. In some countries, cost-based tenders evolve towards multiple-factors tenders. Environmental or industrial constraints are introduced to give an advantage to local companies or to favour a better environmental footprint of the products. Merchant PV, with PV electricity sold on electricity markets or through PPAs has been seen in an increasing number of countries in 2021 (e.g. 100% of the ground-mounted installed capacity in 2021 in Spain (3.5 GWp) was developed through PPAs), with perspectives for further development in the coming years, especially if higher market prices for electricity remain, which would change completely the competitiveness question. Therefore, in addition to tenders, utility-scale PV starts to develop outside of the framed tenders and similar policies, thereby bringing cheap electricity to the world.

### ***Prosumers Policies***

The idea that PV producers could be considered as “prosumers” – both producers and consumers of energy – is evolving rapidly and policies are being adapted accordingly in several countries. The first set of policies used to develop the market of small-scale PV installations on buildings were called “net-metering” policies and were adopted in a large number of countries, however, with different definitions. The genuine “net-metering” which offers credits for PV electricity injected into the grid, had previously supported market development in Belgium, Canada, Denmark, the Netherlands, Portugal, Korea and the USA, but such policies are increasingly being replaced by self-consumption policies favouring real-time consumption of PV electricity, often completed with a feed-in tariff (or feed-in premium added on top of the spot price) for the excess PV electricity fed into the grid. This is for example the case in Spain.

As a result, self-consumption is becoming a major driver of distributed PV installations. The use of self-consumption in collective buildings is not yet widespread but exists in the Netherlands, Spain, Austria, Sweden, France, Switzerland, Germany or Italy to mention a few. Decentralised or distributed self-consumption is starting to develop with the idea to disconnect production and consumption of PV electricity. This would allow one or several PV producers (even utility-scale plants) to feed one or more consumers at a reasonable distance so that the use of the public grid is minimised. Such disconnection between production and consumption would help to alleviate the

constraint of the local self-consumption ratio and allow for a better use of available space on roofs or land. France, the Netherlands and Australia allow it under different forms, mostly for small-scale installations.

In many countries, such policies encounter a fierce resistance from many distribution system operators who fear for their future financing. With a growing share of distributed generation and self-consumption, the question of grid finance is a key issue to address, together with other new uses of distribution grids to charge EV or for heating through heat-pumps.

In the Clean energy for all Europeans package, the European Union introduced the concept of Renewable Energy Communities (REC) and of Citizen Energy Communities (CEC). REC should allow citizens to sell renewable energy production to their neighbours, while some crucial components are the definition of the perimeter and the tariffication for grid use. Those key components are defined in the national implementation in the member states. This concept of energy communities is likely to expand existing PV market segments and to allow cost reductions for consumers not able to invest in a solar installation themselves.

### ***Measures Penalizing Existing Installations and Retroactive Measures***

In 2020 and 2021, most of the PV markets did not experience abrupt or unannounced retroactive measures and the situation has therefore improved compared to previous years. However, retroactive measures in recent years considerably decreased investor's confidence in the PV market and still have an impact on the level of installations, even when the market conditions are favourable. The most important changes took place in Spain, where the retroactive measures reduced in some cases the revenues of PV system owners by 50%. In Italy, in order to reduce the impact of PV costs to the electricity consumers, the government imposed in 2014 a decrease of the feed-in-tariff level compensated by an increase of the payment years. Other countries also applied retroactive measures that reduced the level of financial support or changed the conditions applying to already existing PV systems. Bulgaria, Romania and the Czech Republic have discussed or applied such measures in the last four years, often with the consequence of destroying investors' confidence and bringing down the PV market.

In September 2021, the Lower Chamber of Parliament of the Czech Republic passed a new law regarding the support of renewable energy sources (RES) which will empower future governments to set maximum project internal rates of returns (IRR) for the various supported RES of between 8.4% and 10.6% for the respective support periods. For PV power plants commissioned in the years 2009 and 2010, an additional 10% solar levy has been approved. As such, 2009 power plants will pay 10% and 2010 power plants will pay a total of 20% (increased from the previously applied rate of 10%). The new law came into effect on 1 January 2022. The Slovak parliament approved an amendment to the energy law introducing an extension of the feed-in-tariffs for PV power plants commissioned in 2009 to 2011 from 15 years to 20 years, coming into effect on 1 January 2022. This measure is accompanied by a reduction in the applicable feed-in tariffs, which are assessed for each individual PV power plant, taking into account additional investment costs and higher operations and maintenance costs related to the extended technical life. The new feed-in-tariffs were set with the objective of being neutral to the present value of the assets.

In Belgium, retroactive measures were integrated in the law granting green certificates, which legally allowed a decrease of the number of years during which the certificates were granted. Some Belgian regions also implemented or tried to implement specific taxes for existing prosumers' installations under the justification of financing the grid. These measures, sometimes legally justified, have significantly decreased the confidence of investors and in all cases reduced the PV markets mentioned above. The biggest barrier to PV development for prosumers is now the fear that self-consumption or net-metering policies already granted could be changed, downgraded or taxed for existing PV installations.

However, given the increased competitiveness of PV solutions, such measures are vanishing rapidly from the agenda of policymakers in most countries.

## GENERAL INFORMATION ON THE GROUP

### Basic Information on the Company

Name and legal form:	Photon Energy Naamloze Vennootschap
Abbreviated legal and commercial name:	Photon Energy N.V.
Registered office and address:	Barbara Strozzilaan 201, 1083 HN Amsterdam, the Netherlands
Telephone No.:	+31 202 402 570
Website:	www.photonenergy.com
Email:	info@photonenergy.com
Commercial Register No.:	51447126
Official National Business Register:	Netherlands Chamber of Commerce ( <i>Kamer van Koophandel</i> )
Tax Identification Number:	NL850020827B01
Legal Entity Identifier (LEI):	315700YHFON9RJOPCK19
Credit rating:	None

The Company was incorporated in the Kingdom of the Netherlands as a joint-stock company (*naamloze vennootschap*) under the Dutch law on 9 December 2010. The Company is registered with the Commercial Register kept by the Netherlands Chamber of Commerce under KvK number 51447126.

The Company has been established for an indefinite period of time and operates on the basis of the provisions of the Dutch Civil Code (*Burgerlijk Wetboek*) and other legal regulations concerning commercial companies, as well as the provisions of the articles of association of the Company in force as of the Prospectus Date (the “**Articles of Association**”) and other internal regulations.

### Corporate Objects

Pursuant to Article 3 of the Articles of Association, the Company’s objects are:

- to participate in, to take an interest in any other way in, and to conduct the management of other business enterprises, of whatever nature;
- to finance other persons and to give security, to give guarantees and to bind itself in any other manner for debts of other persons;
- to borrow, to lend and to raise funds, including the issue of bonds, debt instruments and other securities, as well as to enter into agreements in connection therewith;
- to render advice and services to other persons;
- to acquire, manage, exploit and dispose of immovable and other registered properties;
- to trade in currencies and securities, as well as in items of property in general;
- to develop, exploit and trade in patents, trademarks, licences, know-how, copyrights, database rights and other intellectual property rights; and
- to perform all activities of an industrial, financial or commercial nature, as well as activities which are incidental to or which may be conducive to any of the foregoing in the broadest sense.

*The above information should be read in conjunction with, and is qualified in its entirety by reference to the Articles of Association. The full text of the Articles of Association (in Dutch, and an unofficial English translation) is available free of charge on the Company’s website (www.photonenergy.com).*

**The Group**

The Company is the holding company of the Group. As of the Prospectus Date, there were 135 companies in the Group (including the Company). There are no other joint ventures or undertakings in which the Company holds a proportion of the capital likely to have a significant effect on the assessment of its own assets and liabilities, financial position or profits and losses.

## MAJOR SHAREHOLDERS AND DESCRIPTION OF THE SHARE CAPITAL

Set out below is an overview of certain relevant information concerning the Company's share capital and of certain significant provisions of Dutch law and the Articles of Association. It is based on relevant provisions of Dutch law in effect on the Prospectus Date and the Articles of Association. This section does not purport to give a complete overview and should be read in conjunction with, and is qualified in its entirety by reference to, the Articles of Association and the relevant provisions of the Dutch law. The full text of the Articles of Association (in Dutch, and an unofficial English translation) is available free of charge on the Company's website ([www.photonenergy.com](http://www.photonenergy.com)).

### Major Shareholders

According to the Company's information, as of the Prospectus Date, its main shareholders hold Shares representing the total number of votes in the General Meeting and the Company's share capital shown in the table below.

Shareholder	Number of Shares	Share in the share capital (%)	Number of votes in the General Meeting	Share in the total number of votes in the General Meeting (%)
Michael Gartner <sup>(1)</sup>	21,796,637	36.33	21,796,637	38.65
Georg Hotar <sup>(2)</sup>	20,790,706	34.65	20,790,706	36.86

Source: The Company.

Notes:

(1) Michael Gartner owns 21,775,075 shares indirectly through Solar Future Cooperatief U.A. and 21,562 shares directly.

(2) Georg Hotar owns 20,713,375 shares indirectly through Solar Power to the People Cooperatief U.A. and 77,331 shares directly.

Solely by virtue of the voting power they hold, Michael Gartner and Georg Hotar are controlling shareholders of the Company. Based on representations of the members of the Board of Directors, there are no arrangements, known to the Company, the operation of which may at a subsequent date result in a change in control of the Company.

### Share Capital

The Company's authorised share capital amounts to EUR 1,000,000. As of the Prospectus Date, the Company's share capital amounts to EUR 600,000 (fully paid up) and consists of 60,000,000 ordinary registered series A shares with a par value of EUR 0.01 each. The number of the ordinary registered series A shares that can be issued is limited to the number of series A shares available in the authorised but unissued share capital of the Company, being 40,000,000 ordinary registered series A shares. There are no other classes of shares outstanding in the Company's share capital as of the Prospectus Date.

The Shares have been created under, and are subject to, Dutch law.

The Shares are not preferred shares in terms of voting rights, rights to dividends or the division of assets in the event of the liquidation of the Company.

## MANAGEMENT

*This section gives an overview of the material information concerning the Company's management and its corporate governance. It is based on relevant provisions of Dutch law in effect on the Prospectus Date and the Articles of Association. This section does not purport to give a complete overview and should be read in conjunction with, and is qualified in its entirety by reference to, the Articles of Association and the relevant provision Dutch law. The full text of the Articles of Association (in Dutch, and an unofficial English translation) will be available free of charge on the Company's website (www.photonenergy.com).*

### Corporate Structure

The Company has a two-tier corporate structure. The managing body of the Company is the Board of Directors comprising managing directors, and the supervising body of the Company is the Supervisory Board comprising supervisory directors. The Board of Directors is the statutory executive body (*raad van bestuur*) and managing directors are collectively responsible for the Company's management and the general affairs of the Company. The Supervisory Board is a supervisory body (*raad van toezicht*) and supervisory directors are collectively responsible for the Company's supervision, advising the Board of Directors and the general affairs of the Company.

### The Board of Directors

#### *Members of the Board of Directors as of the Prospectus Date*

The table below presents the principal information about the managing directors performing their duties as of the Prospectus Date.

<b>Name</b>	<b>Age</b>	<b>Position</b>	<b>Start of Function</b>	<b>Business address</b>
Georg Hotar	47	Executive Director	4 December 2020*	Barbara Strozziilaan 201, 1083 HN Amsterdam, the Netherlands
Michael Gartner	54	Executive Director	4 December 2020*	204/55 Grafton Street, Bondi Junction, NSW 2022, Australia

*Source: The Company;*

*\* Mr Hotar and Mr Gartner have been the Company's managing directors since 9 December 2010, however, new terms of their office started on 4 December 2020, due to the changes in the Company's corporate structure.*

#### *Georg Hotar*

Georg Hotar co-founded the Company in 2010 and was the Company's Chief Financial Officer until 2011. Since then he has spearheaded the Group's expansion in Europe and overseas as the Chief Executive Officer.

Mr Hotar started his professional career in 1995 as an equity sales trader with IB Austria Securities in Prague. In 1996, he joined Carnegie AB in London as an equity analyst and later that year he moved to ICE Securities Ltd. in London as an equity analyst for the TMT sectors in the CEE region. In 1999, he joined FFC Fincoord Finance Coordinators Ltd. in Zurich as an investor relations specialist. In 2000, he founded Central European Capital, a financial advisory boutique headquartered in Prague.

In 1999, he graduated from the London School of Economics with a BSc Accounting and Finance degree. In 2001, he completed and obtained a Master in Finance degree in finance from the London Business School.

#### *Michael Gartner*

Michael Gartner co-founded the Company in 2010 and was the Company's Chief Executive Officer until 2011. Since then he has held the position of Chief Technical Officer and Managing Director of Photon Energy Australia.

Mr Gartner has an extensive experience in the photovoltaic business, and is instrumental in driving the Company's utility-scale project development, EPC, commercial solar and off-grid and solar-hybrid power solutions. In 2007 when he developed one of the first large PV installations in the Czech Republic, he has successfully developed 326 MW of ready to build projects and a pipeline of 754 MW currently under development in Australia. Between 1994 and 2004,

he was an equity and debt analyst and head of fixed income sales in ING and Commerzbank Securities in Prague. From 2005 to 2007, he ran an investment boutique specializing in medium-term notes in the Eurobond market and M&A.

In 1991, he completed and obtained a bachelor's degree in economics from University of Newcastle in Australia. He holds MBA title from the US Business School in Prague obtained in 1994.

### ***Significant Activities of the Members of the Board of Directors Outside the Issuer***

The table below presents information on the significant principal activities performed by the members of the Board of Directors outside of the Issuer.

<b>Name</b>	<b>Company</b>	<b>Position</b>
Georg Hotar	Solar Power to the People Cooperatief U.A.	Beneficiary and Director
	Solar Power of the People S.à r.l.	Shareholder and Director
	Chamber of Commerce Czech-Pacific Alliance	President
	Atom Trace a.s.	Shareholder and Chairman of the executive board
	Oberkampf Investments N.V.	Shareholder and Independently Acting Director
	Solar Age Investments B.V.	Beneficiary and Director
Michael Gartner	Solar Future Cooperatief U.A.	Director
	Solar Future S.à r.l.	Director
	Oberkampf Investments N.V.	Shareholder and Independently Acting Director
	Solar Age Investments B.V.	Beneficiary

Source: The Company.

### **Supervisory Board**

The Supervisory Board exercises permanent supervision over the activities of the Company in respect of all the areas of the operation thereof.

### ***Members of the Supervisory Board as of the Prospectus Date***

As of the Prospectus Date, the Supervisory Board consists of three members.

The table below presents the principal information about the members of the Supervisory Board who perform their functions as of the Prospectus Date.

<b>Name</b>	<b>Age</b>	<b>Position</b>	<b>Start of Function</b>	<b>Business address</b>
Boguslawa Skowronski	65	Supervisory Board member and Audit Committee chair	4 December 2020	Barbara Strozziilaan 201, 1083 HN Amsterdam, the Netherlands
Marek Skreta	55	Supervisory Board chair and Audit Committee member	4 December 2020	Barbara Strozziilaan 201, 1083 HN Amsterdam, the Netherlands
Ariel Sergio Davidoff	55	Supervisory Board member	31 May 2022	Barbara Strozziilaan 201, 1083 HN Amsterdam, the Netherlands

Source: The Company.

### ***Boguslawa Skowronski***

Boguslawa Skowronski joined the Company in 2020 as a member of the Company's Supervisory Board.

Ms. Skowronski is an entrepreneur, technology start-ups ecosystem builder, VC and angel investor, and financier. She gained financial experience in organisations such as Union Bank of Switzerland in Zurich (1994-1996), European Bank for Reconstruction and Development in London (1991-1994), where she worked as corporate advisor, as well as in Capital Solutions proAlfa in Warsaw, a company which she founded in 2007. In her professional career, she advised companies in their capital market strategies and transactions. Since 2015, she is also a co-founder and a board member of MIT Enterprise Forum CEE, a CEE based, equity-free start-up acceleration program.

Ms. Skowronski graduated from Massachusetts Institute of Technology with bachelor degree in engineering (1980). She is also a Harvard Business School graduate (1985, MBA).

#### *Marek Skreta*

Marek Skreta joined the Company in 2020 as a member of the Company's Supervisory Board.

Mr. Skreta has an extensive, international experience in banking and financial markets. Since 2019, he has co-founded P4 Wealth Management in Zurich, where he served as a CEO. Since 2017, he has served as a member of the board and head advisor at R2G in Prague, a private investment platform which he helped to establish. Between 2008 and 2016, he was a managing director at UBS Switzerland AG. Between 2002 and 2007 he held a director position at Credit Suisse in Zurich where he focused on wealth management clients, their corporate transactions and private label investment funds. From 1999 until 2020, he was a Principal of Boston Venture and Associate at Europe Capital Management, where he advised family offices and private equity funds on investments in the CEE region and M&A transactions.

Mr. Skreta graduated from University of St. Gallen with a doctorate on Politics and Finance in the Czech Transition (1999) and a master degree in Business Administration and International Relations (1994). Between 1997 and 1998, he was a visiting scholar and associate at Harvard University.

#### *Ariel Sergio Davidoff*

Ariel Sergio Davidoff joined the Company in May 2022 as a member of the Company's Supervisory Board.

Ariel Sergio Davidoff is a partner at Lindemannlaw, an international law firm based in Zurich. The law firm focuses on UHNW entrepreneurs and regulated clients, such as banks, external asset managers and mutual funds. He serves on a small number of boards of successful companies.

Prior to joining Lindemannlaw, Mr. Davidoff held various positions in the banking industry in Switzerland and Lichtenstein, including the position of CEO. In addition, he recently co-funded several companies in the Swiss financial sector. Due to his regulatory, economic and legal background, his main areas of expertise are governance, risk management and audit.

Mr. Davidoff holds various degrees, including a Doctorate of Business Administration by the University from Southern Australia, Adelaide, an MBA from the University of Rochester, NY and an LL.M. in International Business Law from the University of Zurich. He has also successfully completed the Certified Board Member Certificate of Advanced Studies at the University of Berne, Switzerland.

### **Significant Activities of the Supervisory Board Members Outside the Issuer**

The table below presents information on significant principal activities performed by the members of the Supervisory Board outside the Issuer.

<b>Name</b>	<b>Company</b>	<b>Position</b>
Boguslawa Skowronski	CMS Corporate Management Services GmbH	Shareholder, management board member
	Capital Solutions pro Alfa sp. z o.o.	Shareholder, management board member
	Nomad Management GmbH	Proxy
	Valuetech Seed sp. z o.o.	Shareholder
	Valuetech Growth sp. z o.o.	Shareholder, management board member
	Bogucim sp. z o.o.	Shareholder, management board member
Ariel Sergio Davidoff	Fundacja Przedsiębiorczości Technologicznej*	Management board member
	ABB Armbusinessbank CJSC	Supervisory board member
	Carey AG	Board of directors' member
	Decentia Wealth AG	President of the Board
	Marcuard Heritage AG	Board of directors' member
	Redwood software GmbH	Managing Director
	TAV Ventures GmbH	Managing Director
	Raveno Capital AG	Vice Chairman of the supervisory board

<b>Name</b>	<b>Company</b>	<b>Position</b>
Marek Skreta	RREC Ltd	Deputy chairman of the supervisory board
	Veltarion SE	Supervisory board member
	Wealth Management Zurich AG	President of the board of directors, minority shareholder
	P4 Wealth Management AG	Shareholder, management board member
	Skreta Consulting	Founder (sole owner)
	Stichting Administratiekantoor R2G*	Economic beneficiary
	R2G a.s	Management board member
	Classics Only AG	Shareholder, Management board member

Source: The Company

\*Foundation

### **Potential Conflicts of Interest**

Current members of the Board of Directors indirectly and directly hold 70.98% of the shares in the Company, representing 75.51% of voting rights in the Company, and therefore a potential conflict of interests may arise with respect to their personal interests and their obligations or commitments towards the Company. Especially, there may be a conflict of interest in connection with execution of agreements by and between the Company and its subsidiaries that are not economically beneficial, solely to generate profit within the Group. The Company has established procedures whereby conflicted managing directors will refrain from participating in decisions involving any personal conflict of interest.

There are no other circumstances that may lead to a potential conflict of interest between the private interests or other duties of members of the Board of Directors *vis-à-vis* the Company.

There are no existing or potential conflicts of interests between the private interests or other duties of members of the Supervisory Board and the Company.

## THE OFFER

### General Information on the Bonds

The offer concerns 6.50% p.a. 2021/2027 bearer bonds ("**Bonds**"), with an aggregate volume of up to EUR 25,000,000.00. The Bonds will form part of the same series and class, and are fungible with, the Company's 6.50% p.a. 2021/2027 bearer bonds previously issued in the aggregate amount of EUR 65 million.

The offer consists of up to 25,000 Bonds with nominal value of EUR 1,000.00 each, i.e. with an aggregate nominal principal value of up to EUR 25,000,000.00. The Bonds, together with the interest payments, constitute direct, unconditional, not subordinated and unsecured obligations of the Company, *pari passu* with other not subordinated and unsecured obligations of the Company, unless they have legal priority.

Unlike shares, the Bonds are not associated with any profit-based dividend payments, but are subject to a fixed interest rate throughout their term.

The terms and conditions of the Bonds are set out in "*—Terms and Conditions of the Bonds*" below and constitute the legal basis for the subscription of the Bonds.

A condition for the acquisition of the Bonds is the existence of a depository securities account, in which it would be possible to deposit the Bonds. In case such an account does not exist, it can be established with a financial institution. The account holder should first become acquainted with the fees for the account administration by such financial institution and with other transaction costs.

### Legal Basis for the Issue of the Bonds

The Bonds are governed by the laws of the Federal Republic of Germany. The legal basis for any transfers of the Bonds will be Section 793 of the German Civil Code (*Bürgerliches Gesetzbuch*, "**BGB**") (Rights arising from bonds), which states:

*(1) If a person has issued a document in which the person promises payment to the bearer (bearer bond), then the holder may demand from the person the act of performance in accordance with the promise, unless the holder is not entitled to dispose of the document. However, the issuer is also released by payment to a non-entitled bearer.*

*(2) The validity of the signature may be made dependent upon a provision included in the document requiring the observance of a specific form. For signature, a name signature produced by means of mechanical reproduction suffices.*

The provisions of section 793 et seq. of the BGB only define the main characteristics of bonds. In addition to this, an issuer has various possibilities of regulating the relevant terms and conditions of the bonds. A bond is a security, which is associated with a promise to pay a certain amount at a specific moment. In return for its performance, a bearer, acting in the capacity of a bondholder, will receive a fixed interest. Moreover, the investor is entitled to full repayment of the related principal on the fixed date. The Issuer guarantees the promised payment of interest and repayment of the principal with all of its assets. By purchasing the Bonds, a buyer/subscriber becomes a creditor – *i.e.* a provider of a loan to the Issuer. This does not concern any business shareholding. Bonds are not associated with any voting rights and do not give rise to any rights to control the issuer, take part in the decision-making process, or attend the general meeting. Upon maturity, the bondholder will be entitled to the payment of interest as well as the invested capital.

### Type of Securities, ISIN, WKN, Currency

The Company's Board of Directors is expected to authorise the issue of the Bonds shortly after the approval of the Prospectus, subject to prevailing market conditions at the beginning of September.

The securities are issued as debt securities designated as bonds.

Type of security: bearer bonds.

The International Security Identification Number (*ISIN*) is DE000A3KWKY4; the German security identification number (*Wertpapier-Kennnummer - WKN*) is A3KWKY.

The Bonds will be offered in euro.

### **Description of the Offer**

The Issuer offers up to 25,000 Bonds in bearer form with a fixed interest of 6.50% p.a. with a nominal value of EUR 1,000.00 ("**Par Value**") each, with an aggregated principal amount of up to EUR 25,000,000.00 ("**Total Nominal Value**") with a maturity date of 23 November 2027 (the "**Offer**").

The Offer will consist of:

- (i) a public exchange offer (the "**Exchange Offer**") of the Issuer addressed to the holders of its EUR 45,000,000.00 7.75% bonds with ISIN DE000A19MFH4 (the "**2017/2022 Bonds**"), to exchange the currently (as of the Prospectus Date) outstanding amount of up to EUR 20,900,000.00 2017/2022 Bonds into new 6.50% p.a. 2021/2027 bearer bonds of the Issuer with ISIN DE000A3KWKY4 (the "**Bonds**" and each a "**Bond**"), whose offer is the subject of this Prospectus. The Issuer will publish the voluntary exchange offer in the German Federal Gazette and the Luxemburger Wort;
- (ii) an option to purchase additional Bonds for those who participate in the Exchange Offer ("**Option to Purchase**");
- (iii) a public offer in the Federal Republic of Germany, in the Republic of Austria and in the Grand Duchy of Luxembourg which is exclusively carried out by the Issuer ("**Public Offer**")
  - by placing an advertisement in the Luxemburger Wort; and
  - through subscription on the basis of the subscription form that may be downloaded and printed from the Issuer's website ([photonenergy.com/greenbond2022](http://photonenergy.com/greenbond2022)) under the section "Green EUR Bond 2021/2027" by clicking on "Subscribe"; and
- (iv) a private placement which will be carried out by the Sole Global Coordinator & Bookrunner (as defined below) and addressed solely to qualified investors in the Federal Republic of Germany and certain other countries outside the United States of America, Canada, Australia and Japan in compliance with the applicable private placement exemptions ("**Private Placement**");

The Public Offer of the Bonds targets all potential investors in the Federal Republic of Germany, in the Republic of Austria and in the Grand Duchy of Luxembourg and is not limited to certain categories of potential investors. In the Grand Duchy of Luxembourg, the Offer will be announced by publication of the approved Prospectus on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) and advertisements in the Luxemburger Wort.

The minimum amount of the offer to subscribe for Bonds is EUR 1,000, the minimum denomination of the Bonds, and the maximum amount is EUR 25,000,000, the total amount of Bonds issued. No fixed tranches of the Bonds exist for the Offer. Furthermore, there are no fixed tranches within the Public Offer concerning different subscription methods.

This Prospectus will be available free of charge from the Issuer as of 1 September 2022 in hard-copy form. The Prospectus will also be published on the website of the Issuer ([photonenergy.com/greenbond2022](http://photonenergy.com/greenbond2022)) where it will remain publicly available in electronic form for 10 years after its publication, and on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)) from 1 September 2022 onwards.

### **Tentative Schedule of the Public Offer and Exchange Offer**

1 September 2022

Approval of the Securities Prospectus by the Commission de Surveillance du Secteur Financier ("**CSSF**").

	Notification to the German Federal Financial Supervisory Authority (BaFin) and the Austrian Financial Market Authority (FMA).
1 September 2022	Publication of the approved Prospectus on the Issuer's website (photonenergy.com/greenbond2022) and on the website of the Luxembourg Stock Exchange (www.bourse.lu),
7 September 2022, 0:00 CEST	Beginning of the Exchange Offer
7 September 2022, 0:00 CEST	Beginning of the Public Offer
7 October 2022, 18:00 CEST	End of the Exchange Offer
11 October 2022, 12:00 CEST	End of the Public Offer
12 October 2022, after 16:00 CEST	Allocation of the Bonds
12 October 2022	Publication of the results of the Exchange Offer and the interim results of the Public Offer on the Issuer's website (photonenergy.com/greenbond2022)
14 October 2022	Dematerialisation of the exchanged 7.75% Bonds 17/22 with Clearstream Banking AG  First Issue Date and delivery of the Bonds.  Inclusion of the Bonds into the Quotation Board for Corporate Bonds at the Frankfurt Stock Exchange.
14 October 2022	Publication of the final results of the Public Offer on the Issuer's website (photonenergy.com/greenbond2022)

## Offer Components

### Exchange Offer

Holders of the 2017/2022 Bonds have the opportunity to exchange their 2017/2022 Bonds in the ratio of EUR 1,000.00: EUR 1,000.00 into the new 2021/2027 Bonds of the Issuer (ISIN DE000A3KWKY4), which are offered publicly by the Issuer in the Federal Republic of Germany, the Republic of Austria and the Grand Duchy of Luxembourg.

The Exchange Offer will take place based on the Prospectus, and will be published in the German Federal Gazette and the Luxemburger Wort on or about 6 September 2022 and 7 September 2022, respectively.

Holders of the 2017/2022 Bonds can submit an Exchange Order through their depositary institution to the settlement agent within the exchange period beginning on 7 September 2022, 0:00 CEST, and ending on 7 October 2022, 18:00 CEST, (hereinafter referred to as the "**Exchange Period**") in writing using the form made available via the depositary institution.

The holders of the 2017/2022 Bonds who participate in the Exchange Offer have the option to subscribe for further Bonds ("**Option to Purchase**"). This option will be published on the website of the Issuer

([photonenergy.com/greenbond2022](http://photonenergy.com/greenbond2022)) on or about 6 September 2022 as part of the Exchange Offer, the German Federal Gazette and the Luxemburger Wort.

Holders of the 2017/2022 Bonds intending to make use of the Option to Purchase will have to make a binding offer for the purchase of additional Bonds within the Exchange Period in written form submitting the form made available via the depositary institution via the depositary bank to the settlement agent. The exercise of the Option to Purchase can only be taken into account if the settlement agent has received this offer by no later than the end of the Exchange Period. An additional purchase is only possible for a principal amount of EUR 1,000 or a multiple thereof.

For subscriptions under the Exchange Offer before (and excluding) the Issue Date (as defined below), the bondholder is entitled to exchange each 2017/2022 Bond for a Bond at a ratio of 1:1, and to receive pro rata interest accrued on the 2017/2022 Bonds from the last interest payment date (included) of the 2017/2022 Bonds until the Issue Date (excluded) less the pro rata interest accrued on the Bonds from the last interest payment date (included) of the Bonds until the Issue Date (excluded) plus an additional amount of EUR 15.00 per exchanged 2017/2022 Bond. For subscriptions under the Option to Purchase, Public Offer and Private Placement before (and excluding) the Issue Date (as defined below), the bondholder will remit to the Issuer interest accrued from the last interest payment date (included) until the Issue Date (excluded).

### **Public Offer**

Investors wishing to purchase Bonds under the Public Offer will have the option to purchase Bonds against payment in cash regardless of their participation in the Exchange Offer within the period of the Public Offer beginning on 7 September 2022, 0:00 midnight CEST, and ending on 11 October 2022, 12:00 noon CEST.

The Public Offer for subscription of the Bonds targets potential investors in the Federal Republic of Germany, in the Republic of Austria and in the Grand Duchy of Luxembourg. The subscription of the Bonds is possible as follows.

### **The subscription of the Bonds within the Public Offer**

During the entire Offer Period for the Subscription (see clause 3 below), and subject to Over-Subscription as defined below, Investors may subscribe for the Bonds using the subscription form that will be available on the Issuer's website ([photonenergy.com/greenbond2022](http://photonenergy.com/greenbond2022)). Subscribers may download and print the subscription form. By signing the subscription form, the subscriber confirms in particular having received, read and understood the contents of the Prospectus and other information such as the information provided pursuant to section 246 para 1 et seq. of the German Introductory Act to the Civil Code (*Einführungsgesetz zum Bürgerlichen Gesetzbuch*, short *EGBGB*). The subscriber will complete the subscription form and send it by mail (mail to: [bond@photonenergy.com](mailto:bond@photonenergy.com)) to the Issuer. Simultaneously, the investor will remit the total purchase price for the subscribed Bonds to the Issuer's account specified in the subscription form.

For subscriptions under the Public Offer before (and excluding) the Issue Date (as defined below), the total purchase price corresponds to the Issue Price multiplied with the number of subscribed Bonds, plus interest accrued from the last interest payment date (included) until the Issue Date (excluded).

After receipt of the subscription form and complete payment of the total purchase price, and subject to Over-Subscription (as defined below), the Issuer will accept the subscription and send a corresponding confirmation to the subscriber.

The Paying Agent (as defined below) will transfer the Bonds to the securities account of the subscriber.

### **Private Placement**

The Private Placement will be addressed solely to qualified investors in the Federal Republic of Germany and in certain other jurisdictions outside the United States, Canada, Australia and Japan, and implemented pursuant to applicable exemptions for Private Placements.

## Offer Period

The Exchange Offer and the Option to Purchase period during which investors may place subscription offers is expected to commence on 7 September 2022, 0:00 CEST, and is expected to end on 7 October 2022, 18:00 CEST.

The Public Offer is expected to commence on 7 September 2022, 0:00 CEST and is expected to end on 11 October 2022, 12:00 CEST.

The Private Placement is expected to commence after the end of the Exchange Offer, tentatively on 10 October 2022, and is expected to end on 12 October 2022, 12:00 CEST.

The Issuer reserves the right to extend or shorten the Offer Period. Any reduction or extension of the Offer Period as well as further subscription periods or the termination of the Public Offer of the Bonds will be announced on the website of the Issuer and by way of a supplement which will be announced in the same way as the Prospectus, if required.

## Allotment

Subscription offers received under the Exchange Offer will be considered and fully allocated if they are received by the settlement agent. Subscription offers received by the settlement agent within the framework of the Option to Purchase will be allocated secondarily and fully if there is no Over-Subscription (as defined below); however, the acceptance of the subscription offer is at the discretion of the Issuer and the Sole Global Coordinator & Bookrunner.

As soon as an Over-Subscription occurs, the Issuer is entitled to reduce subscription orders or to withdraw individual subscriptions made in the Option to Purchase, the Public Offer as well as the Private Placement at its own discretion after consultation with the Sole Global Coordinator & Bookrunner. The Issuer intends to make a *pro-rata* reduction in the event of an Over-Subscription.

Investors who have participated in the Exchange Offer, including the Option to Purchase, will be notified of the amount of Bonds allotted to them by their custodian bank on the day of settlement at the latest. Institutional investors that took part in the Private Placement will be informed of the amount of Bonds allotted to them by Bankhaus Scheich after end of the Private Placement, tentatively on or about 12 October 2022. The Bonds are fungible with the already existing green bonds with the same ISIN and are immediately free to trade in the secondary market on the stock exchange after settlement.

An “**Over-Subscription**” occurs if, in the context of the Exchange Offer, the Option to Purchase and the Public Offer and Private Placement, the received exchange or subscription offers exceed the aggregate total amount of the offered Bonds in the amount of EUR 25,000,000.00.

## Issue Price; Issue Date and Interest

The Issue Price for each Bond amounts to EUR 1,000.00 and represents 100% of its nominal principal amount (the “**Issue Price**”). The price at which the securities will be offered will also amount to 100%.

The Bonds will be issued on 14 October 2022 (the “**Issue Date**”).

The Bonds will bear interest on their nominal amount, namely from (and including) the Issue Date until 23 November 2027 (exclusive) with 6.50% per annum due quarterly on 23 February, 23 May, 23 August and 23 November, calculated according to the ACT/ACT (ICMA) method for interest calculation (unadjusted).

## Results of the Offer

The final results of the Offer are expected to be published on the website of the Issuer ([photonenergy.com/greenbond2022](http://photonenergy.com/greenbond2022)) on or about 14 October 2022, after 18:00 CEST, and submitted to the CSSF.

Claims relating to the subscription fees already incurred and the costs incurred by the investor in connection with the subscription are governed by the legal relationship between the investor and the respective custodian bank in which the investor has placed the subscription order.

## **Delivery and Settlement of Bonds**

Clearing, payments and transfers of the Bonds will be settled through Clearstream Banking AG, Mergenthalerallee 61, 65760 Eschborn (“**Clearing Agent**”).

The delivery and settlement of the Bonds within the scope of the Exchange Offer, including the payment of net accrued interest plus an additional amount of EUR 15.00 per exchanged 2017/2022 Bond, as well as the Option to Purchase, including the payment of accrued interest, will be effected by the Clearing Agent on behalf of the Issuer on 14 October 2022. The Bonds will be delivered with the value date, *i.e.* on the Issue Date of the Bonds.

On 14 October 2022, together with the delivered Bonds, the Clearing Agent will on behalf of the Issuer disburse to the Holders of the 2017/2022 Bonds for which the Exchange Offer has been accepted the interest accrued for the 2017/2022 Bonds less interest accrued for the Bonds, up to the Issue Date (excluding) plus an additional amount of EUR 15.00 per exchanged 2017/2022 Bond.

The delivery and settlement of the Bonds subscribed for in the Public Offer and the Private Placement, including the payment of accrued interest, will be carried out as “delivery versus payment” by the Paying Agent. The collected funds will only be used by the Issuer once the Bonds are delivered to the investors.

For subscriptions under the Public Offer received by the Issuer until 11 October 2022, 12:00 CEST, the Paying Agent will effect the transfer of the Bonds to the securities account of the subscriber on 14 October 2022. For subscriptions under the Public Offer received by the Issuer after 11 October 2022, 12:00 CEST, the transfer of the Bonds to the securities account of the subscriber will be effected within five (5) banking days. The inclusion of the Bonds into trading on the Quotation Board of the Open Market of the Deutsche Börse AG (unregulated market of the Frankfurt Stock Exchange) will take place at the same time as the issue date of the Bonds.

## **Sole Global Coordinator & Bookrunner, and Paying Agent**

The Company has appointed Bankhaus Scheich Wertpapierspezialist AG, Rossmarkt 21, 60311 Frankfurt am Main, Germany as "**Sole Global Coordinator & Bookrunner**" and Baader Bank AG, Weihenstephaner Strasse 4, 85716 Unterschleissheim, Germany as "**Paying Agent**".

## **Costs of the Investors in Connection with the Offer**

The Company and the Sole Global Coordinator & Bookrunner will not charge the investor for any costs or taxes. Investors should inform themselves regarding costs and taxes that may occur in connection with the Bonds, including possible fees charged by their depository banks in connection with the subscription and holding of the Bonds.

## **Further Information on the Use of this Prospectus by Financial Intermediaries**

The Company has given its express consent to the use of this Prospectus during the period from 1 September 2022 through and including 1 September 2023 in the Federal Republic of Germany, the Republic of Austria and the Grand Duchy of Luxembourg by selected financial intermediaries.

Specifically, the Company agrees to the use of this Prospectus, including possible supplements, by the Sole Global Coordinator & Bookrunner, Bankhaus Scheich Wertpapierspezialist AG, Rossmarkt 21, 60311 Frankfurt am Main, Germany, in the context of the Private Placement, in accordance with article 4 (1) of Directive 2006/48/EC of the European Parliament and as a financial intermediary for the purpose of the Public Offer within the Offer Period in the Federal Republic of Germany, the Republic of Austria and the Grand Duchy of Luxembourg. The subsequent resale or final placement of the Bonds by financial intermediaries may take place during the Public Offer, which is expected to take place from 7 September 2022, 0:00 CEST to 11 October 2022, 12:00 CEST.

The Company will promptly disclose its grant of consent to the use of this Prospectus by any additional financial intermediaries, and provide pertinent information about them, on all websites on which this Prospectus has been posted by it or with its consent, including in particular the Company’s website ([photonenergy.com/greenbond2022](http://photonenergy.com/greenbond2022)) and the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

The Company may at any time restrict or revoke the aforementioned consent, whereby the revocation requires the approval of a supplement to the Prospectus.

The consent (including the consent to the use of the Prospectus) will be given on condition of a written agreement entered into by and between the Company and the relevant financial intermediary about the consent to use the Prospectus for the purpose of subsequent public offer of the Bonds by such financial intermediary. The Company has not entered into any such written agreement on the consent regarding the use of the Prospectus with any financial intermediary as of the Prospectus Date other than the Sole Global Coordinator & Bookrunner. The consent is not linked to any other conditions.

The Company also accepts responsibility for the content of the Prospectus also with respect to the subsequent resale or final placement of securities by any financial intermediary which was given consent to use the Prospectus.

**If a financial intermediary makes an offer, the financial intermediary will provide investors with information on the terms and conditions of the offer at the time the offer is made.**

### **Target Market Assessment**

Information for distributors: Solely for the purpose of the product governance requirements contained within (i) Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU, as amended ("**MiFID II**"), (ii) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 of 7 April 2016 supplementing Directive 2014/65/EU of the European Parliament and of the Council with regard to safeguarding of financial instruments and funds belonging to clients, product governance obligations and the rules applicable to the provision or reception of fees, commissions or any monetary or non-monetary benefits and (iii) local implementing measures (together, the "**MiFID II Requirements**"), and disclaiming any and all liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Requirements) may otherwise have with respect thereto, the Bonds have been subject to a product approval process. As a result, it has been determined that the Bonds are (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II, and (ii) eligible for distribution through all distribution channels permitted by MiFID II (the "**Target Market Assessment**").

Notwithstanding the Target Market Assessment, the distributors (for the purposes of the MiFID II Requirements) should note that: the value and the price of the Bonds may decline and investors could lose all or part of their investment. The Bonds offer no guaranteed income and no capital protection, and an investment in the Bonds is suitable only for investors who:

- do not need a guaranteed income or capital protection;
- either alone or together with an appropriate financial or other adviser, are capable of evaluating the merits and risks of such an investment; and
- have sufficient resources to be able to bear any losses that may result from such investment, including up to the total amount invested.

The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions with respect to the Offer. For the avoidance of doubt, the Target Market Assessment does not constitute (i) an assessment of suitability or appropriateness for the purposes of MiFID II or (ii) a recommendation to any investor or group of investors to invest in, purchase, or take any other action whatsoever with respect to the Bonds. Each distributor is responsible for undertaking its own Target Market Assessment in respect of the Bonds and determining appropriate distribution channels.

## **Rights to the Bonds**

Bondholders will be entitled to receive from the Company interest payments on the Bonds and a repayment of the respective Bond principal amount (nominal value) at maturity. Bondholders are not entitled to an early ordinary redemption. Under specific conditions (the occurrence of certain events of default) set out in the Terms and Conditions of the Bonds, bondholders are entitled to request an immediate redemption of their Bonds (for a more detailed description of these provisions, please see section 7 of the Terms and Conditions of the Bonds).

## **Transferability of the Bonds**

Bondholders can transfer, sign over, pledge or bequeath their Bonds, partially or as a whole, to a third party before their maturity without the consent of the Company. The transferability of the Bonds is not limited. According to the terms and conditions of Clearstream Banking AG, bondholders can transfer their Bonds without limitation. In doing this, the related co-ownership rights to the global certificate will be transferred.

## **Certification**

The Bonds will be embodied in book-entry form, in one or more global certificates without interest coupons. The investors can receive the Bonds in the globally certificated form; individual certificates and interest coupons will not be issued. As a result, bondholders will not be entitled to request printing or delivery of the actual Bonds or of related interest coupons. Clearstream Banking AG, Mergenthalerallee 61, 65760 Eschborn, is the custodian of the global certificates.

## **Inclusion Into Trading on the Stock Exchange**

Newly issued Bonds that are sold in the Exchange Offer, Public Offer and Private Placement will be automatically included into trading on the Quotation Board of the Open Market of the Deutsche Börse AG (unregulated market of the Frankfurt Stock Exchange) from on or about 14 October 2022 (the Issue Date). The Company's previously issued 6.50% p.a. 2021/2027 bearer bonds in the aggregate amount of EUR 65 million are already included into trading on the Quotation Board of the Open Market of the Deutsche Börse AG.

## **Reasons for the Offer and Use of Proceeds**

The reason for the Offer is to raise funds to be used by the Company for the purposes specified below. The net proceeds from the Offer will correspond to the sum of the issue price for the Bonds less the total costs for the preparation of the Bonds issue and the Offer, which the Company estimates will amount to around EUR 705,000.00. Accordingly, the Company expects that the net proceeds from the issue will be EUR 24,295,000.00 if the entire volume is placed and intends to use these net proceeds to finance or refinance, in part or in whole, new and/or existing Eligible Assets, as well as financial instruments that were used to finance such projects or assets, in accordance with the Green Financing Framework. Until the maturity of the Bonds, in case of divestment or cancellation of an allocated Eligible Asset, or if an allocated project no longer meets the eligibility criteria, the Company commits to reallocate the proceeds to other Eligible Assets depending on availability. The Company notes that a portion of the net proceeds – up to EUR 20,900,000.00 – relates to the refinancing of any previously issued 2017/2022 Bonds with maturity date of 27 October 2022 (ISIN: DE000A19MFH4) that are exchanged for newly issued Bonds.

"**Eligible Assets**" include:

*Renewable Energy Projects:* Investment activities and related expenditures, directed towards the acquisition, development, construction of electricity generation facilities that produce electricity from solar power or hybrid solutions, possibly combined with energy storage.

The following Eligible Assets are currently under development: Photon Energy is developing PV projects with a potential capacity of up to 823.5 MWp in various stages of development. Those projects are located in Australia (300.0 MWp), Hungary (25.8 MWp), Romania (235.4 MWp) and Poland (262.3 MWp).

The Company intends fully to allocate the proceeds within 36 months after the Issue Date. Until such full allocation, unallocated proceeds will be held in any form of cash, bank deposit or other form of available current financial assets, as described in the Green Financing Framework.

An external review of the Green Financing Framework has been obtained: The Company commissioned imug rating GmbH, Postkamp 14a, 30159 Hanover, to obtain the Second-Party Opinion issued in October 2021, which confirms the alignment of the Green Financing Framework with the ICMA Green Bond Principles and the Company's environmental credentials. The Company will publish allocation and impact reports as part of its annual sustainability reports as long as there are green finance instruments outstanding. The sustainability reports, including the allocation and impact reports, as well as the Green Financing Framework and the Second-Party Opinion are and will continue to be available on the Company's website (photonenergy.com/greenbond2022).

The Company expects that the proceeds from the Offer will be sufficient for financing all of the above proposed uses.

### ***Yield***

The annual yield equals the interest on the nominal principal amount and amounts to 6.50% on the basis of an issue price of 100% of the nominal amount and redemption of the Bonds at maturity.

### ***Conflicts of Interest***

There are no conflicts of interests pertaining to the Public Offer, Exchange Offer or Option to Purchase that are the subject of this Prospectus. Other than the Company and its controlling shareholders, no other natural or legal person has an interest in the Public Offer, Exchange Offer or Option to Purchase.

### ***Terms and Conditions of the Bonds***

<b>Anleihebedingungen</b>	<b>Terms and Conditions</b>
<b>6,50 %-Anleihe 2021/2027</b>	<b>6.50% 2021/2027 Bonds</b>
<b>der</b>	<b>of</b>
<b>Photon Energy N.V.</b>	<b>Photon Energy N.V.</b>
<b>Amsterdam, Niederlande</b>	<b>Amsterdam, the Netherlands</b>
<b>ISIN DE000A3KWKY4 - WKN A3KWKY</b>	<b>ISIN DE000A3KWKY4 - WKN A3KWKY</b>
<b>§ 1</b>	<b>§ 1</b>
<b>Nennbetrag, Stückelung, Verbriefung, Übertragung, Zeichnung, Rückerwerb</b>	<b>Nominal Value, Denomination, Securitization, Assignment, Subscription, Repurchase</b>
<p>1. Die Photon Energy N.V. (nachstehend "<b>Anleiheschuldnerin</b>" oder "<b>Emittentin</b>") begibt eine Anleihe in Form einer Inhaberschuldverschreibung (nachstehend "<b>Anleihe</b>") mit einem Gesamtnennbetrag von bis zu EUR 90.000.000,00 zu den nachfolgenden Bedingungen. Die Anleihe ist eingeteilt in bis zu 90.000 auf den Inhaber lautende und untereinander gleichberechtigte Inhaber-Teilschuldverschreibungen mit einem Nennbetrag von je EUR 1.000,00 (nachstehend auch "<b>Inhaber-Teilschuldverschreibungen</b>") oder</p>	<p>1. Photon Energy N.V. (hereinafter referred to as "<b>Issuer</b>") is issuing a bond in the bearer form (hereinafter referred to as "<b>Bonds</b>") with the total nominal value of up to EUR 90,000,000.00 under the following conditions. The Series of the Bonds is divided into 90,000 partial Bonds in the bearer form with equal rights to the bearers and with the nominal value of EUR 1,000.00 each (hereinafter referred also to as "<b>Bearer Bonds</b>" or "<b>Bonds</b>"). Each bearer of the Bonds (a "<b>Bondholder</b>") is lawfully entitled to rights and duties as stated in</p>

"**Teilschuldverschreibungen**"). Jedem Inhaber einer Inhaber-Teilschuldverschreibung (ein „**Anleihegläubiger**“) stehen daraus die in diesen Anleihebedingungen bestimmten Rechte und Pflichten zu ("**Anleihebedingungen**"). Die Anleihe ist prozentnotiert.

2. Die Inhaber-Teilschuldverschreibungen einschließlich der Zinsansprüche sind für die gesamte Laufzeit der Anleihe in einer oder mehreren Globalurkunden verbrieft, die bei der Clearstream Banking AG, Mergenthalerallee 61, 65760 Eschborn, Deutschland (nachfolgend "**Clearstream Banking AG**"), hinterlegt werden (zusammen die "**Globalurkunde**"). Der Anspruch auf Ausdruck und Lieferung effektiver Stücke oder Zinsscheine ist während der gesamten Laufzeit der Anleihe ausgeschlossen. Die Globalurkunde wird von der Clearstream Banking AG verwahrt, bis sämtliche Verpflichtungen der Emittentin aus den Inhaber-Teilschuldverschreibungen, die in der Globalurkunde verbrieft sind, erfüllt sind.
3. Ein Recht auf Ausgabe von Einzelurkunden oder Zinsscheinen besteht nicht.
4. Den Anleihegläubigern stehen Miteigentumsanteile an der Globalurkunde zu, die gemäß den Regelungen und Bestimmungen der Clearstream Banking AG übertragbar sind.
5. Die Anleiheschuldnerin ist berechtigt, Inhaber-Teilschuldverschreibungen (auch über beauftragte Dritte) am Markt oder in sonstiger Weise zu erwerben oder zu veräußern. Zurückerworbene Inhaber-Teilschuldverschreibungen können entwertet, gehalten oder wieder veräußert werden.

## § 2

### Verzinsung

1. Die Inhaber-Teilschuldverschreibungen werden vom Beginn der Laufzeit gemäß § 3 Abs. 1 der Anleihebedingungen (einschließlich) an bis zum 23. November 2027 (ausschließlich) bezogen auf ihren Nennbetrag mit 6,50 % pro Jahr (Nominalzins) verzinst. Der erste Zinslauf beginnt am 23 November 2021.
2. Die Zinsen sind vierteljährlich nachträglich jeweils am 23. Februar, 23. Mai, 23. August und 23. November zur Zahlung fällig (die "**Zinszahlungstage**" und jede dazugehörige vierteljährliche Zinszahlungsperiode, eine

the terms and conditions ("**Terms and Conditions**"). The Bonds are percentage-quoted.

2. The Bonds inclusive of interest entitlements will be represented for the entire duration of the Bonds by one or more global certificates which are deposited at Clearstream Banking AG, Mergenthalerallee 61, 65760 Eschborn, Germany (hereinafter referred to as "**Clearstream Banking AG**"), (together the "**Global Certificate**"). Entitlements to demands for printing or delivery of the physical Bearer Bonds or interest coupons shall be precluded for the entire duration of the Bonds. The global certificate shall be kept safe by Clearstream Banking AG, until all obligations of the Issuer arising from the Bearer Bonds embodied in the global certificate are met.
3. There is no entitlement to receive individual certificates or interest coupons.
4. The Bondholders are entitled to co-ownership shares of the Global Certificate, which are transferable according to the regulations and conditions of Clearstream Banking AG.
5. The Issuer is entitled to acquire or to sell the Bearer Bonds (also by commissioned third parties) on the market or in another way. The reacquired Bearer Bonds may be cancelled, kept or resold.

## § 2

### Interest Payment

1. The interest on the Bearer Bonds shall be paid from the beginning of the duration period in accordance with § 3 para 1 of the Terms and Conditions of the Bonds (inclusive) to 23 November 2027 (exclusive) regarding their nominal principal value with 6.50% per year (nominal interest). The first interest period starts on 23 November 2021.
2. The interest payments are each due quarterly, on 23 Feb, 23 May, 23 Aug and 23 Nov of each year ("**Interest Payment Dates**" and each corresponding quarterly interest payment period, an "**Interest Period**"). If the scheduled Interest

"Zinsperiode"). Fällt ein Zinszahlungstag auf einen Tag, der kein Bankarbeitstag ist, so ist Zinszahlungstag der nächstfolgende Bankarbeitstag.

3. Die Zinsen werden nach der Zinsberechnungsmethode ACT/ACT (ICMA) berechnet (unbereinigt).
4. "**Bankarbeitstag**" im Sinne dieser Anleihebedingungen ist jeder Tag (außer Samstag und Sonntag), an dem die Clearstream Banking AG und die Geschäftsbanken in Frankfurt am Main Zahlungen abwickeln.

### § 3

#### Laufzeit, Fälligkeit, Rückzahlung

1. Die Laufzeit der Inhaber-Teilschuldverschreibungen beginnt am 23. November 2021 und endet mit Ablauf des 23. November 2027. Die Anleiheschuldnerin verpflichtet sich, die Inhaber-Teilschuldverschreibungen am 23. November 2027 (der "**Fälligkeitstag**") zum Nennbetrag zurückzuzahlen, soweit die Inhaber-Teilschuldverschreibungen nicht zuvor bereits ganz oder teilweise zurückbezahlt oder angekauft und entwertet wurden. Fällt der Fälligkeitstag auf einen Tag, der kein Bankarbeitstag ist, so verschiebt sich der Fälligkeitstag auf den nächstfolgenden Bankarbeitstag.
2. Soweit die Anleiheschuldnerin die Inhaber-Teilschuldverschreibungen nicht am Fälligkeitstag zurückzahlt, werden diese ab dem Fälligkeitstag (einschließlich) bis zum Tag der tatsächlichen Rückzahlung (ausschließlich) mit dem Zinssatz gemäß § 2 Abs. 1 der Anleihebedingungen verzinst. Weitergehende Ansprüche der Anleihegläubiger, insbesondere Ansprüche auf einen Verzugsschaden, sind ausgeschlossen.

### § 4

#### Zahlstelle, Zahlungen

1. Die Anleiheschuldnerin ist verpflichtet, während der gesamten Laufzeit der Anleihe mindestens eine Zahlstelle zu benennen, die ihren Sitz in Deutschland hat (nachfolgend auch "**Zahlstelle**"). Erste Zahlstelle ist die Baader Bank AG, Weißenstephaner Strasse 4, 85716 Unterschleißheim, Deutschland.

Payment Date falls on a day that is not a Business Day, such Interest Payment Date will be deferred to the next following Business Day.

3. The interest shall be calculated according to the ACT/ACT (ICMA) method for interest calculation (unadjusted).
4. A "**Business Day**" as understood in these Terms and Conditions is each day (except for Saturday and Sunday), on which Clearstream Banking AG and banks in Frankfurt am Main settle payments.

### § 3

#### Bonds Period, Maturity, Redemption

1. The Bonds' duration period of the Bearer Bonds starts on 23 November 2021 and finishes at the end of the day on 23 November 2027. The Issuer commits to repay the Bearer Bonds on 23 November 2027 (the "**Maturity Date**") at the nominal principal value, as far as the Bearer Bonds have not been completely or partially repaid or redeemed and cancelled previously. If the Maturity Date is not a business day, it shall be deferred to the next following business day.
2. If the Issuer does not repay the Bearer Bonds by the Maturity Date an interest rate according to § 2 para 1 of the Terms and Conditions shall be paid for the period from (and including) the Maturity Date until (but excluding) the day of the actual repayment. Any further claims of the Bondholders, in particular claims to damage caused by default, shall be precluded.

### § 4

#### Paying Agent, Payments

1. The Issuer is obliged to appoint at least one paying agent (hereinafter referred to as "**Paying Agent**"), which shall have its seat in the Federal Republic of Germany for the entire duration of the Bonds period. The first Paying Agent is Baader Bank AG, Weißenstephaner Strasse 4, 85716 Unterschleißheim, Germany.

- |  |   |
|--|---|
| <p>2. Die Anleiheschuldnerin behält sich das Recht vor, jederzeit die Benennung der Zahlstelle zu verändern oder zu beenden und Nachfolger bzw. zusätzliche Zahlstellen zu benennen. Den Anleihegläubigern werden Änderungen in Bezug auf die Zahlstelle und deren angegebene Geschäftsstelle umgehend durch Veröffentlichung auf der Webseite der Anleiheschuldnerin bekanntgemacht (§ 11 der Anleihebedingungen findet keine Anwendung). Die Anleiheschuldnerin wird dafür sorgen, dass stets eine Zahlstelle ernannt ist.</p>                                     | <p>2. The Issuer reserves the right to change the appointment of the Paying Agent at any time, to stop using the Paying Agent and to name another successor or to name additional Paying Agents. The Bondholders shall be informed promptly about the changes concerning the Paying Agent and its relevant office address by publication on the Issuer's website (§ 11 of the Terms and Conditions does not apply). The Issuer shall ensure that one Paying Agent is appointed at any time.</p> |
| <p>3. Die Anleiheschuldnerin verpflichtet sich, alle nach diesen Anleihebedingungen geschuldeten Beträge in frei verfügbarer und konvertierbarer gesetzlicher Währung der Bundesrepublik Deutschland an die Zahlstelle zu zahlen, ohne dass, abgesehen von der Beachtung anwendbarer gesetzlicher Vorschriften, von den Anleihegläubigern die Abgabe einer gesonderten Erklärung oder die Erfüllung irgendeiner anderen Förmlichkeit verlangt werden darf.</p>   | <p>3. The Issuer commits to pay all amounts due according to these Terms and Conditions in disposable and convertible legal currency of the Federal Republic of Germany to the Paying Agent without the Bondholders being entitled to request a separate statement or the fulfilment of any other formality except for the applicable legal requirements.</p>   |
| <p>4. Die Zahlstelle wird in Höhe der zu zahlenden Beträge von Clearstream Banking AG zur Zahlung an die Depotbanken der Anleihegläubiger belastet. Die Zahlstelle übernimmt Zahlungen nur soweit ihr die entsprechenden Beträge von der Anleiheschuldnerin zur Verfügung gestellt wurden. Sämtliche Zahlungen der Anleiheschuldnerin über die Zahlstelle an die Clearstream Banking AG befreien die Anleiheschuldnerin in Höhe der geleisteten Zahlungen von ihren Verbindlichkeiten aus den Inhaber-Teilschuldverschreibungen gegenüber den Anleihegläubigern.</p> | <p>4. The Paying Agent shall be debited with the amounts due to Clearstream Banking AG to be paid to the depository banks of the Bondholders. The Paying Agent shall cover the respective amounts only up to the amount provided by the Issuer. All payments of the Issuer transferred by the Paying Agent to Clearstream Banking AG shall free the Issuer from their obligations from the Bearer Bonds towards the Bondholders in the amount of the payments made.</p>                         |
| <p>5. Sämtliche auf die Inhaber-Teilschuldverschreibungen zu zahlenden Zinsen werden zu den jeweils zum Ausschüttungszeitpunkt geltenden gesetzlichen Bestimmungen ausgezahlt.</p>   | <p>5. All interest payments regarding the Bearer Bonds shall be made in compliance with the legal regulations that apply at the date of distribution.</p>   |
| <p>6. Die Zahlstelle in ihrer Eigenschaft als solche handelt ausschließlich als Beauftragte der Anleiheschuldnerin und steht nicht in einem Auftrags- oder Treuhandverhältnis zu den Anleihegläubigern.</p>  | <p>6. The Paying Agent as such acts solely as an authorised agent of the Issuer and is in no relation, neither contractually nor as a fiduciary, with the Bondholders.</p>  |

**§ 5**

**Rang, Negativverpflichtung**

1. Die Inhaber-Teilschuldverschreibungen samt Zinszahlungen begründen unmittelbare, unbedingte, nicht nachrangige und nicht besicherte Verbindlichkeiten der Anleiheschuldnerin, die untereinander und mit allen anderen nicht nachrangigen und nicht besicherten Verbindlichkeiten

**§ 5**

**Status, Negative Pledge**

1. The Bearer Bonds, including related interest payments, constitute direct, unconditional, unsubordinated and unsecured obligations of the Issuer, ranking *pari passu* among themselves and *pari passu* with all other unsubordinated and unsecured obligations of the Issuer, unless such

der Anleiheschuldnerin in gleichem Rang stehen, sofern diese nicht kraft Gesetzes Vorrang haben.

obligations are accorded priority under mandatory provisions of statutory law.

2. Die Anleiheschuldnerin verpflichtet sich, solange Inhaber-Teilschuldverschreibungen der Anleihe ausstehen, jedoch nur bis zu dem Zeitpunkt, an dem alle Beträge an Kapital und Zinsen der Zahlstelle zur Verfügung gestellt worden sind, keine Grundpfandrechte, Pfandrechte, Belastungen oder sonstigen dinglichen Sicherungsrechte (die "**Sicherheiten**") in Bezug auf ihren gesamten oder teilweisen Geschäftsbetrieb, ihr Vermögen oder ihre Einkünfte, jeweils gegenwärtig oder zukünftig, zur Sicherung von anderen Kapitalmarktverbindlichkeiten (wie nachstehend definiert) zu bestellen oder fortbestehen zu lassen, ohne gleichzeitig oder zuvor für alle unter den Inhaber-Teilschuldverschreibungen zahlbaren Beträge in gleicher Weise und in gleichem Rang Sicherheiten zu bestellen oder für alle unter den Inhaber-Teilschuldverschreibungen zahlbaren Beträge solch eine andere Sicherheit zu bestellen, die von einer unabhängigen Wirtschaftsprüfungsgesellschaft als gleichwertig anerkannt wird.
3. Diese Verpflichtung gilt jedoch nicht, (i) sofern die Anleiheschuldnerin zur Stellung der Sicherheit gesetzlich verpflichtet ist, (ii) für Sicherheiten, die als Voraussetzung für staatliche Genehmigungen erforderlich sind oder (iii) für Sicherheiten, die eine Kapitalmarktverbindlichkeit besichern, die infolge einer zukünftigen Akquisition eine Verbindlichkeit der Emittentin oder einer Tochtergesellschaft wird.
4. Ein nach diesem § 5 Abs. 2 zu leistendes Sicherungsrecht kann auch zu Gunsten der Person eines Treuhänders der Anleihegläubiger bestellt werden.
5. Im Sinne dieser Anleihebedingungen bedeutet "**Kapitalmarktverbindlichkeit**" jede gegenwärtige oder zukünftige durch die Emittentin ausgegebene oder garantierte Verbindlichkeit hinsichtlich der Rückzahlung geliehener Geldbeträge, die durch (i) besicherte oder unbesicherte Schuldverschreibungen, Anleihen oder sonstige Wertpapiere, die an einer Börse oder in einem anderen anerkannten Wertpapier- oder außerbörslichen Markt zugelassen sind, notiert oder gehandelt werden oder zugelassen, notiert oder gehandelt werden können, oder durch (ii) einen deutschem Recht unterliegenden Schuldschein verbrieft, verkörpert oder dokumentiert sind.
6. "**Tochtergesellschaft**" im Sinne dieser Anleihebedingungen bezeichnet jede im
2. As long as Bearer Bonds remain outstanding, but only up to the time until all amounts of principal and interest have been repaid (*i.e.* placed at the disposal of the Paying Agent), the Issuer agrees not to grant, or to permit to subsist, any mortgage, charge, pledge, lien or other encumbrance in rem (collectively, "**Security Interests**") upon any or all of its present or future conduct of business, assets or income, as security for any present or future Capital Market Indebtedness (as hereinafter defined) towards a third party.
3. This obligation does not, however, apply (i) if the provision of a security interest is mandatory by law for the Issuer, (ii) for Security Interest necessary as a condition for state approvals or (iii) for Security Interests which collateralise Capital Market Indebtedness which becomes indebtedness of the Issuer or of a Subsidiary as a result of a future acquisition.
4. The security right arising in accordance with this § 5 para 2 may also be provided in favour of a trustee of the Bondholder.
5. For the purposes of these Terms and Conditions, "**Capital Market Indebtedness**" shall denote any present or future obligation issued or guaranteed by the Issuer for the payment of borrowed amounts of money which is (i) in form of secured or unsecured bonds or other instruments which are or are capable to be listed, quoted, dealt in or traded on any stock exchange or in any organised market and any guarantee or other indemnity in respect of such obligation, or (ii) certificated, embodied or documented by a promissory note which is governed by German law.
6. "**Subsidiary**" as used in these Terms and Conditions shall be understood as each fully

The foregoing prohibition shall not apply if, either previously or at the same time, the amounts to be paid under the Bonds are also secured by equal and unsubordinated Security Interests, or Security Interests which are acknowledged by an independent registered public accounting firm as being equal in value.

Konzernabschluss der Emittentin voll konsolidierte Gesellschaft.

consolidated company named in the consolidated financial statements of the Issuer.

7. **Transparenzverpflichtungen.** Die Emittentin verpflichtet sich, während der Laufzeit der Schuldverschreibungen, jedoch nicht länger als bis zu dem Zeitpunkt, zu dem alle Beträge an Kapital und Zinsen für die Schuldverschreibungen den Anleihegläubigern vollständig zur Verfügung gestellt worden sind, die folgenden Transparenzverpflichtungen zu erfüllen:
- (i) Die Emittentin wird innerhalb von sechs Monaten nach Ablauf eines jeden Geschäftsjahres den nach den anwendbaren Rechnungslegungsvorschriften aufgestellten und geprüften Jahresabschluss und Lagebericht für das abgelaufene Geschäftsjahr ("**Finanzbericht**") zusammen mit dem Bestätigungsvermerk des Abschlussprüfers oder dem Vermerk über dessen Versagung auf ihrer Website veröffentlichen.
  - (ii) Die Emittentin wird einen ungeprüften Zwischenabschluss und Zwischenlagebericht für die ersten sechs Monate eines jeden Geschäftsjahres (der "**Halbjahresfinanzbericht**") spätestens zwei Monate nach Ablauf des Berichtszeitraums auf ihrer Website veröffentlichen. Der Halbjahresfinanzbericht wird mindestens eine Gesamtergebnisrechnung, eine Bilanz und einen Anhang enthalten und gemäß den für den geprüften Jahresabschluss angewandten Rechnungslegungsgrundsätzen erstellt sein. Der Halbjahresfinanzbericht wird ferner mindestens die wichtigsten Ereignisse des Berichtszeitraums im Unternehmen der Emittentin und ihre Auswirkung auf den Abschluss darstellen sowie einen Geschäftsausblick einschließlich einer Darstellung der wesentlichen Chancen und Risiken für die dem Berichtszeitraum folgenden Zeitraum des Geschäftsjahres enthalten.
  - (iii) Die Emittentin wird für das erste, dritte und vierte Quartal eines jeden Geschäftsjahres eine ungeprüfte vierteljährliche Mitteilung (die "**Quartalsmitteilung**") spätestens zwei Monate nach Ablauf des Berichtszeitraums auf ihrer Website veröffentlichen. Die Quartalsmitteilung wird mindestens ausgewählte Finanzergebnisse für das jeweilige Quartal sowie Anmerkungen der Geschäftsführung zur Geschäftsentwicklung enthalten.
  - (iv) Die Emittentin wird einen Unternehmenskalender, der die wesentlichen Termine der Emittentin (z.B. Veröffentlichung
7. **Transparency obligations.** During the term of the Bonds, but not for longer than until such time when all amounts of principal amount and interest on the Bonds have been paid to bondholders, the Issuer undertakes to comply with the following transparency obligations.
- (i) Within a period of six months after the end of each financial year, the Issuer shall publish on its website the audited financial statements and management report for the past financial year prepared in accordance with the applicable accounting principles (the "**Financial Report**") together with the auditor's report or notice of its refusal to issue such report, as the case may be.
  - (ii) Within a period of two months after the end of six-month period following the commencement of each financial year, the Issuer shall publish on its website unaudited interim financial statements and a management report (the "**Semi-annual Financial Report**"). The Semi-annual Financial Report shall at least contain a statement of comprehensive income, a balance sheet and notes and must be prepared in accordance with the accounting principles pursuant to which the audited financial statements were prepared. Moreover, the Semi-annual Financial Report shall at least contain a specification of the most significant events that occurred in the Issuer's business during the reporting period and their effects on the financial statements as well as a business outlook, including a specification of material chances and risks, for the remaining period during the financial year following the reporting period.
  - (iii) Within a period of two months after the end of the first, third and fourth quarter of each financial year, the Issuer shall publish on its website the unaudited quarterly financial report (the "**Quarterly Report**"). The Quarterly Report shall at least contain selected financial results for the relevant quarter and management comments on business development.
  - (iv) A corporate calendar containing all dates relevant to the Issuer (such as publication of the Financial Report, the Semi-annual

des Finanzberichts, des Halbjahresfinanzberichts und der Quartalsmitteilungen) enthält, auf der Website der Emittentin einrichten und fortlaufend aktualisieren.

Financial Report and the Quarterly Reports) shall be made available and continuously updated by the Issuer on its website.

- (v) Die Emittentin wird jährlich in ihrem Finanzbericht und vierteljährlich in ihrem Halbjahresfinanzberichten und ihren Quartalsmitteilungen darüber informieren, ob sie die Verpflichtungen aus den Anleihebedingungen, insbesondere die Transparenzverpflichtung, erfüllt hat.

- (v) The Issuer will provide notice, yearly in its Financial Report and quarterly in its Semi-annual Financial Report and Quarterly Reports, whether the obligations under the Terms and Conditions, in particular the transparency obligations have been fulfilled.

**Zinsanpassung.** Erfüllt die Emittenten ihre Verpflichtungen nach §5 Absatz 7 lit. b) (Transparenzverpflichtungen) nicht, erhöht sich der Zinssatz gemäß § 2 Absatz 1 jeweils vorübergehend um 1.00 % pro Jahr (ACT/ACT) für die Zinsperiode nach der Zinsperiode in der der Beginn der Nichterfüllung der entsprechenden Verpflichtung stattgefunden hat (der "**Angepasste Zinssatz**"). Der Angepasste Zinssatz wird den Anleihegläubiger von der Emittentin unverzüglich im Rahmen einer Zinsanpassungsmitteilung auf der Webseite der Anleiheschuldnerin bekanntgemacht (§ 11 der Anleihebedingungen findet keine Anwendung).

**Interest rate step-up.** If the obligations pursuant to § 5 (7)(b) (Transparency Obligations) have not been complied with by the Issuer, the interest rate pursuant to § 2 para. 1 shall be increased by 1.00% per year (ACT/ACT) for the Interest Period following the Interest Period in which the commencement of the failure to fulfil the corresponding obligation occurred the ("**Adjusted Interest Rate**"). The Adjusted Interest Rate shall be announced immediately in an interest rate adjustment announcement by publication on the Issuer's website (§ 11 of the Terms and Conditions does not apply).

## § 6

### Steuern

1. Alle Zahlungen, insbesondere Kapitalrückzahlungen und Zahlungen von Zinsen, erfolgen unter Abzug und Einbehaltung von Steuern, Abgaben und sonstigen Gebühren, soweit die Anleiheschuldnerin oder die Zahlstelle zum Abzug und/ oder zur Einbehaltung gesetzlich verpflichtet ist. Weder die Anleiheschuldnerin noch die Zahlstelle sind verpflichtet, den Anleihegläubigern zusätzliche Beträge als Ausgleich für auf diese Weise abgezogene oder einbehaltene Beträge zu zahlen.
2. Soweit die Anleiheschuldnerin oder die Zahlstelle nicht gesetzlich zum Abzug und/ oder zur Einbehaltung von Steuern, Abgaben oder sonstigen Gebühren verpflichtet ist, trifft sie keinerlei Verpflichtung im Hinblick auf abgabenrechtliche Verpflichtungen der Anleihegläubiger.

## § 7

### Kündigungsrechte

## § 6

### Taxes

1. All payments, in particular repayment of capital and interest payments are made deducting and withholding taxes, public charges and other fees provided as far as the Issuer or the Paying Agent are obliged to make the deduction and/ or withhold the charges by law. Neither the Issuer nor the Paying Agent is obliged to pay any compensation to the Bondholder for the amounts deducted or withheld in this way.
2. Insofar as the Issuer or Paying Agent is not obliged by law to deduct and/or to withhold taxes, public charges or further fees, neither the Issuer nor the Paying Agent is liable in any way for tax obligations of the Bondholders.

## § 7

### Rights of Termination

- |  |   |
|--|---|
| <p>1. Die Inhaber-Teilschuldverschreibungen sind für die Anleihegläubiger nicht vorzeitig ordentlich kündbar. Das Recht zur außerordentlichen Kündigung bleibt unberührt.</p> <p>2. Ein Anleihegläubiger ist nicht berechtigt, Inhaber-Teilschuldverschreibungen zu kündigen, wenn einem anderen Anleihegläubiger ein Kündigungsrecht zusteht oder dieser Inhaber-Teilschuldverschreibungen wirksam gekündigt hat.</p> <p>3. Jeder Anleihegläubiger ist berechtigt, seine sämtlichen Forderungen aus den Inhaber-Teilschuldverschreibungen durch außerordentliche Kündigung mit sofortiger Wirkung fällig zu stellen und Rückzahlungen zum Nennbetrag einschließlich bis zum Kündigungszeitpunkt aufgelaufener Zinsen zu verlangen, wenn:</p> <p>a) die Anleiheschuldnerin und/ oder ihre Tochtergesellschaften (wie in § 5 Abs. 6 definiert) Forderungen aus dieser Anleihe oder Zahlungsverpflichtungen aus anderen Darlehensverbindlichkeiten in Höhe von insgesamt mindestens EUR 10.000.000,00 (Cross-Default) innerhalb von 90 Tagen nach dem betreffenden Fälligkeitstag nicht erfüllen;</p> <p>b) die Anleiheschuldnerin allgemein ihre Zahlungen einstellt oder ihre Zahlungsunfähigkeit bekannt gibt;</p> <p>c) gegen die Anleiheschuldnerin ein Insolvenzverfahren gerichtlich eröffnet wird, das nicht innerhalb von 60 Tagen nach dessen Eröffnung aufgehoben oder ausgesetzt wird, oder die Anleiheschuldnerin selbst ein solches Verfahren beantragt oder ihre Zahlungen einstellt oder einen generellen Vergleich mit der Gesamtheit ihrer Gläubiger anbietet oder durchführt;</p> <p>d) die Anleiheschuldnerin in Liquidation tritt, es sei denn, dass eine solche Liquidation im Zusammenhang mit einer Verschmelzung, Konsolidierung oder einer anderen Form des Zusammenschlusses mit einer anderen Gesellschaft vorgenommen wird und diese Gesellschaft anstelle der Anleiheschuldnerin alle Verpflichtungen aus diesen Anleihebedingungen übernimmt;</p> <p>e) die Anleiheschuldnerin im Rahmen eines Kontrollwechsels ihren Verpflichtungen nach § 8 nicht nachkommt;</p> <p>f) die Anleiheschuldnerin Partei eines Cashpooling-Systems mit Gesellschaften wird, an denen die</p> | <p>1. The right of ordinary termination of the Bearer Bonds by the Bondholder is precluded. The right of extraordinary termination remains unaffected.</p> <p>2. A Bondholder is not entitled to terminate the Bearer Bonds, if another Bondholder has the right of termination or has terminated the Bearer Bonds effectively.</p> <p>3. Each Bondholder is entitled to submit notice of an extraordinary termination of the ownership of the Bearer Bonds with immediate effect and to require repayment of the nominal value including the interests which accrued to the day of the notice of termination if:</p> <p>a) the Issuer and/ or its Subsidiaries (as defined in § 5 para 6) do not fulfil the principal amount from these Bonds or payment obligations from other loans in the amount of at least EUR 10,000,000.00 in total (Cross-Default) within 90 days from the related Maturity Date;</p> <p>b) the Issuer suspends all payments in general or announces inability to pay;</p> <p>c) a competent court has commenced insolvency proceedings against the Issuer and the proceedings have neither been cancelled nor suspended within 60 days after commencement, or the Issuer has applied for such insolvency proceedings himself or has stopped payments or has offered or carried out a settlement with respect to all of its creditors;</p> <p>d) the Issuer goes into liquidation, unless such liquidation is carried out in connection with a merger, consolidation or another form of business combination with another company and this company has assumed all obligations of the Issuer under these Terms and Conditions;</p> <p>e) the Issuer does not meet its obligations according to § 8 within the scope of a change of control;</p> <p>f) the Issuer becomes a party of a cash pooling system with companies, in which the Issuer does not directly hold at least 50% of the shares;</p> |
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Anleiheschuldnerin nicht unmittelbar mit mindestens 50 % beteiligt ist;

- g) das sich aus dem jeweils letzten geprüften Konzernabschluss der Anleiheschuldnerin nach IFRS ergebende Eigenkapital 25 % der Summe aus Eigenkapital und verzinslichem Fremdkapital (wie nachfolgend definiert) unterschreitet ("**Modifizierte Konzerneigenkapitalquote**").

Dies gilt nicht für den Fall, dass die Unterschreitung der Modifizierten Konzerneigenkapitalquote von 25 % auf (i) eine Änderung der staatlichen und/ oder staatlich gesteuerten Förderung von Photovoltaik-Projekten nach Erwerb des betroffenen Photovoltaik-Projekts durch die Anleiheschuldnerin oder eine Tochtergesellschaft der Anleiheschuldnerin, oder (ii) eine Verlängerung, Erhöhung und/oder rückwirkende Einführung einer sonstigen Abgabe auf Erträge oder Einnahmen der konsolidierten Zweckgesellschaften ("**SPVs**") aus Photovoltaik-Kraftwerken und einer daraus jeweils resultierenden Abschreibung auf das Projekt bzw. den Beteiligungsansatz des betroffenen SPVs in der Konzernbilanz zurückzuführen ist.

"**Verzinsliches Fremdkapital**" im Sinne dieser Anleihebedingungen ist die im Anhang zu dem jeweiligen geprüften Konzernabschluss der Anleiheschuldnerin nach IFRS ausgewiesene Summe von kurzfristigen und langfristigen, verzinslichen Verbindlichkeiten.

- h) die Anleiheschuldnerin für eines der vor dem Fälligkeitstag endenden Geschäftsjahre eine Dividendenausschüttung von mehr als 50 % des ausschüttungsfähigen Gewinns vornimmt, oder eine Dividendenausschüttung in Höhe von bis zu 50 % (einschließlich) des ausschüttungsfähigen Gewinns vornimmt, ohne dass eine EBITDA-Zinsdeckung vorliegt. "EBITDA" bedeutet Ergebnis vor Zinsen, Steuern und Abschreibungen.

"**EBITDA-Zinsdeckung**" im Sinne dieser Anleihebedingungen ist gegeben, wenn das EBITDA in dem relevanten Jahr die Zinskosten um mindestens das Zweifache übersteigt.

4. Das Kündigungsrecht erlischt, falls der Kündigungsgrund vor Ausübung des Rechtes weggefallen ist oder geheilt wurde.
5. Eine Kündigung ist vom Anleihegläubiger schriftlich in deutscher oder englischer Sprache, oder in einer der Amtssprachen in den Ländern in denen ein öffentliches Angebot der Anleihe durchgeführt wird, durch eingeschriebenen Brief ausschließlich an die Adresse der Anleiheschuldnerin zu richten und wird mit Zugang bei dieser wirksam. Der Kündigung muss ein nach deutschem Recht wirksamer

- g) the equity capital of the Issuer from the last audited consolidated financial statements under IFRS falls below 25% of the total sum of the equity capital and Interest-Bearing Debt (as hereinafter defined) ("**Adjusted Equity Ratio**").

This does not apply if the shortfall of the Adjusted Equity Ratio below 25% is due to the fact of (i) a change in state subsidies and/or in the state-controlled subsidies for photovoltaic projects after the respective photovoltaic project has been acquired by the Issuer or one of its Subsidiaries, or (ii) an extension, increase and/or retroactive introduction of another public charge to revenue or earnings of the consolidated special-purpose vehicles ("**SPVs**") from photovoltaic power plants and a resulting depreciation in the consolidated balance sheet of the project or a participation value of the affected SPVs.

"**Interest-Bearing Debt**", for purposes of these Terms and Conditions, shall be understood as the sum of the short term and long term interest bearing liabilities as indicated in the notes to the respective audited consolidated financial statements of the Issuer under IFRS.

- h) the Issuer (i) distributes a dividend for a financial year ended prior to the Maturity Date of more than 50% of the distributable profit, or up to 50% (including) of the distributable profit but without EBITDA Interest Coverage. "EBITDA" means profit before deduction of interest, tax, depreciation and amortisation.

"**EBITDA Interest Coverage**", for purposes of these Terms and Conditions, shall be assumed if EBITDA in the relevant year exceeds the interest costs by a factor of at least two.

4. The termination right expires if the reason of termination no longer applies or has been cured before exercising this right.
5. The termination notice submitted by the Bondholder must be delivered in writing in German or in English, or other official language in the jurisdictions where the public offer of the Bonds is made, by registered mail, exclusively to the address of the Issuer, and becomes effective upon its receipt. A valid proof of ownership under German law (e.g., current account statement from

Eigentumsnachweis (z. B. aktueller Depotauszug) in deutscher oder englischer Sprache, oder in einer der Amtssprachen in den Ländern in denen ein öffentliches Angebot der Anleihe durchgeführt wird, beigefügt sein.

6. In den Fällen des § 7 Abs. 3 Buchstabe a), d) bis h) wird eine Kündigungserklärung, sofern nicht bei deren Eingang zugleich einer der in Abs. 3 Buchstabe b) und c) bezeichneten Kündigungsgründe vorliegt, erst wirksam, wenn bei der Anleiheschuldnerin Kündigungserklärungen von Anleihegläubigern von Inhaber-Teilschuldverschreibungen im Nennbetrag von mindestens 15 % des Gesamtnennbetrags der zu diesem Zeitpunkt noch insgesamt ausstehenden Inhaber-Teilschuldverschreibungen eingegangen sind.

## § 8

### Vorzeitige Rückzahlung im Falle eines Kontrollwechsels

1. Vorzeitige Rückzahlung: Wenn ein Kontrollwechsel im Sinne von § 8 Abs. 2 eintritt, ist jeder Anleihegläubiger berechtigt, aber nicht verpflichtet, von der Emittentin die Rückzahlung oder – nach Wahl der Emittentin – den Ankauf seiner Inhaber-Teilschuldverschreibungen durch die Emittentin oder auf ihre Veranlassung durch einen Dritten zum Vorzeitigen Rückzahlungsbetrag insgesamt oder teilweise zu verlangen ("**Rückzahlungsoption**"). Die Ausübung der Rückzahlungsoption wird nur dann wirksam, wenn innerhalb des Ausübungszeitraums im Sinne von § 8 Abs. 5 Anleihegläubiger von Inhaber-Teilschuldverschreibungen im Nennbetrag von mindestens 50 % des Gesamtnennbetrags der zu diesem Zeitpunkt noch insgesamt ausstehenden Inhaber-Teilschuldverschreibungen die Ausübung der Rückzahlungsoption erklärt haben.
2. Ein "**Kontrollwechsel**" liegt vor:
  - a) wenn die Emittentin Kenntnis davon erlangt, dass eine Person, die derzeit nicht zum mittelbaren oder unmittelbaren Aktionärskreis gehört, oder gemeinsam handelnde Personen, die derzeit nicht zum mittelbaren oder unmittelbaren Aktionärskreis gehören, (jeweils ein "**Erwerber**"), unmittelbar oder mittelbar der rechtliche oder wirtschaftliche Eigentümer von mehr als 50 % der Stimmrechte der Emittentin geworden ist bzw. sind, wobei als Erwerber nicht gilt, wer die Stimmrechte unmittelbar oder mittelbar als Angehöriger im Sinne von § 15 Abgabenordnung oder aufgrund letztwilliger Verfügung erworben hat. Ein Kontrollwechsel wird nicht begründet, sofern die Stimmrechte durch eine Gesellschaft erworben

the custodian) in German or English, or other official language in the jurisdictions where the public offer of the Bonds is made, must be attached to the termination notice.

6. In the case of § 7 para 3 letters a), d) through h), the termination notice becomes effective only after termination notices from Bondholders holding a nominal amount representing at least 15% of the total nominal principal value of the remaining outstanding Bearer Bonds is delivered to the Issuer, unless one of the reasons for termination stated in para 3 letters b) and c) proves to be valid at the time of its receipt.

## § 8

### Early Redemption in case of a Change of Control

1. Early Redemption: In case of a change of control in accordance with § 8 para 2 Bondholders are entitled but not obliged to demand redemption or – upon the Issuer's election – repurchase of their Bearer Bonds in whole or in part by the Issuer or by a third party at the Issuer's request at the Early Redemption Price ("**Redemption Option**"). The execution of the Redemption Option shall only become effective if Bondholders owning Bearer Bonds of a nominal value of at least 50% of the total nominal principal value of outstanding Bearer Bonds have exercised the redemption option within the execution period in accordance with § 8 para 5.
2. A "**Change of Control**" occurs:
  - a) when the Issuer becomes aware of the fact that a person who at the relevant time is not a direct or indirect shareholder of the Issuer, or persons acting in concert who at the relevant time are not direct or indirect shareholders of the Issuer (hereinafter each such person is referred to as a "**Purchaser**"), has or have become directly or indirectly the legal or beneficial owner(s) of more than 50% of the voting rights of the Issuer; a person who has acquired the voting rights directly or indirectly as a related person in accordance with section 15 of the German Tax Code or based on a testament shall not be considered as a Purchaser. A Change of Control is not effective if the voting

werden, an der die derzeitigen mittelbaren oder unmittelbaren Aktionäre mittelbar oder unmittelbar beteiligt sind (Zwischenholding); oder

rights have been purchased through a company which is directly or being held by direct or indirect shareholders (intermediary holding company) at the relevant time; or

- b) bei einer Verschmelzung der Emittentin mit einer oder auf eine Dritte Person oder bei der Verschmelzung einer Dritten Person mit oder auf die Emittentin, es sei denn, die Inhaber von 100 % der Stimmrechte der Emittentin halten nach der Verschmelzung mindestens die Mehrheit der Stimmrechte an dem überlebenden Rechtsträger; oder
- c) bei einem Verkauf aller oder im Wesentlichen aller Vermögensgegenstände (konsolidiert betrachtet) an eine Dritte Person, es sei denn, der erwerbende Rechtsträger ist oder wird eine Tochtergesellschaft der Emittentin.

- b) if the Issuer enters into a merger with or into a third party, or a third party enters into a merger with or into the Issuer, unless the holders of 100% of voting rights of the Issuer keep at least the majority of voting rights of the surviving legal entity after the merger; or
- c) if all or substantially all of the assets of the Issuer have been sold (regarded on a consolidated basis) to a third party, unless the purchasers of the above mentioned assets are, or shall become, a Subsidiary of the Issuer.

"**Dritte Person**" im Sinne dieses § 8 Abs. 2 ist jede Person außer einer Tochtergesellschaft (wie in § 5 Abs. 6 definiert) der Emittentin.

"**Third Party**" for the purpose of this § 8 para 2 shall be any person other than a Subsidiary (as defined in § 5 para 6) of the Issuer.

3. "**Vorzeitiger Rückzahlungsbetrag**" im Sinne dieses § 8 bedeutet für jede Inhaber-Teilschuldverschreibung 100 % des Nennbetrags der Inhaber-Teilschuldverschreibung zuzüglich aufgelaufener und noch nicht gezahlter Zinsen bis zum Rückzahlungstag (ausschließlich) gemäß § 8 Abs. 5.
4. Wenn ein Kontrollwechsel eintritt, wird die Emittentin unverzüglich, nachdem sie hiervon Kenntnis erlangt hat, den Anleihegläubigern den Kontrollwechsel gemäß § 11 mitteilen (die "**Kontrollwechselmitteilung**") und dabei die Umstände des Kontrollwechsels sowie das Verfahren für die Ausübung der in diesem § 8 genannten Rückzahlungsoption angeben.
5. Die Ausübung der Rückzahlungsoption durch einen Anleihegläubiger ist innerhalb eines Zeitraums von 30 Tagen (der "**Ausübungszeitraum**"), nachdem die Kontrollwechselmitteilung veröffentlicht wurde, schriftlich gegenüber der depotführenden Stelle des Anleihegläubigers zu erklären (die "**Ausübungserklärung**"). Wird die Ausübung der Rückzahlungsoption wirksam, wird die Emittentin die maßgebliche(n) Inhaber-Teilschuldverschreibung(en) sieben Bankarbeitstage nach Ablauf des Ausübungszeitraums (der "**Rückzahlungstag**") nach ihrer Wahl zurückzahlen oder erwerben bzw. erwerben lassen, soweit sie nicht bereits vorher zurückgezahlt oder erworben und entwertet wurde(n). Die Abwicklung erfolgt über das Clearing System. Eine einmal abgegebene Ausübungserklärung ist für den jeweiligen Anleihegläubiger unwiderruflich.

3. "**Early Redemption Price**" for the purpose of this § 8 means 100% of the nominal principal value of the Bearer Bonds plus accrued and not paid interest until (but excluding) the date of redemption for each Bearer Bond in accordance with § 8 para 5.
4. If a Change of Control occurs, the Issuer shall, immediately after becoming aware of the Change of Control, inform the Bondholders about the Change of Control according to § 11 (the "**Change of Control Announcement**") and at the same time specify information on the circumstances of the Change of Control as well as on the process of the execution of the Redemption Option described in this section 8.
5. The execution of the Redemption Option by a Bondholder must be executed within 30 days (the "**Exercise Period**") after the Change of Control Announcement by submitting a notice in writing to the custodian of the Bondholder (the "**Exercise Notice**"). If the execution of the Redemption Option becomes effective, the Issuer shall, based on his decision, redeem or purchase or have the relevant Bearer Bond(s) purchased within seven business days after the Execution Period has passed (the "**Redemption Date**") if Bonds have not been redeemed or purchased and cancelled previously. The settlement shall be done through a clearing system. Once the exercise notice has been submitted, it is irrevocable for the related Bondholder.

**Vorzeitige Rückzahlung nach Wahl der Emittentin**

1. Die Emittentin ist berechtigt, nachdem sie gemäß § 9 Absatz (2) gekündigt hat, die ausstehenden Schuldverschreibungen insgesamt oder teilweise jeweils am in der Kündigungsmitteilung angegebenen Tag (jeweils ein "**Wahl-Rückzahlungstag (Call)**") zu dem vorzeitigen Rückzahlungsbetrag nebst etwaigen bis zum relevanten Wahl-Rückzahlungstag (Call) (ausschließlich) aufgelaufenen Zinsen zurückzahlen. Der vorzeitige Rückzahlungsbetrag entspricht dem untenstehend aufgeführten vorzeitigen Rückzahlungsbetrag, der sich auf den entsprechenden Rückzahlungszeitraum bezieht. Der Emittentin steht dieses Wahlrecht nicht in Bezug auf eine Schuldverschreibung zu, deren Rückzahlung der Anleihegläubiger in Ausübung seines Wahlrechts nach § 7 Absatz (3) oder § 8 Absatz (1) bereits verlangt hat.

Rückzahlungszeitraum 1: 23. November 2025 (einschließlich) bis 23. November 2026 (ausschließlich)

Vorzeitiger Rückzahlungsbetrag: 102 % des Nennbetrags

Rückzahlungszeitraum 2: 23. November 2026 (einschließlich) bis 23. November 2027 (ausschließlich)

Vorzeitiger Rückzahlungsbetrag: 101 % des Nennbetrags

2. Die Vorzeitige Rückzahlung, insgesamt oder teilweise, ist den Gläubigern durch die Emittentin gemäß § 11 während des in § 9 Absatz (1) angegebenen einschlägigen Rückzahlungszeitraums bekannt zu geben. Sie ist unwiderruflich und beinhaltet den Wahl-Rückzahlungstag (Call) sowie eine zusammenfassende Erklärung enthalten, welche das Rückzahlungsrecht der Emittentin begründenden Umstände darlegt. Hierbei muss die Kündigung den Gläubigern bis spätestens 30 Tage und höchstens 60 Tage vor dem jeweiligen Wahl-Rückzahlungstag (Call) bekanntgemacht worden sein. Bei einer teilweisen Kündigung legt die Emittentin das Verfahren zur Bestimmung der gekündigten Schuldverschreibungen nach freiem Ermessen unter Beachtung des Grundsatzes der Gleichbehandlung fest.
3. Vorzeitige Rückzahlung bei Geringem Ausstehenden Gesamtnennbetrag der Schuldverschreibungen

**Early Redemption at the Option of the Issuer**

1. The Issuer may, after having terminated in accordance with § 9 paragraph (2), declare due and redeem the Bonds outstanding in whole or in part on such date indicated in the termination notice (in each case an "**Optional Redemption Date (Call)**") at the Early Redemption Amount plus accrued interest to (but excluding) the relevant Optional Redemption Date (Call). The Early Redemption Amount will be equal to the Early Redemption Amount specified below relating to the relevant redemption period. The Issuer is not entitled to this option in respect of any Bond whose redemption the Bondholder has already requested in pursuance of its option under § 7 paragraph (3) or § 8 paragraph (1).

Redemption Period 1: 23 November 2025 (inclusive) to 23 November 2026 (exclusive)

Early Redemption Amount: 102% of the principal amount

Redemption Period 2: 23 November 2026 (inclusive) to 23 November 2027 (exclusive)

Early Redemption Amount: 101% of the principal amount

2. The notice of early redemption, in whole or in part, shall be declared by the Issuer to the Bondholders pursuant to § 11 during the relevant redemption period indicated in § 9 paragraph (1). This notice is irrevocable and shall specify the Optional Redemption Date (Call) and must set forth a statement in summary form of the facts constituting the basis for the right of the Issuer so to redeem. The notice shall be provided to the Bondholders not less than 30 days and not more than 60 days before the related Optional Redemption Date (Call). In the event of a partial redemption by the Issuer, the Issuer shall decide on the procedure to determine the Bonds which are subject to redemption at its sole discretion, taking into account the basic principle of equal treatment.
3. Early Redemption in case of Minimal Outstanding Aggregate Principal Amount of the Bonds (so-called "**Clean-Up Option**"): If 80% or more of the initial aggregate principal amount of the Bonds have been redeemed or purchased by the Issuer or any direct or indirect Subsidiary of

(sogenannte "**Clean-Up-Option**"): Wenn 80 % oder mehr des ursprünglichen Gesamtnennbetrags der Schuldverschreibungen von der Emittentin oder einer direkten oder indirekten Tochtergesellschaft der Emittentin zurückgezahlt oder angekauft wurden, ist die Emittentin jederzeit berechtigt, nach vorheriger Bekanntmachung gegenüber den Gläubigern gemäß § 11 mit einer Frist von mindestens 30 und höchstens 60 Tagen nach ihrer Wahl die ausstehenden Schuldverschreibungen insgesamt, aber nicht teilweise, zum Nennbetrag zuzüglich bis zum tatsächlichen Rückzahlungstag (ausschließlich) nicht gezahlter, aufgelaufener Zinsen zurückzuzahlen.

the Issuer, the Issuer may at any time, on not less than 30 or more than 60 days' notice to the Bondholders given in accordance with § 11, redeem, at its option, the remaining Bonds in whole but not in part at the principal amount thereof plus unpaid interest accrued to (but excluding) the date of actual redemption.

## § 10

### Ausgabe weiterer Anleihen

1. Die Anleiheschuldnerin behält sich vor, jederzeit ohne Zustimmung der Anleihegläubiger weitere Inhaber-Teilschuldverschreibungen mit gleicher Ausstattung in der Weise zu begeben, dass sie mit den Inhaber-Teilschuldverschreibungen zusammengefasst werden, eine einheitliche Anleihe mit ihnen bilden und ihren Gesamtnennbetrag erhöhen. Der Begriff "**Inhaber-Teilschuldverschreibungen**" umfasst im Falle einer solchen Erhöhung auch die zusätzlich begebenen Inhaber-Teilschuldverschreibungen.
2. Die Anleiheschuldnerin ist ohne Einschränkungen durch die diesen Bedingungen unterliegende Anleihe berechtigt, weitere Schuldverschreibungen (einschließlich solcher, die mit Options- oder Wandlungsrechten ausgestattet sind), die mit dieser Anleihe keine Einheit bilden und die über andere – auch vorrangige – Ausstattungsmerkmale (z.B. in Bezug auf Verzinsung oder Stückelung) verfügen, oder andere Schuldtitel sowie Finanzprodukte zu begeben.

## § 11

### Bekanntmachungen

Bekanntmachungen der Anleiheschuldnerin erfolgen ausschließlich im Bundesanzeiger der Bundesrepublik Deutschland, auf der Internetseite der Emittentin und im Luxemburger Wort, soweit in diesen Anleihebedingungen nicht etwas anderes vorgesehen ist oder soweit gesetzlich nicht etwas anderes oder zusätzliches bestimmt ist. Einer besonderen Benachrichtigung der einzelnen Anleihegläubiger bedarf es nicht. Sofern die

## § 10

### Issue of Further Bonds

1. The Issuer reserves the right to issue, at any time and without the Bondholders' consent, further bonds with the same features in a way to combine them with the already existing Bearer Bonds so that a united series of bonds will be created with a corresponding increase in the aggregate nominal principal value. In such case, the term "**Series of Bonds**" includes the additionally issued bonds.
2. The Issuer is entitled to issue other bonds (including those with option rights or conversion privileges) that do not form a unit with the existing Bearer Bonds and may have another structure – including possibly a priority status – (e.g. regarding interest payment or denomination) or to issue other debt instruments or financial products without being restricted by the Terms and Conditions for this Bonds issue.

## § 11

### Notices

The Issuer shall publish notices solely in the Federal Gazette of the Federal Republic of Germany, on the website of the Issuer and in the Luxemburger Wort, unless otherwise provided in these Terms and Conditions or if there are other or additional mandatory publication obligations that apply by law. Special notifications of individual Bondholders are not required. If Bondholders are known by name to the

Anleihegläubiger der Anleiheschuldnerin namentlich bekannt sind, darf die Anleiheschuldnerin statt einer Veröffentlichung im Bundesanzeiger Erklärungen und Bekanntmachungen per eingeschriebenen Brief an die Anleihegläubiger richten.

## § 12

### **Vorlegfrist, Verjährung**

Die in § 801 Abs. 1 Satz 1 BGB bestimmte Vorlegungsfrist wird für die Inhaber-Teilschuldverschreibungen auf fünf Jahre verkürzt. Die Verjährungsfrist für Ansprüche aus den Inhaber-Teilschuldverschreibungen, die innerhalb der Vorlegungsfrist zur Zahlung vorgelegt wurden, beträgt zwei Jahre von dem Ende der Vorlegungsfrist an.

## § 13

### **Anleihegläubigerversammlung**

1. Beschlüsse der Anleihegläubiger werden ausschließlich in Anleihegläubigerversammlungen gefasst.
2. Die Anleihegläubigerversammlung wird von der Anleiheschuldnerin oder dem gemeinsamen Vertreter der Anleihegläubiger einberufen. Sie ist einzuberufen, wenn Anleihegläubiger, deren Inhaber-Teilschuldverschreibungen zusammen 5 % der ausstehenden Inhaber-Teilschuldverschreibungen erreichen, dies schriftlich mit der Begründung verlangen, sie wollten einen gemeinsamen Vertreter bestellen oder abberufen, sie wollten nach § 5 Abs. 5 Satz 2 Gesetz über Schuldverschreibungen aus Gesamtemissionen. (*Schuldverschreibungsgesetz – "SchVG"*) über das Entfallen der Wirkung der Kündigung beschließen oder sie hätten ein sonstiges besonderes Interesse an der Einberufung. Wie im SchVG vorgesehen ist die Gläubigerversammlung beschlussfähig, wenn die Anwesenden wertmäßig mindestens die Hälfte der ausstehenden Schuldverschreibungen vertreten. Wird in der Gläubigerversammlung die mangelnde Beschlussfähigkeit festgestellt, kann der Vorsitzende eine zweite Versammlung zum Zweck der erneuten Beschlussfassung einberufen. Die zweite Versammlung ist beschlussfähig; für Beschlüsse, zu deren Wirksamkeit eine qualifizierte Mehrheit erforderlich ist, müssen die Anwesenden mindestens 25 % der ausstehenden Schuldverschreibungen vertreten.

Issuer, the Issuer is allowed to address the statements and announcements to each Bondholder per registered mail instead of publishing it in the Federal Gazette.

## § 12

### **Presentation Period, Statutory Limitations**

Period for presentation as specified in section 801 para 1 clause 1 of the German Civil Code (*BGB*) shall be shortened to five years for the Bearer Bonds. The period of limitation for claims in connection with the Bearer Bonds asserted within the period of presentation for payment shall be two years from the end of the respective period for presentation.

## § 13

### **Bondholders' Meeting**

1. The resolutions of the Bondholders shall be passed solely in the Bondholders' meeting.
2. The Bondholders' meeting shall be convened by the Issuer or by the joint representative of the Bondholders. The Bondholders' meeting shall be convened when Bondholders whose Bearer Bonds collectively represent at least 5% of the outstanding Bearer Bonds demand the convocation of the meeting in writing by providing the reason that they would like to appoint or recall a joint representative, the reason that they would like to decide whether the validity of a termination is still applicable according to section 5 para 5 clause 2 of the German Debt Securities Act (*Gesetz über Schuldverschreibungen aus Gesamtemissionen, Schuldverschreibungsgesetz – "SchVG"*) or by setting out another particular interest in convening the meeting. As set out in the SchVG, quorum will be reached at the Bondholders' meeting if the Bondholders present at the meeting represent at least one-half of the value of the then outstanding Bonds. If there is no quorum at a given Bondholders' meeting, the chair may convene a second meeting for purposes of adopting resolutions. A quorum will exist at the second meeting; for resolutions requiring a qualified majority, the Bondholders present at the meeting

represent at least 25% of the value of the outstanding Bonds.

3. Die Anleihegläubigerversammlung wird von der Anleiheschuldnerin spätestens einen Monat vor dem Versammlungstag durch Bekanntmachung gemäß § 11 dieser Anleihebedingungen einberufen. Die Versammlung findet am Sitz der Anleiheschuldnerin oder am Sitz einer deutschen Wertpapierbörse statt. Die Einberufung muss Zeit und Ort der Versammlung sowie die Bedingungen angeben, von denen die Teilnahme an der Versammlung und die Ausübung des Stimmrechts abhängen. Der Wortlaut einer vorgesehenen Änderung der Anleihebedingungen ist dabei bekannt zu machen.
  4. Beschlüsse der Anleihegläubigerversammlung sind durch notarielle Niederschriften in entsprechender Anwendung der § 130 Abs. 2 bis 4 AktG zu beurkunden.
  5. Soweit in den Anleihebedingungen nichts anderes geregelt ist, gelten für das Verfahren und die Beschlussfassung in der Anleihegläubigerversammlung die gesetzlichen Vorschriften des SchVG aus Gesamtemissionen.
3. In accordance with § 11 of these Terms and Conditions, the Bondholders' meeting shall be convened by the Issuer one month before the meeting day at the latest. The meeting takes place at the seat of the Issuer or of a German stock exchange. The convocation notice must state the time and place of the meeting as well as the conditions for participating at the meeting and the conditions of exercising the voting rights. The wording of any proposed amendments to the Terms and Conditions shall be announced in the same notice.
  4. The decisions of the Bondholders' meeting must be certified by notarial record in accordance with section 130 para 2 to 4 of the German Stock Corporation Act (*AktG*).
  5. Unless otherwise stated in the Terms and Conditions, the process and the decision making of the Bondholders' meeting shall comply with the legal provisions of the SchVG.

#### § 14

##### **Mehrheitsbeschlüsse der Anleihegläubiger**

1. Die Anleihebedingungen können mit Zustimmung der Emittentin durch Mehrheitsbeschluss der Gläubiger nach Maßgabe der §§ 5 ff. des SchVG geändert werden. Beschlüsse der Anleihegläubigerversammlung gemäß § 5 SchVG werden in der Anleihegläubigerversammlung mit einfacher Mehrheit der an der Abstimmung teilnehmenden Stimmrechte gefasst.
2. Die Anleihegläubiger können mit einer Mehrheit von 75 % der an der Abstimmung teilnehmenden Stimmrechte insbesondere folgenden Maßnahmen zustimmen:
  - a) der Veränderung der Fälligkeit, der Verringerung oder dem Ausschluss der Zinsen;
  - b) der Veränderung der Laufzeit;
  - c) der Verringerung der Hauptforderung;
  - d) dem Nachrang der Forderung aus den Inhaber-Teilschuldverschreibungen im Insolvenzverfahren der Anleiheschuldnerin;

#### § 14

##### **Majority Decisions of the Bondholders**

1. The Terms and Conditions may be amended with consent of the Issuer by virtue of a majority resolution of the Noteholders pursuant to sections 5 et seqq. of the SchVG. The resolutions of the Bondholders' meeting according to section 5 of the SchVG shall be adopted by a simple majority of the voting rights taking part in the vote.
2. The Bondholders may agree with a majority of 75% of the voting rights entitled to take part in the vote in particular upon the following measures:
  - a) the change of the Maturity Date, and the reduction or suspension of the interest payments;
  - b) the change of the duration period of the Bonds;
  - c) the reduction of the principal sum;
  - d) the subordination of claims related to the Bearer Bonds in the Issuer's insolvency proceedings;

- |  |  |
|--|--|
| e) dem Verzicht auf das Kündigungsrecht der Anleihegläubiger oder dessen Beschränkungen; | e) waiver of the right of termination of the Bondholders or its restriction; |
| f) der Schuldnerersetzung.   | f) the substitution of the Issuer.   |

**§ 15**

**Änderungen der Anleihebedingungen**

1. Die Anleiheschuldnerin ist ausschließlich in den folgenden Fällen berechtigt, die Anleihebedingungen durch einseitige Willenserklärung zu ändern bzw. anzupassen:
  - a) Änderung der Fassung, wie z.B. Wortlaut und Reihenfolge;
  - b) Berichtigung von offensichtlichen Schreib- oder Rechenfehlern oder ähnlichen offensichtlichen Unrichtigkeiten;
  - c) Änderungen, die für eine Zulassung oder Einbeziehung der Inhaber-Teilschuldverschreibungen zum Handel an einem organisierten Markt oder einem privatrechtlich organisierten Markt erforderlich sind, insbesondere die Einteilung der Anleihe bezogen auf die Anzahl und den Nennbetrag der Inhaber-Teilschuldverschreibungen;
  - d) Änderung des Gesamtnennbetrags und der Einteilung der Inhaber-Teilschuldverschreibung, sofern weitere Anleihen oder andere Schuld- und/oder Finanzierungstitel gemäß § 10 der Anleihebedingungen ausgegeben werden.
2. Änderungen der Anleihebedingungen können durch Rechtsgeschäft nur durch einen gleichlautenden Vertrag mit sämtlichen Anleihegläubigern erfolgen.
3. Änderungen der Anleihebedingungen sind ferner mit Zustimmung der Anleihegläubigerversammlung durch Mehrheitsbeschluss nach Maßgabe des § 14 der Anleihebedingungen möglich.

**§ 16**

**Schlussbestimmungen**

**§ 15**

**Changes to the Terms and Conditions of the Bonds**

1. The Issuer is entitled to change or revise the Terms and Conditions by unilateral declaration of intent solely in the following cases:
  - a) amendments to the wording, as e.g. particular words or sentence order;
  - b) correction of obvious typos or miscalculations or similar manifest errors;
  - c) changes required for the admission or introduction of the Bearer Bonds to trading on an organised market or to a market organised under private law, in particular the division of the Bonds regarding the number and the nominal value of the Bearer Bonds;
  - d) changes of the total nominal principal value and division of the Bearer Bonds in case further Bonds or other debentures and/or financial securities are issued in accordance with § 10 of the Terms and Conditions.
2. Changes of the Terms and Conditions can be implemented only in a legal transaction with an identical contract for all of the Bondholders.
3. Changes of the Terms and Conditions can be agreed by the Bondholders' meeting by majority vote in accordance with § 14 of the Terms and Conditions.

**§ 16**

**Final Provisions**

- |   |  |
|---|--|
| <p>1. Form und Inhalt der Inhaberteilschuldverschreibungen sowie die Rechte und Pflichten der Anleihegläubiger und der Anleiheschuldnerin bestimmen sich ausschließlich nach dem Recht der Bundesrepublik Deutschland.</p>  | <p>1. The form and content of the Bearer Bonds as well as the rights and duties of the Bondholders and of the Issuer shall be governed solely by the law of the Federal Republic of Germany.</p>   |
| <p>2. Gerichtsstand für alle Streitigkeiten aus den Inhaberteilschuldverschreibungen oder im Zusammenhang mit diesen Anleihebedingungen ist – soweit gesetzlich zulässig – München, Deutschland.</p>  | <p>2. Place of jurisdiction for any action or other legal proceedings in connection with the Bearer Bonds or in connection with these Terms and Conditions is – if legally permissible – Munich, Germany.</p>  |
| <p>3. Sollte eine der vorstehenden Bestimmungen in diesen Anleihebedingungen unwirksam oder undurchführbar sein oder werden, so bleibt die Wirksamkeit der übrigen Bestimmungen hiervon unberührt. Die unwirksame oder undurchführbare Bestimmung ist von der Anleiheschuldnerin nach billigem Ermessen durch eine solche Bestimmung zu ersetzen, die den von der Anleiheschuldnerin und den Anleihegläubigern erstrebten wirtschaftlichen Auswirkungen am nächsten kommt. Gleiches gilt, sofern sich diese Anleihebedingungen als lückenhaft erweisen sollten.</p> | <p>3. Should one of the above provisions of these Terms and Conditions be or become ineffective or unenforceable, the validity of the remaining provisions remains unaffected. The invalid or unenforceable provision shall be replaced by the Issuer at its reasonably exercised discretion by a valid or enforceable provision which corresponds most closely to the economic results desired by the Bondholder and the Issuer. The same shall apply if the Terms and Conditions prove to be incomplete.</p> |
| <p>4. Die deutsche Version dieser Anleihebedingungen ist maßgeblich. Die englische Fassung dient nur als Übersetzung.</p>   | <p>4. The German version of these Terms and Conditions shall prevail. The English version is for convenience only.</p>   |

### *Exchange Offer*

#### **Umtauschangebot**

#### **Exchange Offer**

Dieses Umtauschangebot (das "**Umtauschangebot**") ist in deutscher Sprache abgefasst und mit einer unverbindlichen Übersetzung in die englische Sprache versehen. Der deutsche Wortlaut ist maßgeblich und allein rechtsverbindlich. Die englische Übersetzung ist unverbindlich und dient lediglich zu Informationszwecken.

This exchange offer (the "**Exchange Offer**") is drawn up in German language and provided with a nonbinding English language translation. The German version shall govern and be the only legally binding version. The English translation is for convenience and for information purposes only.

Die Emittentin bietet den Inhabern ihrer EUR 45.000.000,00 7,75 % Schuldverschreibungen 2017/2022 mit der ISIN DE000A19MFH4 (die "**Schuldverschreibung 2017/2022**") an, bis zu EUR 20.900.000,00 Schuldverschreibungen 2017/2022 in neue mit 6,50 % p.a. verzinsliche Schuldverschreibungen 2021/2027 der Emittentin mit der ISIN

The Issuer offers to the holders of its EUR 45,000,000.00 7.75% Bonds with ISIN DE000A19MFH4 (the "**2017/2022 Bonds**"), to exchange up to EUR 20,900,000.00 2017/2022 Bonds into newly issued 6.50% p.a. 2021/2027 Bonds of the Issuer with ISIN DE000A3KWKY4, whose issue is subject of this Prospectus.

DE000A3KWKY4, deren Emission Gegenstand dieses Prospekts ist, umzutauschen.

Die Emittentin wird voraussichtlich am 6. September 2022 das folgende freiwillige Umtauschangebot im Bundesanzeiger und voraussichtlich am 7. September 2022 im Luxemburger Wort veröffentlichen:

The issuer will publish the following voluntary exchange offer in the German Federal Gazette tentatively on 6 September 2022, and in the Luxemburger Wort tentatively on 7 September 2022:

### **Photon Energy N.V., Amsterdam**

Freiwilliges Angebot an die Inhaber der

Voluntary offer to the holders of the

**7,75 % Schuldverschreibungen 2017/2022**

**7.75% 2017/2022 Bonds**

**ISIN DE000A19MFH4**

**ISIN DE000A19MFH4**

zum Umtausch ihrer Schuldverschreibungen in neue 6,50 % Schuldverschreibungen 2021/2027

to exchange their Bonds in new 6.50% 2021/2027 Bonds

**ISIN DE000A3KWKY4**

**ISIN DE000A3KWKY4**

Die Photon Energy N.V. (nachfolgend auch die "**Emittentin**") hat EUR 45.000.000,00 7,75 % Schuldverschreibungen 2017/2022, eingeteilt in 45.000 auf den Inhaber lautende, erstrangige und untereinander gleichberechtigte Schuldverschreibungen 2017/2022 mit einem Nennbetrag von jeweils EUR 1.000 und der ISIN DE000A19MFH4 begeben. Derzeit steht noch ein Gesamtnennbetrag der Schuldverschreibungen 2017/2022 in Höhe von EUR 20.900.000,00 zur Rückzahlung aus.

Photon Energy N.V. (hereinafter referred to as the "**Issuer**") has issued EUR 45,000,000.00 7.75% 2017/2022 Bonds, divided into 45,000 bearer, senior and *pari passu* 2017/2022 Bonds with a principal amount of each EUR 1,000 with ISIN DE000A19MFH4. At present, an aggregate principal amount of EUR 20,900,000.00 of the 2017/2022 Bonds is outstanding for redemption.

Die Geschäftsführung der Emittentin hat beschlossen, den Anleihegläubigern der Schuldverschreibungen 2017/2022 (die "**Anleihegläubiger**") die Möglichkeit zu eröffnen, ihre Schuldverschreibungen 2017/2022 in neue Schuldverschreibungen 2021/2027 der Emittentin mit einem Nennbetrag von jeweils EUR 1.000,00 (ISIN DE000A3KWKY4) (die "**Neuen Schuldverschreibungen**") und jeweils eine "**Neue**

The board of directors of the Issuer has decided to give the bondholders of the 2017/2022 Bonds (the "**Bondholders**") the opportunity to exchange their 2017/2022 Bonds into new 2021/2027 Bonds of the Issuer with a nominal value of each EUR 1,000,00 (ISIN DE000A3KWKY4) (the "**New Bonds**") and each a "**New Bond**", which are publicly offered by the Issuer in the

**Schuldverschreibung**"), die von der Emittentin ab dem 7. September 2022 in der Bundesrepublik Deutschland, der Republik Österreich und dem Großherzogtum Luxemburg öffentlich zum Erwerb angeboten werden, umzutauschen.

Federal Republic of Germany, the Republic of Austria and the Grand Duchy of Luxembourg from 7 September 2022.

Der Umtausch erfolgt zu den nachstehenden Bedingungen (die "**Umtauschbedingungen**"):

The exchange shall take place in accordance with the following terms and conditions (the "**Terms and Conditions of Exchange**"):

### § 1

#### Angebot zum Umtausch

Die Emittentin bietet nach Maßgabe dieser Umtauschbedingungen den Anleihegläubigern an (das "**Umtauschangebot**"), verbindliche Angebote zum Umtausch ihrer Schuldverschreibungen 2017/2022 in Neue Schuldverschreibungen abzugeben (der "**Umtausch**" und das Angebot zum Umtausch der "**Umtauschauftrag**").

### § 1

#### Offer for Exchange

The Issuer offers, in accordance with these Terms and Conditions of Exchange, to the Bondholders (the "**Exchange Offer**") to submit binding offers to exchange their 2017/2022 Bonds into New Bonds (the "**Exchange**" and the offer to exchange the "**Exchange Order**").

### § 2

#### Umtauschverhältnis

1. Der Umtausch erfolgt zum Nennbetrag der Schuldverschreibungen 2017/2022 zuzüglich der Stückzinsen (wie in Absatz 3 definiert), die auf die umgetauschten Schuldverschreibungen 2017/2022 entfallen.
2. Das Umtauschverhältnis beträgt 1:1 (eins zu eins). Dies bedeutet, dass jeder Anleihegläubiger, der einen Umtauschauftrag erteilt hat, im Fall der Annahme Umtauschauftrags des Anleihegläubigers durch die Emittentin je eingetauschter Schuldverschreibung 2017/2022
  - a) eine Neue Schuldverschreibung sowie
  - b) die Stückzinsen (wie in Absatz 3 definiert), die auf die umgetauschten Schuldverschreibungen 2017/2022 entfallen, und
  - c) einen Zusatzbetrag von EUR 15,00 pro umgetauschter Schuldverschreibung 2017/2022 (der "**Zusatzbetrag**") erhält.

### § 2

#### Exchange Ratio

1. The Exchange shall occur at the principal amount of the 2017/2022 Bonds plus Accrued Interest (as defined in para 3 below), attributable to the exchanged 2017/2022 Bonds.
2. The Exchange Ratio is 1:1 (one to one). This means that any Bondholder who has submitted an Exchange Order, receives in the event of acceptance of the Bondholder's Exchange Order by the Issuer for each exchanged 2017/2022 Bond
  - a) a New Bond as well as
  - b) accrued interest (as defined in para 3 below) attributable to the exchanged 2017/2022 Bonds, and
  - c) an additional amount of EUR 15.00 per exchanged 2017/2022 Bond (the "**Additional Amount**").

3. "**Stückzinsen**" bedeutet die anteilmäßig angefallenen Zinsen der Schuldverschreibungen 2017/2022 vom letzten Zinszahlungstag (einschließlich) der Schuldverschreibungen 2017/2022 bis zum Begebungstag der Neuen Schuldverschreibungen, voraussichtlich dem 14. Oktober 2022 (der "**Begebungstag**") (ausschließlich) abzüglich der anteilmäßig angefallenen Zinsen der Neuen Schuldverschreibungen vom letzten Zinszahlungstag (einschließlich) der Neuen Schuldverschreibungen bis zum Begebungstag (ausschließlich). Gemäß der Anleihebedingungen der Schuldverschreibungen 2017/2022 und der Neuen Schuldverschreibungen erfolgt die Berechnung der Zinsen im Hinblick auf einen Zeitraum, der kürzer als eine Zinsperiode ist, auf der Grundlage der Anzahl der tatsächlichen verstrichenen Tage im relevanten Zeitraum (gerechnet vom letzten Zinszahlungstag (einschließlich)) dividiert durch die tatsächliche Anzahl der Tage der Zinsperiode (365 Tage bzw. 366 Tage im Falle eines Schaltjahres).
4. Die Inhaber der Schuldverschreibungen 2017/2022, die das Umtauschangebot nach Maßgabe von § 9 annehmen, haben die Möglichkeit, neben dem Umtausch weitere Neue Schuldverschreibungen der Emittentin gegen Zahlung des Nennbetrags zuzüglich aufgelaufener Zinsen vom letzten Zinszahlungstag bis zum Begebungstag (ausschließlich) zu zeichnen ("**Mehrerwerbsoption**"). Es können hierbei nur Nennbeträge von mindestens EUR 1.000,00 und ein Vielfaches davon angelegt werden.
3. "**Accrued Interest**" means the pro rata interest accrued on the 2017/2022 Bonds from the last interest payment date (included) of the 2017/2022 Bonds until the date of issue of the New Bonds, tentatively on 14 October 2022 (the "**Issue Date**") (excluded) less the pro rata interest accrued on the New Bonds from the last interest payment date (included) of the New Bonds until the Issue Date (excluded). Pursuant to the terms and conditions of the 2017/2022 Bonds and the New Bonds, the calculation of interest with respect to a period shorter than an interest period shall be based on the number of actual elapsed days in the relevant period (including the last interest payment date) divided by the actual number of days of the interest period (365 days or 366 days in the case of a leap year).
4. The holders of the 2017/2022 Bonds who accept the Exchange Offer pursuant to section 9 may subscribe for any New Bonds of the Issuer in exchange for the principal amount plus accrued interest from the last interest payment date to the Issue Date (exclusive) ("**Option to Purchase**"). Only principal amounts of at least EUR 1,000.00 and a multiple of these shall be invested.

### § 3 Umfang des Umtausches

1. Es gibt keine Mindest- oder Höchstbeträge für den Umtausch im Rahmen des Umtauschangebots und für Zeichnungsangebote im Rahmen der Mehrewerbsoption. Anleger können Umtauschaufträge bezogen auf ihre Schuldverschreibungen 2017/2022 in jeglicher Höhe beginnend ab dem Nennbetrag einer Schuldverschreibung von EUR 1.000,00 abgeben, wobei das Volumen des Umtauschauftrags bzw. der Zeichnungsangebote stets durch den Nennbetrag teilbar sein muss und auf das Volumen der Gesamtemission begrenzt ist. Es gibt keine festgelegten Tranchen für die Schuldverschreibungen.

### § 3 Scope of Exchange

1. There is no minimum or maximum amount for the Exchange within the scope of the Exchange Offer and for subscription offers within the scope of the Option to Purchase. Investors may issue Exchange Orders in respect of their 2017/2022 Bonds in any amount commencing from the principal amount of a bond of EUR 1,000.00 whereby the volume of the Exchange Order or subscription offers must always be divisible by the principal amount and is limited to the volume of the total issue. There are no fixed tranches for the Bonds.

2. Der Betrag der Neuen Schuldverschreibungen, die für den Umtausch eingesetzt werden, und die Annahme von Umtauschaufträgen durch die Emittentin stehen im alleinigen und freien Ermessen der Emittentin.

#### **§ 4 Umtauschfrist**

1. Die Umtauschfrist für die Schuldverschreibungen 2017/2022 und die Frist für die Ausübung der Mehrerwerbsoption beginnt am 7. September 2022 um 0:00 Uhr und endet am 7. Oktober 2022 um 18:00 Uhr MESZ (die "**Umtauschfrist**").
2. Die Emittentin ist jederzeit und nach ihrem alleinigen und freien Ermessen berechtigt, ohne Angabe von Gründen die Umtauschfrist zu verlängern oder zu verkürzen, den Umtausch vorzeitig zu beenden oder das Umtauschangebot zurückzunehmen. Die Emittentin wird dies auf ihrer Webseite sowie im Bundesanzeiger und im Luxemburger Wort veröffentlichen. Für den Fall einer Überzeichnung behält sich die Emittentin vor, die Umtauschfrist vor Ablauf des in Absatz 1 bestimmten Termins zu beenden. Eine "**Überzeichnung**" liegt vor, wenn die im Rahmen des Umtauschangebots, der Mehrerwerbsoption und des öffentlichen Angebots sowie im Rahmen der Privatplatzierung eingegangenen Umtausch-, Mehrerwerbs- und Zeichnungsaufträge zusammengerechnet den Gesamtnennbetrag der angebotenen Neuen Schuldverschreibungen übersteigen.

#### **§ 5 Abwicklungsstelle**

1. Abwicklungsstelle für den Umtausch ist  
**Baader Bank AG, Weihenstephaner Straße 4, 85716 Unterschleißheim, Deutschland**  
  
(die "**Abwicklungsstelle**").
2. Die Abwicklungsstelle handelt ausschließlich als Erfüllungsgehilfe der Emittentin und übernimmt keinerlei Verpflichtungen gegenüber den Anleihegläubigern und es wird kein Auftrags- oder Treuhandverhältnis zwischen ihr und den Anleihegläubigern begründet.

2. The amount of the New Bonds used for the exchange and the acceptance of Exchange Orders by the Issuer shall be in the sole and absolute discretion of the Issuer.

#### **§ 4 Exchange Period**

1. The exchange period for the 2017/2022 Bonds and the period for exercising the Option to Purchase will begin on 7 September 2022 at 12:00 midnight and end on 7 October 2022 at 6 p.m. CEST (the "**Exchange Period**").
2. The Issuer is, at any time and in its sole and absolute discretion, entitled to extend or shorten the Exchange Period without giving reasons, to terminate the Exchange early or to withdraw the Exchange Offer. The Issuer will publish this on its website as well as in the German Federal Gazette and in the Luxemburger Wort. In the event of an Over-subscription, the Issuer is entitled to terminate the Exchange Period before the expiry date specified in para 1. An "**Over-subscription**" occurs when the Exchange Offers, Options to Purchase and subscription offers received within the framework of the exchange order, the order to purchase and the public order, as well as in the context of the private placement, together exceed the aggregate principal amount of the New Bonds offered.

#### **§ 5 Settlement Agent**

1. Settlement agent for the Exchange is:  
**Baader Bank AG, Weihenstephaner Strasse 4, 85716 Unterschleissheim, Germany**  
  
(the "**Settlement Agent**").
2. The Settlement Agent shall act solely as a vicarious agent of the Issuer and shall not assume any obligations towards the Bondholders and no contractual or trust relationship shall be established between the Settlement Agent and the Bondholders.

**§ 6**  
**Umtauschauftrag und Ausübung der**  
**Mehrerwerbsoption**

1. Anleihegläubiger, die Schuldverschreibungen 2017/2022 umtauschen wollen, müssen über ihre depotführende Stelle während der Umtauschfrist einen Umtauschauftrag einreichen. Es wird darauf hingewiesen, dass die Möglichkeit zur Erteilung eines Umtauschauftrags durch die Anleihegläubiger über ihre jeweilige depotführende Stelle aufgrund einer Vorgabe der jeweiligen depotführenden Stelle bereits vor dem Ende der Umtauschfrist enden kann. Weder die Emittentin noch die Abwicklungsstelle übernehmen eine Gewährleistung oder Haftung dafür, dass innerhalb der Umtauschfrist erteilte Umtauschaufträge auch tatsächlich vor dem Ende der Umtauschfrist bei der Abwicklungsstelle eingehen.
2. Umtauschaufträge haben folgendes unter Verwendung des über die depotführende Stelle zur Verfügung gestellten Formulars zu beinhalten:
  - a) ein Angebot des Anleihegläubigers zum Umtausch einer bestimmten Anzahl von Schuldverschreibungen 2017/2022 in schriftlicher Form,
  - b) die unwiderrufliche Anweisung des Anleihegläubigers an die depotführende Stelle,
    - i. die Schuldverschreibungen 2017/2022, für die ein Umtauschauftrag erteilt wurde, zu sperren und jegliche Übertragung bis zum Begebungstag zu unterlassen (die "**Depotsperre**"); und
    - ii. die Anzahl von in dem Wertpapierdepot des Anleihegläubigers befindlichen Schuldverschreibungen 2017/2022, für die ein Umtauschauftrag erteilt wurde, in die ausschließlich für das Umtauschangebot eingerichtete ISIN DE000A3K8VS0 (die "**Zum Umtausch angemeldete Schuldverschreibungen**") bei der Clearstream Banking AG, Frankfurt am Main, Mergenthalerallee 61, 65760 Eschborn, Deutschland ("**Clearstream**") umzubuchen.
3. Umtauschaufträge können nur unwiderruflich abgegeben werden. Die Umtauschaufträge sind nur wirksam, wenn die Schuldverschreibungen 2017/2022, für die ein Umtauschauftrag abgeben wird, in die ISIN DE000A3K8VS0 der Zum

**§ 6**  
**Exchange order and exercise of option**

1. Bondholders who want to exchange their 2017/2022 Bonds must submit an Exchange Order through their depository institution during the Exchange Period. It is pointed out that the possibility of the issuance of an Exchange Order by the Bondholders via the related depository institution can terminate on the basis of a requirement of the relevant depository institution before the end of the Exchange Period. Neither the Issuer nor the Settlement Agent shall assume any warranty or liability for the fact that Exchange Orders placed within the Exchange Period will effectively be received by the Settlement Agent before the end of the Exchange Period.
2. Exchange Orders shall include the following, using the form provided by the depository institution:
  - a) an offer of the Bondholder to Exchange a certain number of 2017/2022 Bonds in writing,
  - b) the irrevocable instruction of the Bondholder to the depository institution,
    - i. to block the 2017/2022 Bonds for which an Exchange Order has been issued and to refrain from any transfer until the Issue Date (the "**Depository Account Stop Order**"); and
    - ii. the number of 2017/2022 Bonds in the Bondholder's securities account, for which an Exchange Order has been issued, to transfer to the ISIN DE000A3K8VS0 exclusively established for the Exchange Offer (the "**Bonds Registered for Exchange**") at Clearstream Banking AG, Frankfurt am Main, Mergenthalerallee 61, 65760 Eschborn, Germany ("**Clearstream**").
3. Exchange Orders shall only be issued irrevocably. The Exchange Orders shall only be effective if the 2017/2022 Bonds for which an Exchange Order is issued have been transferred to the ISIN DE000A3K8VS0 of the Bonds Registered for

Umtausch angemeldeten Schuldverschreibungen umgebucht worden sind. Der Umtausch ist für die Inhaber der Schuldverschreibungen 2017/2022 – mit Ausnahme etwaiger Spesen und Kosten nicht deutscher Depotführender Stellen – provisions- und spesenfrei.

4. Inhaber der Schuldverschreibungen 2017/2022, die von der Mehrerwerbsoption Gebrauch machen wollen, müssen innerhalb der Umtauschfrist in schriftlicher Form unter Verwendung des über die depotführende Stelle zur Verfügung gestellten Formulars oder in sonstiger schriftlicher Form über die depotführende Stelle ein verbindliches Angebot zum Erwerb weiterer Schuldverschreibungen abgeben. Die Ausübung der Mehrerwerbsoption kann nur berücksichtigt werden, wenn dieses Angebot spätestens bis zum Ablauf der Umtauschfrist bei der Abwicklungsstelle eingegangen ist. Ein Mehrbezug ist nur für einen Nennbetrag von EUR 1.000,00 oder ein Vielfaches davon möglich.

#### **§ 7 Depotsperre**

Die Depotsperre hat bis zum Eintritt des frühesten der nachfolgenden Ereignisse wirksam zu sein, sofern die Emittentin keine abweichende Bekanntmachung veröffentlicht:

- a) die Abwicklung am Begebungstag oder
- b) die Veröffentlichung der Emittentin, dass das Umtauschangebot zurückgenommen wird.

#### **§ 8 Anweisung und Bevollmächtigung**

1. Mit der Abgabe des Umtauschauftrages geben die (Anleihegläubiger folgende Erklärungen ab:
  - a) sie weisen ihre depotführende Stelle an, die Schuldverschreibungen 2017/2022, für die sie den Umtauschauftrag abgeben, zunächst in ihrem Wertpapierdepot zu belassen, aber in die ISIN DE000A3K8VS0 der zum Umtausch angemeldeten Schuldverschreibungen bei der Clearstream umzubuchen;

Exchange. Holders of the 2017/2022 Bonds may exchange their Bonds free of commission and expenses – except any commission and expenses charged by not German depositary institutions.

4. Holders of the 2017/2022 Bonds intending to make use of the Option to Purchase will have to make a binding offer for the purchase of additional Bonds within the Exchange Period in written form using the form made available via the depositary institution or in other written form via the depositary institution. The exercise of the Option to Purchase can only be taken into account if this offer has been received by the Settlement Agent no later than the end of the Exchange Period. An additional purchase is only possible for a principal amount of EUR 1,000.00 or a multiple thereof.

#### **§ 7 Depositary Account Stop Order**

The Depositary Account Stop Order shall be effective until the earliest subsequent events occur, unless the Issuer publishes a deviating notice:

- a) the settlement on the Issue Date or
- b) the Issuer's announcement that the Exchange Offer will be withdrawn.

#### **§ 8 Instructions and Authorisation**

1. By submitting the Exchange Order, the Bondholders make the following statements:
  - a) they shall instruct their depositary institution to keep the 2017/2022 Bonds for which they issue the Exchange Order in their securities account but to transfer them into the ISIN DE000A3K8VS0 of the Bonds Registered for Exchange at Clearstream;

- b) sie beauftragen und bevollmächtigen die Abwicklungsstelle sowie ihre depotführende Stelle (jeweils unter der Befreiung von dem Verbot des Selbstkontrahierens gemäß § 181 BGB), alle zur Abwicklung dieses Umtauschauftrages erforderlichen oder zweckmäßigen Handlungen vorzunehmen sowie entsprechende Erklärungen abzugeben und entgegenzunehmen, insbesondere den Übergang des Eigentums an den Schuldverschreibungen 2017/2022, für die sie den Umtauschauftrag abgeben, herbeizuführen und die Zahlung der Stückzinsen sowie des Zusatzbetrags an die Anleihegläubiger abzuwickeln; die Anleihegläubiger haben Kenntnis davon, dass die Abwicklungsstelle auch für die Emittentin tätig wird;
- c) sie beauftragen und bevollmächtigen die Abwicklungsstelle, alle Leistungen zu erhalten und Rechte auszuüben, die mit dem Besitz der umgetauschten Schuldverschreibungen 2017/2022 verbunden sind;
- d) sie weisen ihre depotführende Stelle an, ihrerseits etwaige Zwischenverwahrer der Schuldverschreibungen 2017/2022, für die ein Umtauschauftrag erteilt wurde, sowie Clearstream anzuweisen und zu ermächtigen, der Abwicklungsstelle die Anzahl der im Konto der depotführenden Stelle bei der Clearstream unter der ISIN DE000A3K8VS0 der zum Umtausch angemeldete Schuldverschreibungen eingebuchten Schuldverschreibungen 2017/2022 börsentäglich mitzuteilen;
- e) sie übertragen – vorbehaltlich des Ablaufs der Umtauschfrist und unter der auflösenden Bedingung der Nichtannahme des Umtauschgebots durch die Emittentin (ggf. auch teilweise) – die Schuldverschreibungen 2017/2022, für die ein Umtauschauftrag erteilt wurde, auf die Emittentin mit der Maßgabe, dass Zug um Zug gegen die Übertragung eine entsprechende Anzahl an Neuen Schuldverschreibungen sowie die Gutschrift der Stückzinsen und des Zusatzbetrags an sie übertragen werden;
- f) sie ermächtigen die depotführende Stelle, der Abwicklungsstelle den Namen des Depotinhabers und Informationen über dessen Anweisungen bekannt zu geben.
2. Die vorstehenden unter den Buchstaben a) bis f) aufgeführten Erklärungen, Weisungen, Aufträge und Vollmachten werden im Interesse einer reibungslosen und zügigen Abwicklung unwiderruflich erteilt.
- b) they shall instruct and empower the Settlement Agent, as well as its depositary institution (each under the exemption from the prohibition of self-contracting pursuant to section 181 of the German Civil Code ("**BGB**")), to take all necessary or appropriate actions to settle this Exchange Order and to make and receive such declarations, in particular to settle the transfer of ownership of the 2017/2022 Bonds for which they issue the Exchange Order, as well as the payment of the Accrued Interest and the Additional Amount to the Bondholders; the Bondholders are aware that the Settlement Agent will also act for the Issuer;
- c) they shall instruct and authorise the Settlement Agent to obtain all services and exercise rights in connection with the possession of the exchanged 2017/2022 Bonds;
- d) they shall instruct their depositary institution to instruct, on their part, any intermediary depositary institution of the 2017/2022 Bonds for which an Exchange Order has been placed and instruct and authorise Clearstream to notify the Settlement Agent about the number of 2017/2022 Bonds booked into the account of the depositary institution held with Clearstream under ISIN DE000A3K8VS0 Bonds Registered for Exchange on each trading day;
- e) subject to the expiration of the Exchange Period and subject to the condition precedent of the non-acceptance of the Exchange Offer by the Issuer (including, if applicable, partially), the 2017/2022 Bonds for which an Exchange Order has been issued shall be transferred to the Issuer with the provision that the transfer of the corresponding number of New Bonds and the credit of the Accrued Interest and the Additional Amount shall be transferred concurrently;
- f) they shall authorise the depositary institution to notify the Settlement Agent about the name of the depositor and the details of its instructions.
2. The declarations, instructions, orders and powers set out in subparagraphs a) to f) above shall be given irrevocably in the interests of seamless and swift execution.

- |   |  |
|---|--|
| <p>3. Zugleich erklärt der jeweilige Inhaber der Schuldverschreibungen 2017/2022 im Hinblick auf das Verfügungsgeschäft über die zum Umtausch angemeldeten Schuldverschreibungen das Angebot auf Abschluss eines dinglichen Vertrags nach § 929 BGB. Mit der Abgabe des Umtauschauftrags verzichten der jeweilige Inhaber der Schuldverschreibungen der Schuldverschreibung 2017/2022 gemäß § 151 Absatz 1 BGB auf einen Zugang der Annahmeerklärungen. Die Erklärung des Umtauschauftrags und die Angebotserklärung im Hinblick auf den dinglichen Vertrag kann auch durch einen ordnungsgemäß Bevollmächtigten eines Inhabers von Schuldverschreibungen 2017/2022 abgegeben werden.</p> | <p>3. At the same time, each holder of the 2017/2022 Bonds declares the offer to conclude a contract in rem pursuant to section 929 of the BGB in respect to the material transfer (<i>Verfügungsgeschäft</i>) of the Bonds Registered for Exchange. By submitting the Exchange Order, the holder of the 2017/2022 Bonds waives the receipt of the declaration of acceptance pursuant to section 151 paragraph 1 of the BGB. The declaration of the Exchange Order and the offer with regard to the contract <i>in rem</i> may also be given by a duly authorised representative of the holder of 2017/2022 Bonds.</p> |
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**§ 9  
Annahme der Angebote**

1. Mit der Annahme eines Umtauschauftrags durch die Emittentin kommt zwischen dem betreffenden Anleihegläubiger und der Emittentin ein Vertrag über den Umtausch der Schuldverschreibungen 2017/2022 gegen die Neuen Schuldverschreibungen sowie Zahlung der Stückzinsen sowie des Zusatzbetrags gemäß den Umtauschbedingungen zustande.
2. Es liegt im alleinigen und freien Ermessen der Emittentin, Umtauschaufträge ohne Angabe von Gründen vollständig oder teilweise nicht anzunehmen. Umtauschaufträge, die nicht in Übereinstimmung mit den Umtauschbedingungen erfolgen oder hinsichtlich derer die Abgabe eines solchen Angebots nicht in Übereinstimmung mit den jeweiligen nationalen Gesetzen und anderen Rechtsvorschriften erfolgten, werden von der Emittentin nicht angenommen.
4. Mit der Übertragung der zum Umtausch angemeldeten Schuldverschreibungen gehen sämtliche mit diesen verbundene Ansprüche und sonstige Rechte auf die Emittentin über.

**§ 10  
Lieferung der neuen Schuldverschreibungen**

1. Die Lieferung der Neuen Schuldverschreibungen sowie die Zahlung der Stückzinsen und des Zusatzbetrags für die Schuldverschreibungen 2017/2022, für die Umtauschaufträge erteilt und

**§ 9  
Acceptance of Offers**

1. Upon the acceptance of an Exchange Order by the Issuer, an agreement will be concluded between the relevant Bondholder and the Issuer about the Exchange of the 2017/2022.
2. It is the sole and free discretion of the Issuer not to accept Exchange Orders in whole or in part without stating reasons. Exchange Orders which are not made in accordance with the Terms and Conditions of Exchange or in respect of which the submission of such an offer was not made in accordance with the relevant national laws and other legal provisions shall not be accepted by the Issuer.
4. With the transfer of the Bonds Registered for Exchange, all claims and other rights connected with these shall pass to the Issuer.

**§ 10  
Delivery of New Bonds**

1. The delivery of the New Bonds and the payment of the Accrued Interest and the Additional Amount for the 2017/2022 Bonds for which Exchange Orders have been issued and accepted by the

von der Emittentin angenommen wurden, erfolgt an Clearstream oder dessen Order zur Gutschrift auf die Konten der jeweiligen Kontoinhaber Zug um Zug gegen Übertragung der Schuldverschreibungen 2017/2022, für die Umtauschaufträge erteilt und von der Emittentin angenommen wurden, an die Emittentin. Die Lieferung findet voraussichtlich am 14. Oktober 2022 statt.

2. Die Gutschrift der Neuen Schuldverschreibungen, der Stückzinsen und des Zusatzbetrags erfolgt über die jeweilige depotführende Stelle der Anleihegläubiger.

### **§11 Gewährleistung der Anleihegläubiger**

Jeder Anleihegläubiger, der einen Umtauschvertrag erteilt, sichert mit der Abgabe des Umtauschvertrages sowohl zum Ende der Umtauschfrist als auch zum Begebungstag zu, gewährleistet und verpflichtet sich gegenüber der Emittentin und der Abwicklungsstelle, dass der Anleihegläubiger:

- a) die Umtauschbedingungen durchgelesen, verstanden und akzeptiert hat;
- b) auf Anfrage jedes weitere Dokument ausfertigen und aushändigen wird, das von der Abwicklungsstelle oder von der Emittentin für notwendig oder zweckmäßig erachtet wird, um den Umtausch oder die Abwicklung abzuschließen;
- c) davon Kenntnis hat, dass die Schuldverschreibungen 2017/2022, für die ein Umtauschvertrag erteilt wurde, im Eigentum des Anleihegläubigers stehen und frei von Rechten und Ansprüchen Dritter sind; und
- d) davon Kenntnis hat, dass sich das Umtauschangebot nicht an Anleihegläubiger in den Vereinigten Staaten von Amerika, Kanada, Australien und Japan richtet und das Umtauschangebot nicht in diesen Jurisdiktionen abgegeben werden darf, und der Anleihegläubiger befindet sich außerhalb dieser Jurisdiktionen.

### **§ 12 Steuerliche Hinweise**

Issuer shall be transferred to Clearstream or its order for credit to the accounts of the related account holders, concurrently against the transfer of the 2017/2022 Bonds, for which Exchange Orders have been issued and accepted by the Issuer, to the Issuer. Delivery is expected to take place on 14 October 2022.

2. The New Bonds and the Accrued Interest and the Additional Amount shall be credited to the relevant depository institution of the Bondholder.

### **§ 11 Warranties of Bondholders**

Each Bondholder who submits an Exchange Order will ensure both the end of the Exchange Period and the Issue Date by submitting the Exchange Order, and warrants and commits to the Issuer and the Settlement Agent that the Bondholder:

- a) has read, understood and accepted the Terms and Conditions of Exchange;
- b) on request, will execute and deliver any further document deemed necessary or appropriate by the Settlement Agent or the Issuer to complete the Exchange or settlement;
- c) is aware that the 2017/2022 Bonds for which an Exchange Order has been issued are under the Bondholder's ownership, are free of rights and claims of third parties; and
- d) is aware that the Exchange Offer is not addressed to Bondholders in the United States of America, Canada, Australia and Japan, and the Exchange Offer shall not be issued in these jurisdictions, and the Bondholder is located outside these jurisdictions.

### **§ 12 Tax Notes**

Die Veräußerung der Schuldverschreibungen 2017/2022 auf Basis der Teilnahme an dem Umtauschangebot kann u. U. zu einer Besteuerung eines etwaigen Veräußerungsgewinns führen. Es gelten die jeweils anwendbaren steuerrechtlichen Vorschriften. Je nach den persönlichen Verhältnissen eines Inhabers der Schuldverschreibungen 2017/2022 können ausländische steuerrechtliche Regelungen zur Anwendung kommen. Die Emittentin empfiehlt, sofern Unsicherheit über die Einschlägigkeit eines etwaigen steuerbaren Vorgangs vorliegt, vor Abgabe des Umtauschauftrags einen Steuerberater zu konsultieren.

The sale and transfer of the 2017/2022 Bonds on the basis of the participation in the Exchange Offer may lead to a taxation of a possible capital gain from transfer. The applicable tax provisions apply. Depending on personal circumstances of a holder of the 2017/2022 Bonds, foreign tax regulations may apply. The Issuer recommends that a tax consultant shall be consulted prior to submitting the Exchange Order if there is uncertainty as to the applicability of any taxable transaction.

### § 13

#### **Veröffentlichungen, Verbreitung dieses Dokuments, sonstige Hinweise**

1. Dieses Umtauschangebot und das öffentliche Angebot werden auf der Webseite der Emittentin ([photonenergy.com/greenbond2022](http://photonenergy.com/greenbond2022)) und im Bundesanzeiger voraussichtlich am oder um den 6. September 2022 sowie im Luxemburger Wort voraussichtlich am oder um den 7. September 2022 veröffentlicht.
2. Da die Versendung, Verteilung oder Verbreitung dieses Umtauschangebots an Dritte sowie die Annahme dieses Umtauschangebots außerhalb der Bundesrepublik Deutschland, der Republik Österreich und dem Großherzogtum Luxemburg gesetzlichen Beschränkungen unterliegen kann, darf dieses Umtauschangebot weder unmittelbar noch mittelbar in anderen Ländern veröffentlicht, verbreitet oder weitergegeben werden, soweit dies nach den anwendbaren ausländischen Bestimmungen untersagt oder von der Einhaltung behördlicher Verfahren oder der Erteilung einer Genehmigung oder weiterer Voraussetzungen abhängig ist. Gelangen Personen außerhalb der Bundesrepublik Deutschland, der Republik Österreich und dem Großherzogtum Luxemburg in den Besitz dieses Umtauschangebots oder wollen sie von dort aus das Umtauschangebot annehmen, werden sie gebeten, sich über etwaige außerhalb der Bundesrepublik Deutschland, der Republik Österreich und dem Großherzogtum Luxemburg geltende Beschränkungen zu informieren und solche Beschränkungen einzuhalten. Die Emittentin übernimmt keine Gewähr dafür, dass die Weitergabe oder Versendung dieses Umtauschangebots oder die Annahme des Umtauschangebots außerhalb der Bundesrepublik Deutschland, der Republik Österreich und dem Großherzogtum Luxemburg mit den jeweiligen ausländischen Vorschriften vereinbar ist.

### § 13

#### **Publications, Distribution of this document, other Notes**

1. This Exchange Offer will be published together with the Public Offer on the Issuer's website ([photonenergy.com/greenbond2022](http://photonenergy.com/greenbond2022)) and in the German Federal Gazette and in the Luxemburger Wort tentatively on or about 6 September 2022 and in the Luxemburger Wort on or about 7 September 2022.
2. Since the conveyance, distribution or dissemination of this Exchange Offer to third parties and the acceptance of this Exchange Offer outside the Federal Republic of Germany, the Republic of Austria and the Grand Duchy of Luxembourg are subject to legal restrictions, this Exchange Offer shall not be published, disseminated or distributed directly or indirectly in other countries, insofar as this is prohibited by applicable foreign regulations or is subject to compliance with official procedures or the granting of an authorization or other conditions. If persons who are outside the Federal Republic of Germany, the Republic of Austria and the Grand Duchy of Luxembourg attain in possession of this Exchange Offer or if they want to accept the Exchange Offer, they are requested to inform themselves about any restrictions applicable outside the Federal Republic of Germany, the Republic of Austria and the Grand Duchy of Luxembourg and to comply with these restrictions. The Issuer does not warrant that the transfer or distribution of this Exchange Offer or the acceptance of the Exchange Offer outside the Federal Republic of Germany, the Republic of Austria and the Grand Duchy of Luxembourg complies with the applicable foreign regulations. Irrespective of the above, regarding the conveyance, distribution and dissemination of this Exchange Offer, it is noted that this Exchange

Unabhängig von den vorstehenden Ausführungen bezüglich der Versendung, Verteilung und Verbreitung dieses Umtauschangebots wird darauf hingewiesen, dass sich dieses Umtauschangebot an alle Inhaber der Schuldverschreibungen 2017/2022 richtet.

3. Die Emittentin wird das Ergebnis dieses Umtauschangebots und des öffentlichen Angebots auf ihrer Webseite ([photonenergy.com/greenbond2022](http://photonenergy.com/greenbond2022)) voraussichtlich am 11. Oktober 2022 veröffentlichen.
4. Sämtliche Veröffentlichungen und sonstigen Mitteilungen der Emittentin im Zusammenhang mit dem Umtauschangebot erfolgen darüber hinaus, soweit nicht eine weitergehende Veröffentlichungspflicht besteht, ausschließlich auf der Webseite der Gesellschaft, im Bundesanzeiger und im Luxemburger Wort.

#### **§ 14 Anwendbares Recht**

Diese Umtauschbedingungen, die jeweiligen Umtauschaufträge der Anleihegläubiger sowie alle vertraglichen und außervertraglichen Schuldverhältnisse, die sich aus oder im Zusammenhang damit ergeben, unterliegen deutschem Recht unter Ausschluss der Verweisungsnormen des deutschen internationalen Privatrechts.

#### **§ 15 Gerichtsstand**

Für alle Rechtsstreitigkeiten aus oder im Zusammenhang mit diesen Umtauschbedingungen, den jeweiligen Umtauschaufträgen der Anleihegläubiger sowie allen vertraglichen und außervertraglichen Schuldverhältnissen, die sich aus oder im Zusammenhang damit ergeben, ist, soweit rechtlich zulässig, ausschließlicher Gerichtsstand München, Deutschland.

#### **§ 16**

Offer is addressed to all holders of the 2017/2022 Bonds.

3. The Issuer will publish the results of this Exchange Offer together with the Public Offer on its website ([photonenergy.com/greenbond2022](http://photonenergy.com/greenbond2022)) tentatively on 11 October 2022.
4. All publications and other notices made by the Issuer in connection with the Exchange Offer shall be published exclusively on the company's website, as well as in the German Federal Gazette and in the Luxemburger Wort, unless a further obligation to publish exists.

#### **§ 14 Applicable Law**

These Terms and Conditions of Exchange, the several Exchange Orders of the Bondholders as well as any contractual and non-contractual obligation arising out of or in connection therewith are governed by German law to the exclusion of the reference provisions of German private international law.

#### **§ 15 Jurisdiction**

The courts of Munich, Germany have, to the extent permitted by law, exclusive jurisdiction to settle any dispute arising out of or in connection with this Terms and Conditions of Exchange, the several Exchange Orders of the Bondholders as well as any contractual and non-contractual obligation arising out of or in connection therewith.

#### **§ 16**

## Risikohinweise und Hinweis auf Wertpapierprospekt

## Reference to Risks and Securities Prospectus

Den Inhabern der Schuldverschreibungen 2017/2022 wird empfohlen, vor der Entscheidung über die Abgabe eines Angebots bezogen auf den Umtausch ihrer Schuldverschreibungen 2017/2022 den Wertpapierprospekt der Emittentin vom 1. September 2022 (der "**Prospekt**") aufmerksam zu lesen und insbesondere die im Abschnitt "Risikofaktoren" beschriebenen Risiken bei ihrer Entscheidung zu berücksichtigen.

Der Prospekt, auf dessen Grundlage dieses Umtauschangebot erfolgt, wird auf der Webseite der Emittentin unter [photonenergy.com/greenbond2022](http://photonenergy.com/greenbond2022) und auf der Webseite der Luxemburger Börse ([www.bourse.lu](http://www.bourse.lu)) veröffentlicht.

The holders of the 2017/2022 Bonds are advised carefully to review the prospectus of the Issuer dated 1 September 2022 (the "**Prospectus**"), prior to making a decision to tender with respect to the exchange of their 2017/2022 Bonds and, in particular, when making such a decision to take into account the risks described in the section "Risk Factors".

The Prospectus on the basis of which this Exchange Offer is made will be published on the Issuer's website at [photonenergy.com/greenbond2022](http://photonenergy.com/greenbond2022) and on the website of the Luxembourg Stock Exchange ([www.bourse.lu](http://www.bourse.lu)).

## **TAXATION**

*The tax legislation of the investor's Member State and of the Company's country of incorporation, the Netherlands, may have an impact on the income received from the Bonds. Therefore, the investors should, in individual cases, consult their own tax, financial or legal advisers.*

## ADDITIONAL INFORMATION

### Documents Available for Inspection

The following documents will be available to the public on the website of the Company ([photonenergy.com/greenbond2022](http://photonenergy.com/greenbond2022)) throughout the validity of the Prospectus: (i) the Prospectus (and supplements to the Prospectus), (ii) the Historical Consolidated Financial Statements, (iii) the Terms and Conditions of the Bonds, (iv) the Green Financing Framework and (v) the Second-Party Opinion.

In addition, the Articles of Association (in Dutch and in English) are available on the website of the Company under the following link: <https://www.photonenergy.com/uploads/investors/documents/2021-08-05-true-copy-deed-of-amendment-of-the-aoa-photon-energy-n-v.pdf>.

For the avoidance of doubt, neither the Green Financing Framework nor the Second-Party Opinion are incorporated by reference into or form part of this Prospectus.

See also “*Documents Incorporated in the Prospectus by Reference*” and “*Documents Incorporated in the Prospectus by Reference – No Incorporation of Website*”.

### Independent Auditors

The Audited Consolidated Financial Statements have been audited by PricewaterhouseCoopers Accountants N.V. (“**PwC**”), independent auditors, as stated in its reports appearing herein. For such years, PwC acted as an independent auditor to the Company and audited its statutory financial statements.

The address of PwC is Thomas R. Malthusstraat 5, 1066 JR Amsterdam, the Netherlands.

The auditors who signed the independent auditor’s reports on behalf of PwC are members of the Royal Netherlands Institute of Chartered Accountants (*Koninklijke Nederlandse Beroepsorganisatie van Accountants*).

### Entities Involved in the Offer

The entities referred to below are involved in the Offer.

#### *The Company*

The issuer is Photon Energy N.V. with its statutory office in Amsterdam and business address located at Barbara Strozziilaan 201, 1083 HN Amsterdam, the Netherlands. The Company is not subject to any conflict of interest pertaining to the Public Offer, Exchange Offer or Option to Purchase that are the subject of this Prospectus. Other than the Company and its controlling shareholders, no other natural or legal person has an interest in the Public Offer, Exchange Offer or Option to Purchase.

#### *Legal Counsel to the Company*

In connection with the Offer, legal services to the Company are provided by Mayer Brown LLP with its registered office in Frankfurt, Germany (address: Friedrich-Ebert-Anlage 35-37, 60327 Frankfurt am Main, Germany) (“**Mayer Brown Germany**”).

Additionally, Mayer Brown Germany may render in the future other legal services in favour of the Company or the Group within the scope of the activities conducted by the Company and the Group on the basis of legal services agreements. Mayer Brown Germany is not subject to any conflict of interest pertaining to the offer.

Mayer Brown Germany does not hold any material interests in the Company.

### Information From Third Parties

No information has been prepared at the request of the Company for the purposes of the Offer which constitutes expert representations or reports is used or referenced in this Prospectus.

## ABBREVIATIONS AND DEFINITIONS

Capitalised terms not otherwise defined in the Prospectus will have the meanings assigned thereto below unless the context suggests otherwise.

<b>APM</b>	an alternative performance measure within the meaning of the ESMA Guidelines on Alternative Performance Measures.
<b>Articles of Association</b>	the articles of association of the Company in force as of the Prospectus Date.
<b>Audited Consolidated Financial Statements</b>	means audited consolidated financial statements of the Group as of and for the years ended 31 December 2020 and 2021, respectively.
<b>BGB</b>	means the German Civil Code ( <i>Bürgerliches Gesetzbuch</i> ).
<b>Board of Directors</b>	the management board of the Company.
<b>Bonds</b>	means the 6.50% p.a. 2021/2027 bearer Bonds of the Company that are the subject of this Prospectus.
<b>CIB Bank</b>	means CIB Bank Zrt., the Hungarian subsidiary of Italian Intesa Sanpaolo Group.
<b>Controlling Shareholders</b>	means Michael Gartner and Georg Hotar.
<b>Company</b>	Photon Energy N.V. with its registered office in Amsterdam.
<b>CSSF</b>	Commission de Surveillance du Secteur Financier
<b>DCF</b>	discounted cash flow
<b>Dutch Civil Code</b>	the Dutch Civil Code, as amended ( <i>Burgerlijk Wetboek</i> ).
<b>EEA</b>	the European Economic Area, the area of free trading comprising the countries of the European Union and the European Free Trade Association (excluding Switzerland).
<b>Eligible Assets</b>	projects and activities that promote climate-friendly, or other environmental, sustainable or social purposes.
<b>ESMA</b>	the European Securities and Market Authority.
<b>ESMA Guidelines on Alternative Performance Measures</b>	the ESMA Guidelines on Alternative Performance Measures of 5 October 2015, Ref. No. ESMA/2015/1415pl).
<b>EU</b>	the European Union.
<b>EU Green Bond Standard</b>	European standard for green bonds proposed by the Technical Expert Group on Sustainable Finance in 2019

<b>EURIBOR</b>	a daily reference rate of interest accruing on deposits and loans on the Eurozone interbank market.
<b>Euro, EUR</b>	the currency introduced upon the commencement of the third stage of the European Economic and Monetary Union pursuant to the Treaty establishing the European Community.
<b>European Commission</b>	the executive authority of the EU that also represents the interests of the EU as a whole.
<b>European Parliament</b>	a representative authority of the EU, an equivalent of a single-chamber parliament, the members of which are elected by the citizens of the EU member states for a five-year term.
<b>General Meeting</b>	the ordinary (annual) or extraordinary General Meeting of the Company.
<b>Green Financing Framework</b>	a framework that the Company has established for green bond issues which further specifies the eligibility criteria for Eligible Assets.
<b>Group</b>	the Company together with its consolidated subsidiaries.
<b>Historical Consolidated Financial Statements</b>	means jointly Audited Consolidated Financial Statements and Interim Consolidated Financial Statements.
<b>IAS</b>	the International Accounting Standards adopted and approved by the EU.
<b>Interim Consolidated Financial Statements</b>	means the unaudited condensed consolidated interim financial statements of the Group as of 30 June 2022.
<b>IFRS</b>	the International Financial and Reporting Standards, the IAS and their interpretations adopted and approved by the European Union.
<b>K&amp;H Bank</b>	means K&H Bank, the Hungarian subsidiary of Belgian KBC Group N.V.
<b>Member State</b>	a member state of the EU.
<b>O&amp;M</b>	means Operation & Maintenance
<b>Prospectus</b>	this prospectus of the Company in English, which constitutes a prospectus in a form of a single document within the meaning of the Prospectus Regulation and in accordance with the provisions of Regulation 2017/1129 prepared in connection with the public offer.
<b>Prospectus Date</b>	the date of approval of the Prospectus by the CSSF.
<b>Prospectus Regulation</b>	Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or

	admitted to trading on a regulated market, and repealing Directive 2003/71/EC.
<b>PSE</b>	the Prague Stock Exchange ( <i>Burza cenných papírů Praha, a.s.</i> ) and, unless the context requires otherwise, the regulated market operated by such company.
<b>PwC</b>	PricewaterhouseCoopers Accountants N.V.
<b>PWT</b>	means Photon Water Technology.
<b>Raiffeisen Leasing</b>	means Raiffeisen-Leasing, s.r.o.
<b>Regulation 2019/980</b>	Commission Delegated Regulation (EU) 2019/980 of 14 March 2019 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004.
<b>Second-Party Opinion</b>	any opinion or certification of any third party (whether or not solicited by the Company) which has been or may be made available in connection with the issue of any Bonds and in particular with any Eligible Assets to fulfil any environmental, social sustainability and/or other criteria.
<b>Shares</b>	The ordinary registered shares of the Company with a nominal value of EUR 0.01.
<b>SPV</b>	Special-purpose vehicle
<b>Supervisory Board</b>	supervisory board of the Company.
<b>Taxonomy Regulation</b>	a regulation to establish a framework to facilitate sustainable development, entered into a force on 22 June 2020.
<b>UCB SK</b>	means UniCredit Bank Czech Republic and Slovakia a.s., <i>pobočka zahraniční banky</i> .
<b>U.S. Securities Act</b>	the United States Securities Act of 1933, as amended.
<b>U.S. SEC</b>	U.S. Securities and Exchange Commission.
<b>WSE</b>	the Warsaw Stock Exchange ( <i>Gięlda Papierów Wartościowych w Warszawie S.A.</i> ) and, unless the context requires otherwise, the regulated market operated by such company.

## GLOSSARY OF INDUSTRY TERMS

Capitalised industry terms not defined in this Prospectus have the meanings given below unless the context indicates otherwise.

Alternating current, AC	means electricity with an ongoing and often periodic change of the current direction. It can be transformed into different tensions by a transformer.
Direct current, DC	means electricity which does not change its direction. It is constant in time.
EPC	means Engineering, Procurement and Construction, a usual form of project execution and contract management in the building industry. The contractor is the EPC. The EPC fulfils all necessary performances to deliver a turnkey plant to the client.
Feed-in-tariff	the model in which the retail price is paid for the power consumed from the grid under the long-term contracts, typically of 10 to 25 years, offered by large energy providers at an above-the-market price. Feed-in-tariffs are attractive for investors because they offer predictability and security of their investment.
Feed-in-premiums	a form of remuneration for RES production preferred by the International Energy Agency and the European Commission, as they introduce short-term market exposure of RES electricity. Like feed-in tariffs, feed-in premiums imply technology-specific long-term contracts, but the form of a bonus added to the current market price. The premium can be fixed (which can lead to over-compensation if market prices are high or under-compensation if they are low) or sliding (which usually means that they close the gap between the market price and the feed-in-tariff). In both cases, the feed-in-premiums encourage RES producers to produce electricity when and where it is needed, as well as to make their production more efficient.
GWp	means gigawatt-peak.
Inverter	means a converter that transform direct current to alternating current.
IPP	means independent power producer, and entity that is not a public utility but owns facilities to generate electric power for sale to utilities and end users.
kWp, MWp	means kilowatt-peak, megawatt-peak, the highest possible electric power of a PV system measured under Standard Test Conditions.
Module	a module consists of several solar cells and transforms sunlight directly into electrical energy.

PPA	means Power Purchase Agreement.
PV power plant	a photovoltaic power plant that consists of solar modules, by which solar radiation is directly transformed into electrical energy.
Solar energy	means the energy of solar radiation. It can be used in form of electric power, heat or chemical energy.
Standard Test Conditions	an international standard to determine the rated output of modules in an objective way. Thereby, different modules can be evaluated and compared independently.
REC	means renewable energy communities.
RES	means renewable energy sources.
Utility-scale power	means the integration of solar power to diversify power sources, boost weak spots in the grid, cover transmission losses and boost production in summer peak time.