



# Q1 2021 Results

**with Georg Hotar, CEO  
and Clemens Wohlmuth, CFO**

Photon Energy N.V.

12 May 2021

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**Business Model**

**Strategic Partnerships**

**Strategy and Outlook**

**Financials Q1 2021**

**Q&A Session**



# **Business Model**

**Strategic Partnerships**

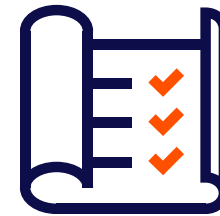
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# Business Model: Solar Services

Our services cover the entire lifecycle of photovoltaic systems.



## Project Development

We acquire projects at all stages of development – from **300 kWp to 300 MWp** – and guide them to completion.



## Operations and Maintenance

We provide a full range of O&M services, including **monitoring** and **inverter maintenance**.



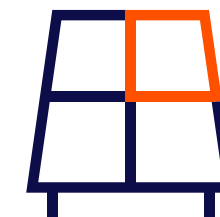
## EPC Solutions

We design and build **on- and off-grid** installations, including **battery storage solutions**.



## Investments

We invest in PV power plants for the **sustainable** production and sale of **solar energy**

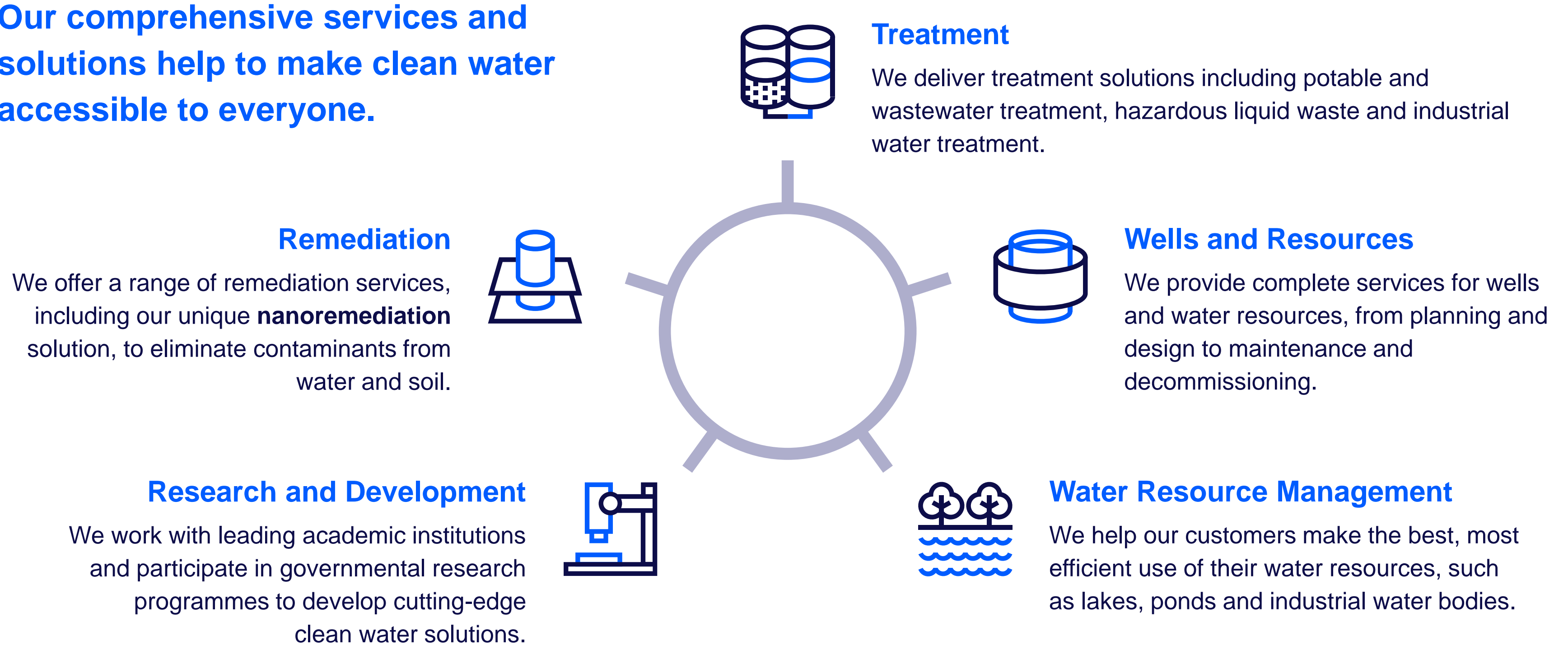


## Technology

We procure and trade **PV components** to fit any project's location, design and budget.

# Business Model: Water Services

Our comprehensive services and solutions help to make clean water accessible to everyone.



# Our Global Presence

## Focus on Europe and Australia

### Project development

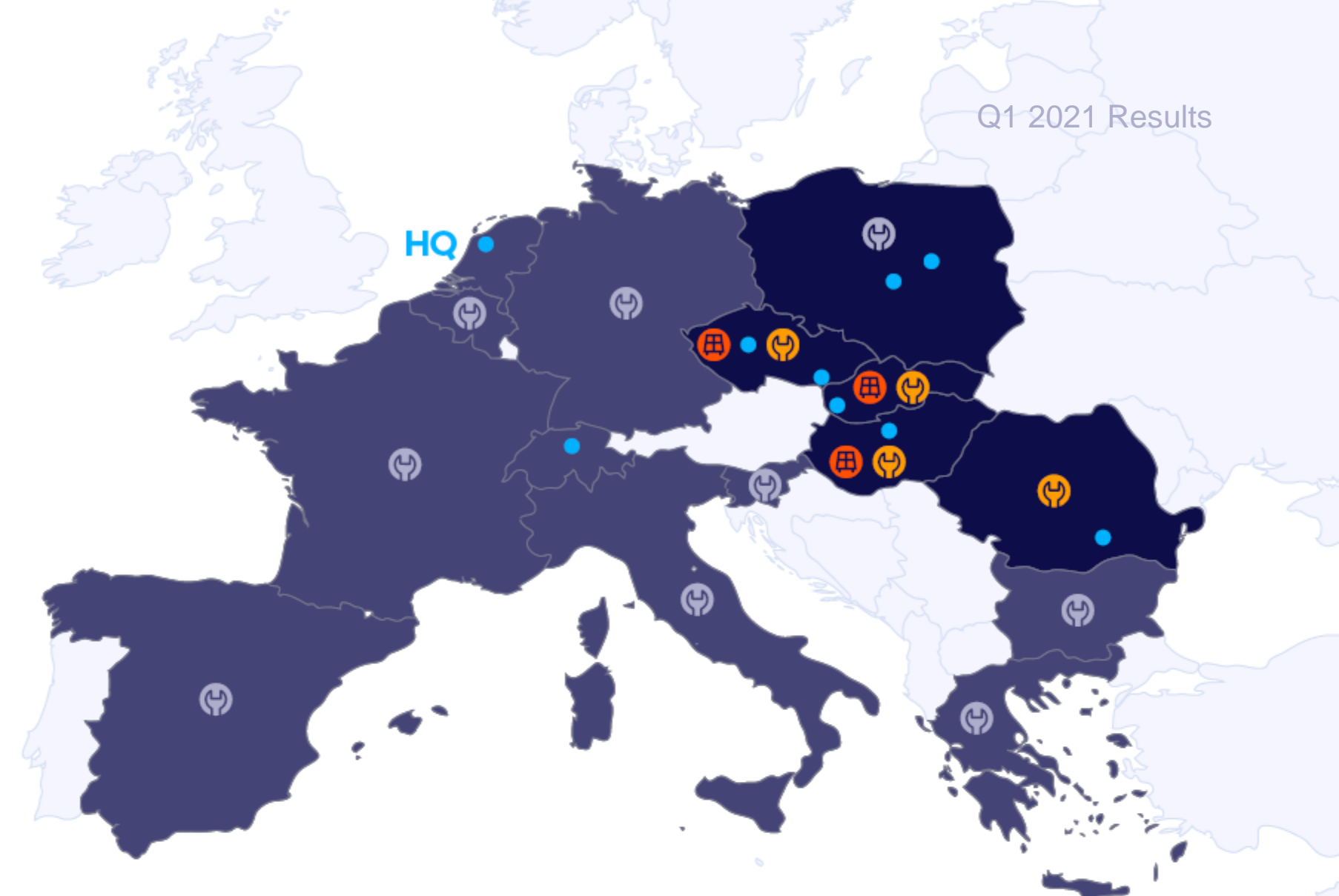
- ▶ Project pipeline with a combined capacity of 531 MWp
- ▶ Focus on Australia, Hungary, Poland and Romania

### Electricity production (74.7 MWp)

- ▶ 11 proprietary power plants in the Czech Republic (15.0 MWp), 11 in Slovakia (10.5 MWp), 61 in Hungary (49.1 MWp) and 1 in Australia (0.1 MWp)

### O&M (300+ MWp)

- ▶ Full Operations and Maintenance services in the Czech Republic, Slovakia, Romania, Hungary and Australia (250+ MWp)
- ▶ Specialised technical services for PV inverters in other European countries (60+ MWp)



-  Power Plants Owned by Photon Energy Group
-  O&M Services for Power Plants
-  Inverter Maintenance Services
-  Photon Energy Group Offices





Business Model

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# IT technology to optimize efficiency of energy market



We have partnered with the Warsaw-based company to develop its technologies in Poland and to launch operations in new CEE markets.

## About the partnership

- ▶ Equity financing round is part of a strategic partnership between the companies and has raised PLN 7.5 million for Lerta.
- ▶ Photon Energy took a 12% stake in return for a PLN 4 million investment.
- ▶ Lerta's capabilities will help Photon Energy deploy PV assets profitably at standard electricity market prices.

## About the technology

- ▶ Lerta develops Virtual Power Plant technologies and services.
- ▶ Technology based on machine learning and real-time analysis of data from cooperating units, allowing users to maximize their revenues on several markets simultaneously.
- ▶ R&D team repeatedly recognized by the National Center for Research and Development, with PLN 8 million awarded in funding under the 'Fast Track' and 'BRIDGE Alfa' programs.



# Innovative PV technology and energy storage system



We have partnered with RayGen to develop projects using the Melbourne-based company's innovative solar-plus-storage technology.

## About the partnership

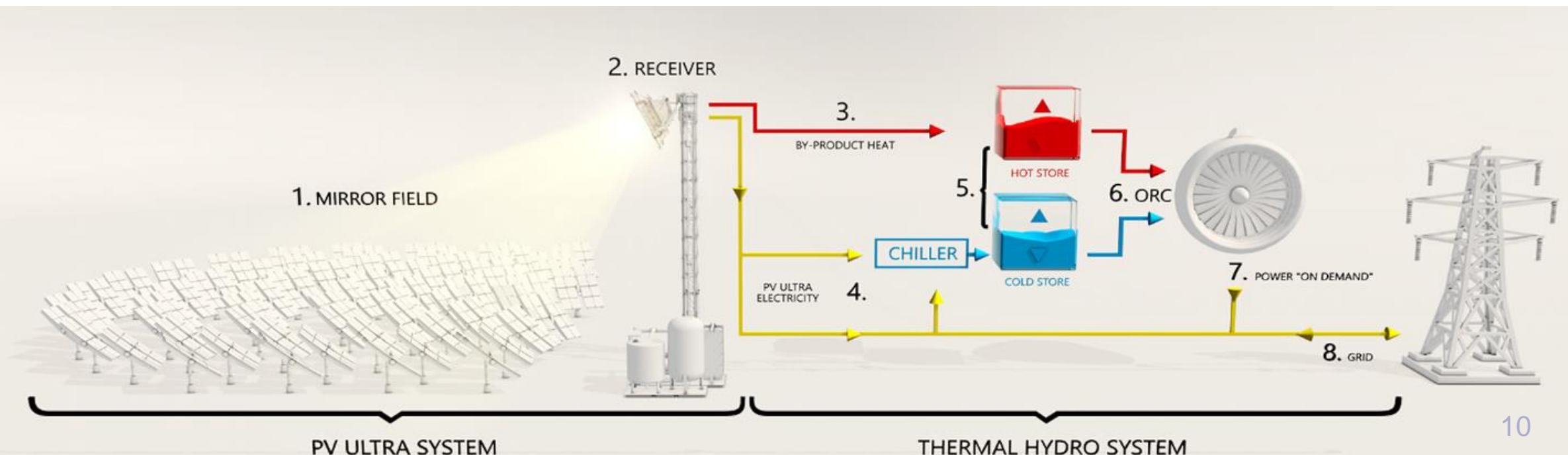
- ▶ Photon Energy will act as a project developer and EPC contractor and an equity investor.
- ▶ We're currently working on the development of a 100 MWp / 1000 MWh solar-plus-storage project.
- ▶ Photon Energy made a minority equity investment in the company in April 2020 and participated in second financing round in April 2021.

## About the technology

- ▶ RayGen has combined its proprietary solar technology, **PV Ultra**, with its unique storage system, **Thermal Hydro**.
- ▶ The PV Ultra system generates both electricity and heat by focusing sunlight onto tower-mounted PV receivers.
- ▶ Thermal Hydro uses hot- and cold-water reservoirs to store the thermal and electrical energy generated by PV Ultra.
- ▶ The storage system can then be used to drive a heat-to-power engine, which provides reliable, on-demand power.



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# Strategy and Outlook

## Solar

- ▶ **Investments: Develop pipeline of projects**, in-house or through acquisitions, **to expand PV proprietary portfolio** and increase stable revenues from electricity generation.
- ▶ **EPC**: Design and construct customized, **decentralized** clean energy **generation solutions** using the Group's integrated approach, cutting edge PV technology and **energy storage solutions**.
- ▶ **O&M**: Ensure that the PV power plants, proprietary and our customers', run smoothly at **high generation levels**.
- ▶ **Technology**: Benefit from the boom in solar industry to generate **additional stream of revenues utilizing existing economies of scale**.

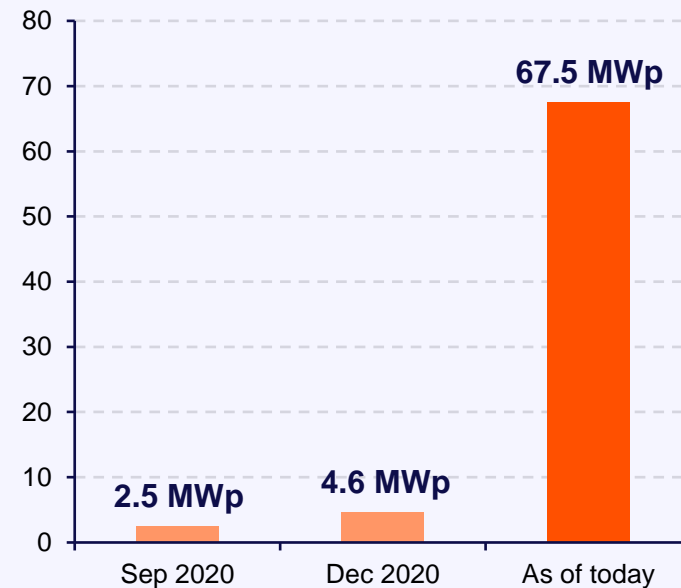
## Water

- ▶ **Remediation** of contaminated sites and ground water pollution deploying water treatment technology.
- ▶ Focus on **PFAS nano-remediation** solutions as illustrated by the ongoing trial with the Australian Department of Defence.

# Project Development

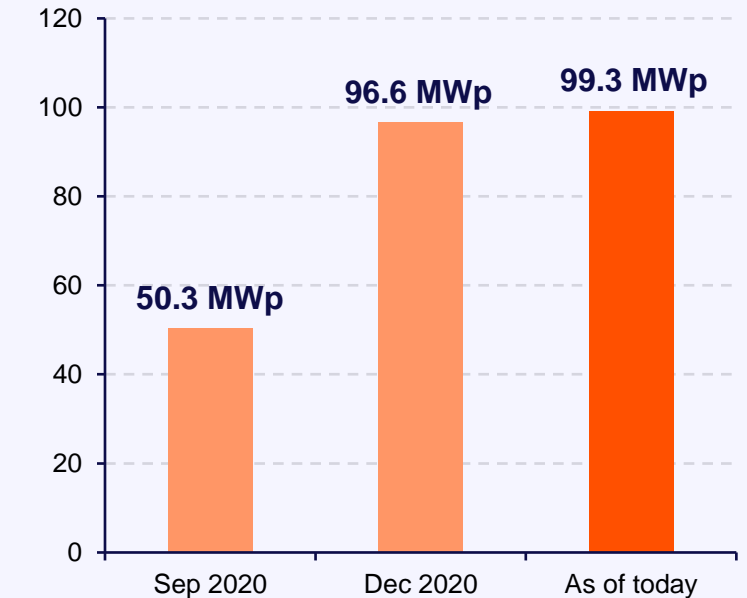
## Poland

- ▶ First projects secured in feasibility stage and early development with application to grid-connection.
- ▶ We intend to build with trackers to make the difference on a competitive market.
- ▶ Continuously evaluating development partners to expand our pipeline.



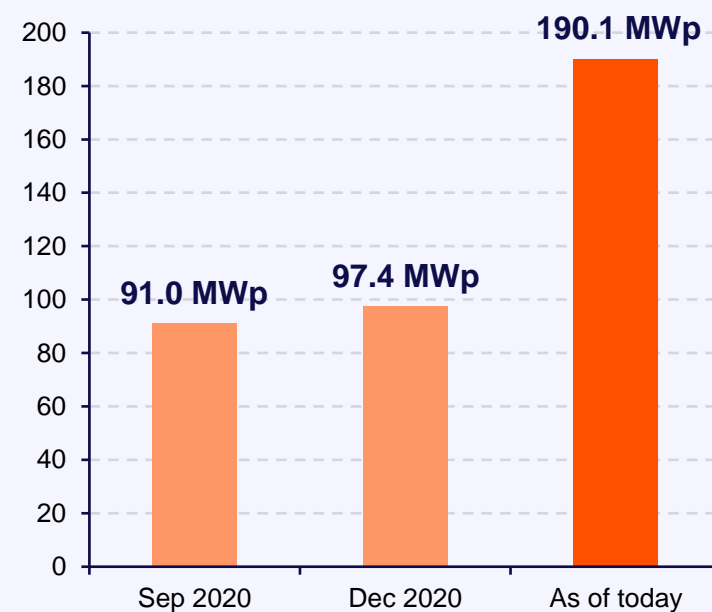
## Hungary

- ▶ 23 MWp built and commissioned in 2020, total portfolio of 49.1 MWp.
- ▶ The most advanced project has received positive results in the METAR tender.
- ▶ Other commercial options considered (PPA, market).



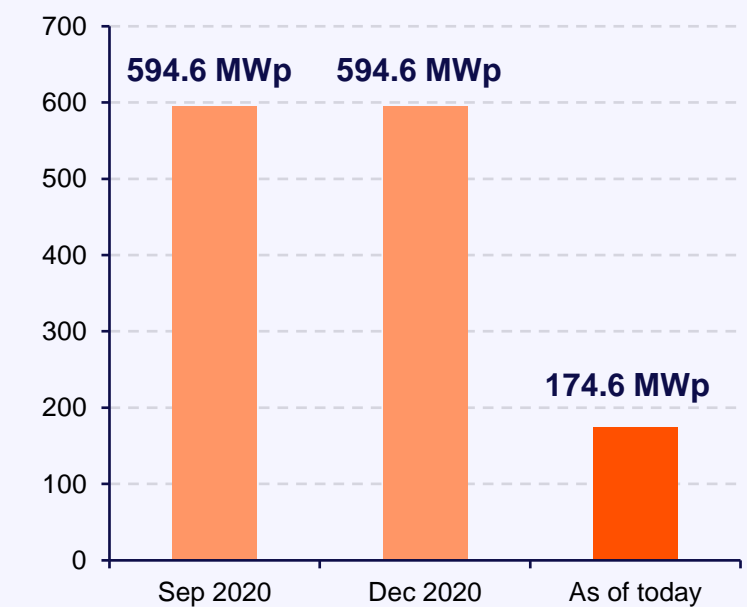
## Romania

- ▶ First projects secured in feasibility stage and early development.
- ▶ Focus on acquiring and reviving projects developed under the Romanian Green Certificate expired in 2016.



## Australia

- ▶ Two projects of 200 MWp and 150 MWp sold to Canadian Solar after connection agreement.
- ▶ Asset swap agreement with Canadian solar resulting in a share increase (25% to 65%) in the 160 MWp Maryvale solar farm.
- ▶ 14.6 MWp at the commissioning stage.





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## Recent Highlights

- ▶ **Long-term financing** secured for additional 14.1 MWp in Hungary for HUF 4.6 billion (EUR 12.9 million).
- ▶ In Australia, two utility-scale power plants with **14.6 MWp in Leeton** in commissioning stage with expected annual revenues of EUR 1.3 million.
- ▶ Finish line reached in the construction of an integrated solar (1.2 MWp) and battery storage (with over 3.2 MWh capacity) system on **Lord Howe Island**.
- ▶ **Exchange of project rights concluded with Canadian Solar:** The Group now possesses a 65% stake in the Maryvale Solar Farm.
- ▶ The Company was accepted by the Australian Energy Market Operator as a **Small Generation Aggregator**.
- ▶ Participation in **RayGen Resources Capital Increase**.
- ▶ **First Sustainability report** published aiming to provide our stakeholders a better understanding of our ESG initiatives.

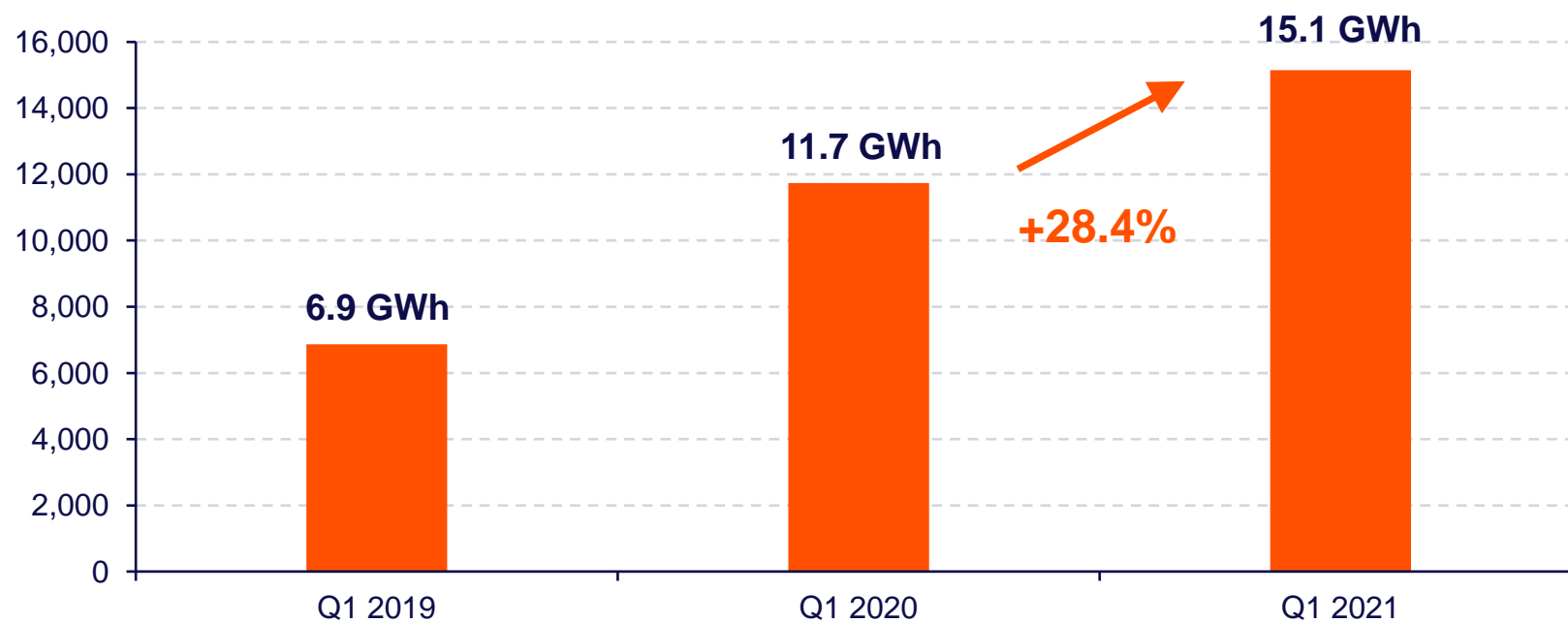


# Business Development Q1 2021

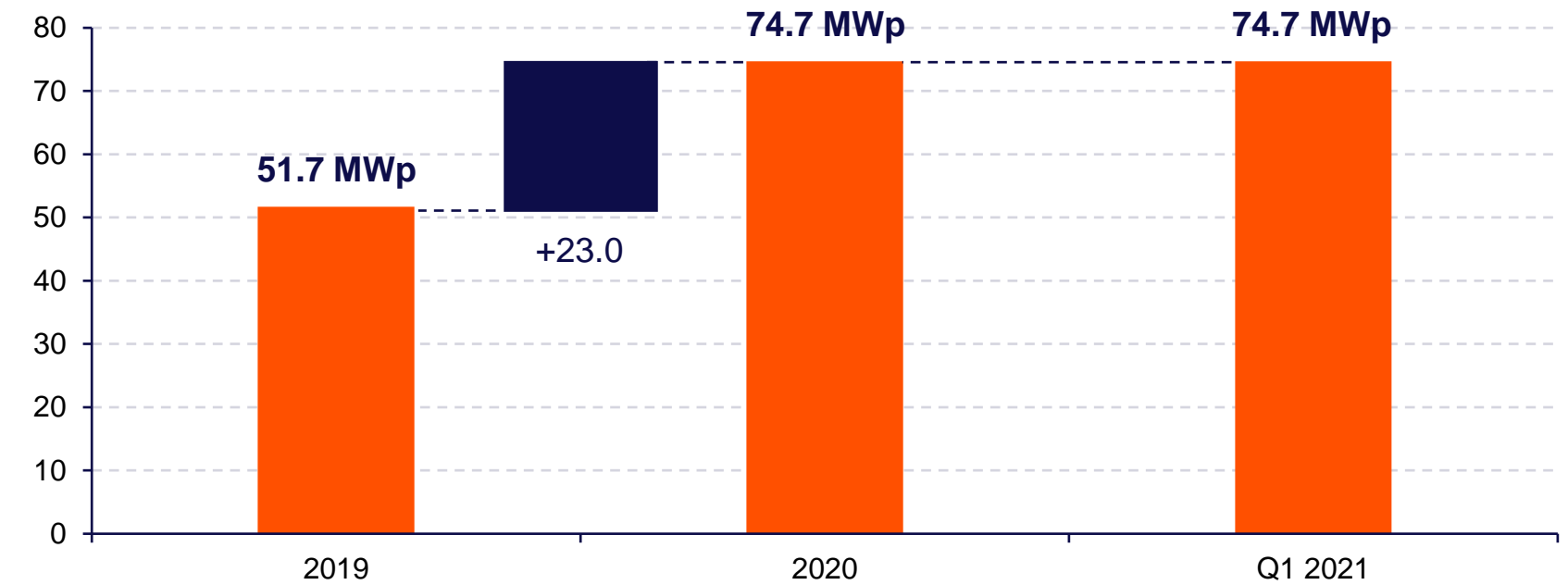
## Continued progress across all segments

- ▶ **15.1 GWh of electricity (+28.4% YoY) generated** by our proprietary power plant portfolio in Q1 2021:
  - **70.0 GWh** generated in 2020, **90.0 GWh** expected annualized.
  - **17.0 MWp** of PV power plants grid-connected in Hungary in the past 12 months.
- ▶ **160 MWp** added to our project pipeline in Q1 2021 in Hungary, Poland and Romania.
- ▶ Connection of **14.6 MWp in Australia** delayed into Q2 2021.

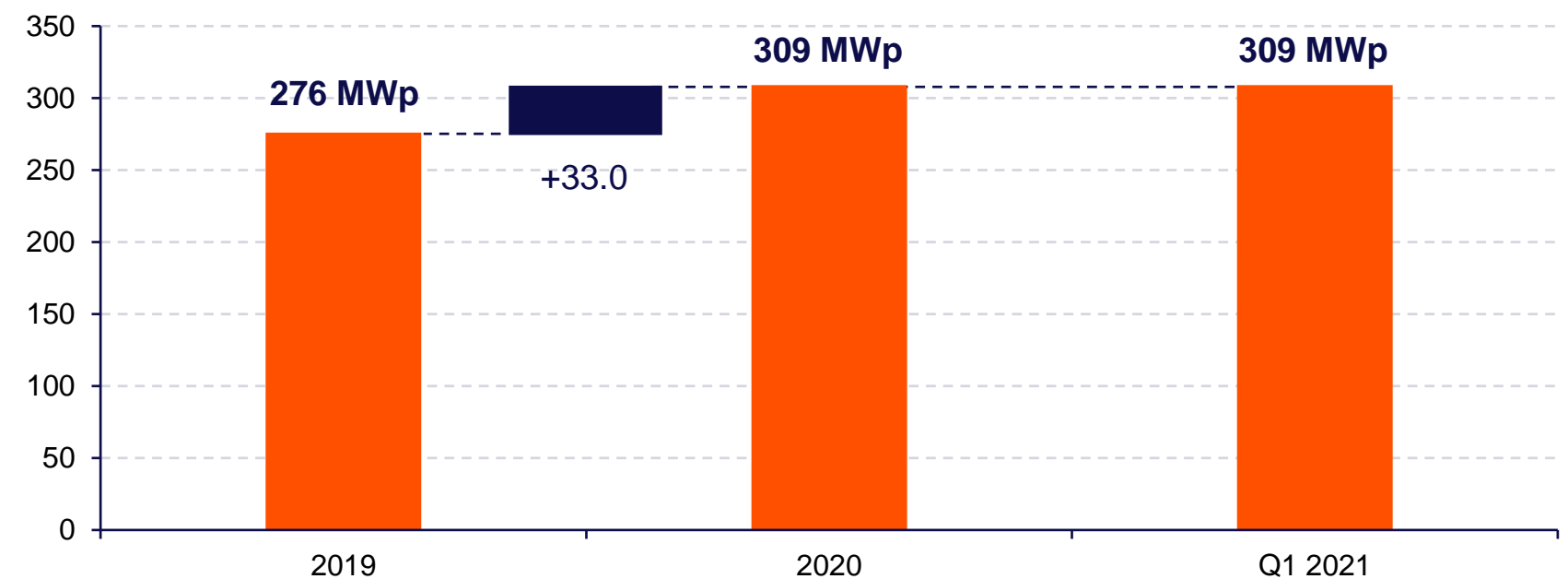
## Electricity generation total portfolio



## Proprietary portfolio, cumulated (MWp)



## Assets under O&M, cumulated (MWp)





# Q1 2021 Financial Results

## Income Statement

<i>In thousand EUR</i>	Q1 2021	Q1 2020	Q1 2021 vs. Q1 2020 change in %
Revenues from electricity generation	2,942	2,928	0.5%
Other revenues	1,628	2,388	-31.8%
<b>Total revenues</b>	<b>4,571</b>	<b>5,316</b>	<b>-14.0%</b>
<b>EBITDA</b>	<b>0,222</b>	<b>1,404</b>	<b>-84.2%</b>
<b>EBIT</b>	<b>-1,475</b>	<b>-82</b>	<b>nm</b>
Net profit/Net loss	-3,169	-1,710	nm
Other Comprehensive Income	4,961	-2,616	nm
<b>Total comprehensive income (TCI)</b>	<b>1,791</b>	<b>-4,325</b>	<b>nm</b>

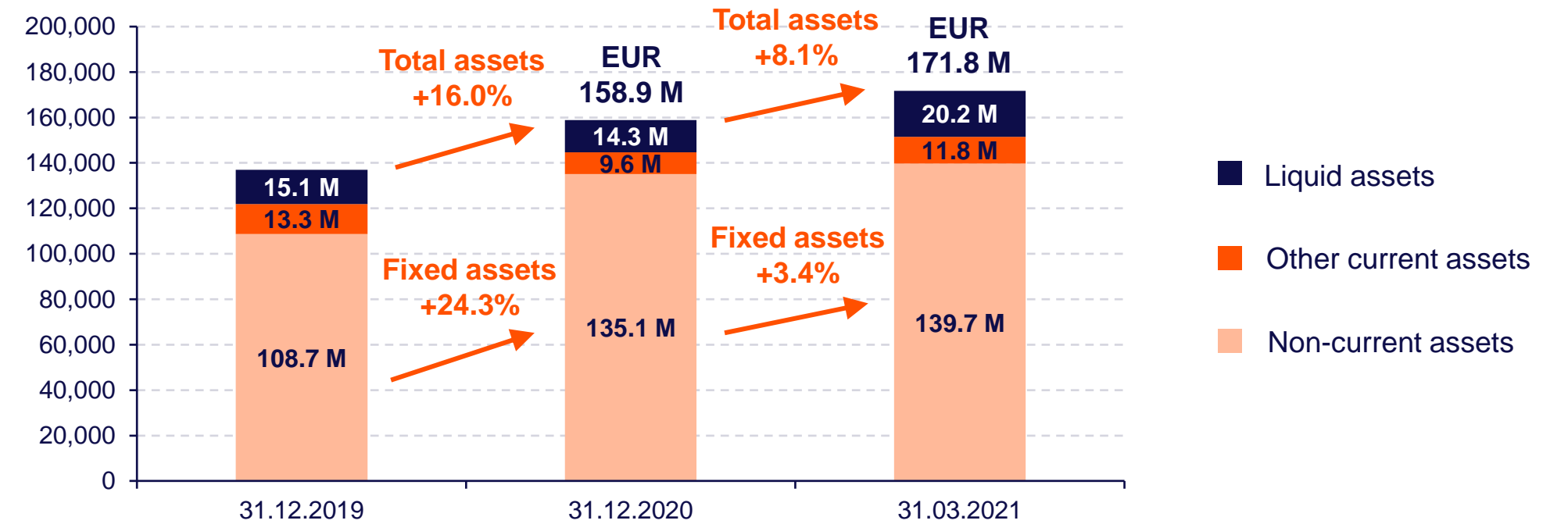
- ▶ **Revenues** affected by **unfavourable weather conditions** and **lower EPC revenues**.
- ▶ **Increased financial expenses** linked to the expansion of proprietary PV portfolio, offset by a positive revaluation of derivatives.
- ▶ Revaluation of our investment in Raygen and positive FX revaluation contributed to a **EUR 1.8 million TCI in Q1 2021**.

# Q1 2021 Financial Results

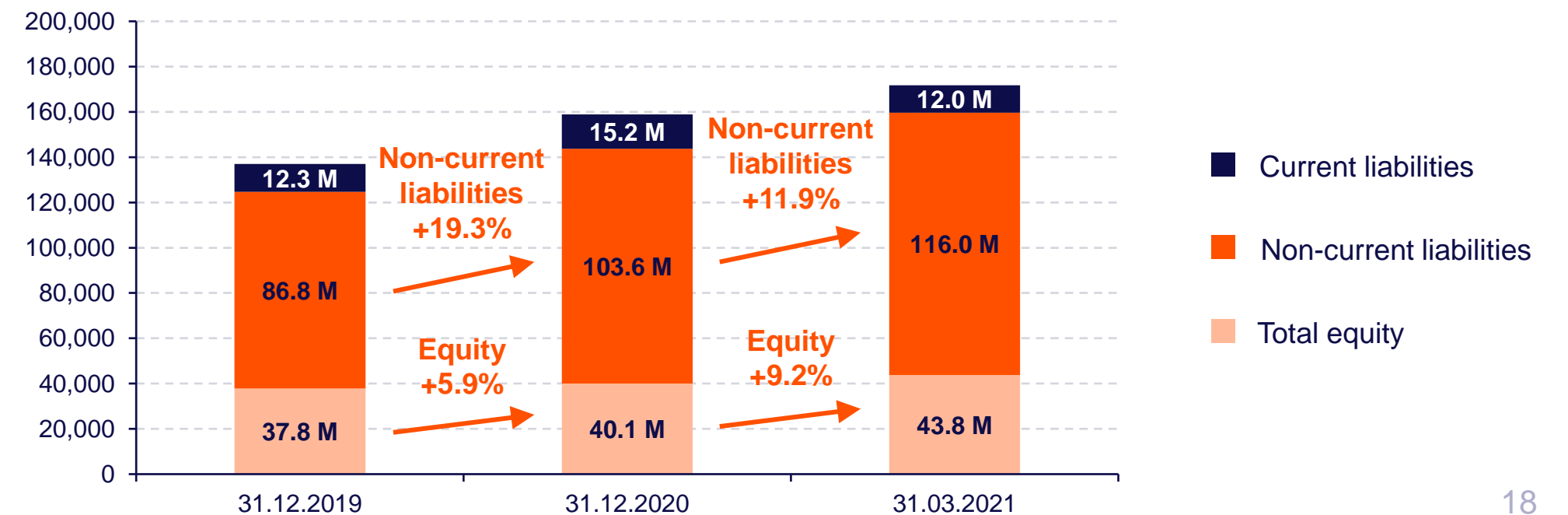
## Balance Sheet

- ▶ **Increase in fixed assets** mainly connected to our equity investment in Raygen.
- ▶ Equity increase reflecting the TCI for the period bringing our **adjusted equity ratio to 28.4%**.
- ▶ Long-term liabilities increase resulting from **bank loans** draw-downs in accordance with project refinancing plans.

### Assets



### Total liabilities and equity

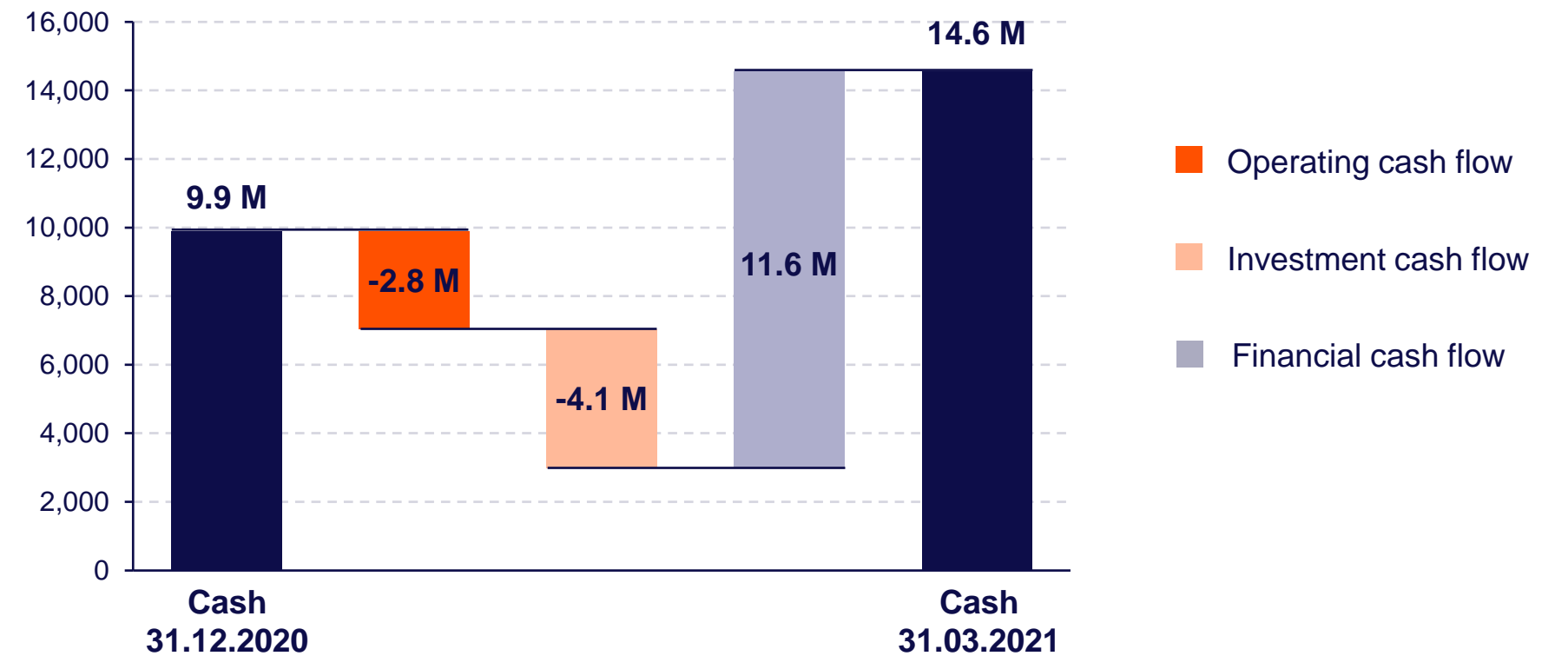


# Q1 2021 Financial Results

## Cash Flow Statement

<i>In thousand EUR</i>	Q1 2021	Q1 2020
Operating cash flow	-2,848	-1,175
Investment cash flow	-4,055	-2,210
Financial cash flow	11,573	-1,993
<b>Net change in cash</b>	<b>4,670</b>	<b>-5,379</b>

## Cash Flow Profile in Q1 2021



- ▶ **Lower operating cash flow** in Q1 2021 connected to the decrease in operating result and changes in working capital experienced during the quarter.
- ▶ **Increased investment cash flow** mainly into proprietary portfolio (Australian projects).
- ▶ **Aligned financial cash flow** in accordance with financing plans for our proprietary portfolio.
- ▶ **Additional EUR 12.9 million project finance drawn-down in February 2021** providing stable liquidity for future growth.



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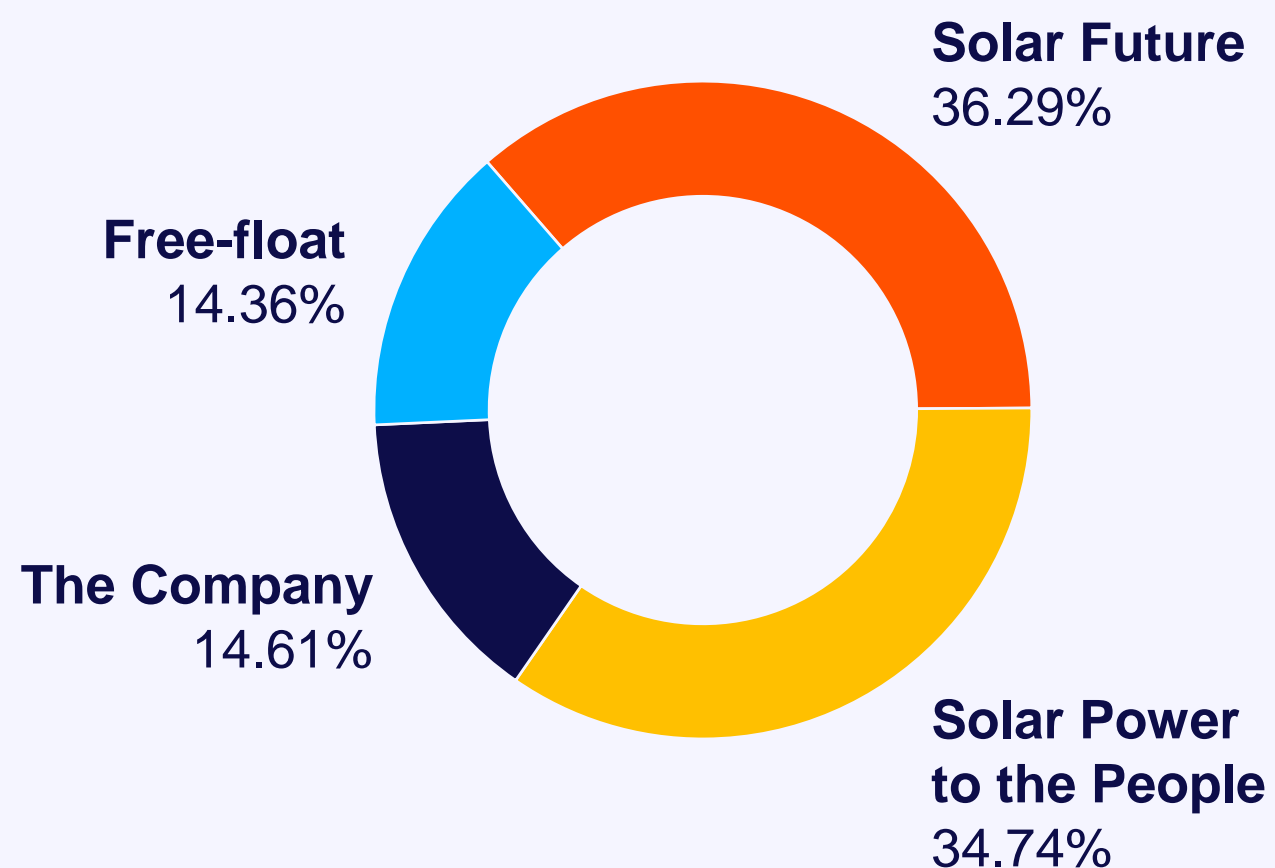
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**Annex**

# Our Shares and Bonds

## Shareholding Structure



Solar Future and Solar Power to the People are controlled by the co-founders of Photon Energy N.V.

## Shares (Warsaw, Prague & Frankfurt)\*

ISIN	<b>NL0010391108</b>
Shares outstanding	<b>51,234,335</b>
Free-float shares	<b>8,615,844</b>
Market cap 11.05.2021	<b>EUR 131,356 thousand</b>
Net debt 31.03.2021	<b>EUR 95,941 thousand</b>
Enterprise value 11.05.2021	<b>EUR 227,297 thousand</b>

\* Also listed on stock exchanges in Berlin, Munich and Stuttgart

## Bonds (Frankfurt)\*\*

ISIN	<b>DE000A19MFH4</b>
Coupon (paid quarterly)	<b>7.75% p.a.</b>
Denomination	<b>EUR 1,000</b>
Redemption date	<b>27.10.2022</b>
Nominal value 31.03.2021	<b>EUR 45,000 thousand</b>

\*\* Also listed on stock exchanges in Berlin, Hamburg, Hannover, Munich, Düsseldorf and Stuttgart

# Management



## **Georg Hotar**

**CEO and Co-founder**

Georg co-founded Photon Energy in 2008. He has extensive knowledge of the solar energy industry and international finance. In 2000 he established Central European Capital, a regional finance and strategy advisory boutique. He has also held various positions in financial services in London, Zurich and Prague.



## **Michael Gartner**

**CTO and Co-founder**

Michael developed one of the first large PV installations in the Czech Republic before co-founding Photon Energy in 2008. He relocated to Australia in 2011 to start Photon Energy Australia, and is now instrumental in driving Photon Energy's off-grid and solar-hybrid power solutions.



## **Clemens Wohlmuth**

**CFO**

Clemens joined Photon Energy in 2012 and is responsible for the group's overall financial strategy and direction. He brings many years of experience in financial management, having started his career in Ernst & Young in Austria and worked as CFO for Telekom Austria in the Czech Republic.