



Q2 2021 & H1 Results

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

Photon Energy N.V.

12 August 2021

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Business Model

Strategic Partnerships

Strategy and Outlook

Financials Q2 and H1 2021

Q&A Session



Business Model

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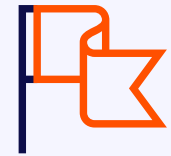
Financials Q2 and H1 2021

Q&A Session

About Us

We are dedicated to ensuring that everyone has access to clean energy and water

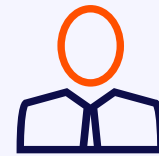
Photon Energy Group



Founded in
2008



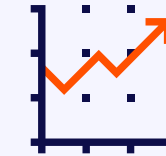
Headquartered in
Amsterdam



140+
Employees



Active in
10+ countries



Shares traded
in PL, CZ and DE



Sustainability
Rating*

Solar Business Line

(Current core activity and strategic area of development)



110+ MWp
constructed



300+ MWp
O&M portfolio



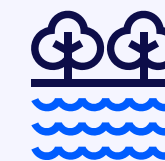
89.3 MWp
proprietary portfolio



546+ MWp
PV project pipeline



70.0 GWh
produced in 2020



605 ha
of lakes and
ponds managed



3,500 m of wells
drilled, maintained
or decommissioned



PFAS
patent pending

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**.



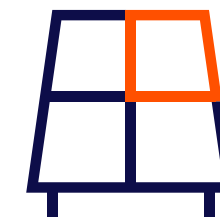
EPC Solutions

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**

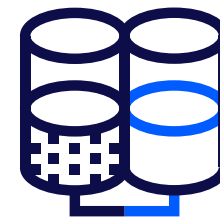


Technology

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

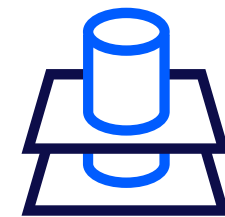
Business Model: Water Services

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



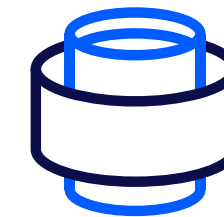
Treatment

We deliver treatment solutions including potable and wastewater treatment, hazardous liquid waste and industrial water treatment.



Remediation

We offer a range of remediation services, including our unique **nanoremediation** solution, to eliminate contaminants from water and soil.



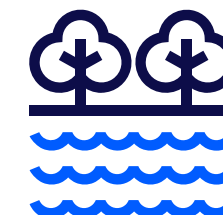
Wells and Resources

We provide complete services for wells and water resources, from planning and design to maintenance and decommissioning.



Research and Development

We work with leading academic institutions and participate in governmental research programmes to develop cutting-edge clean water solutions.



Water Resource Management

We help our customers make the best, most efficient use of their water resources, such as lakes, ponds and industrial water bodies.

Our Global Presence

Focus on Europe and Australia

Project development

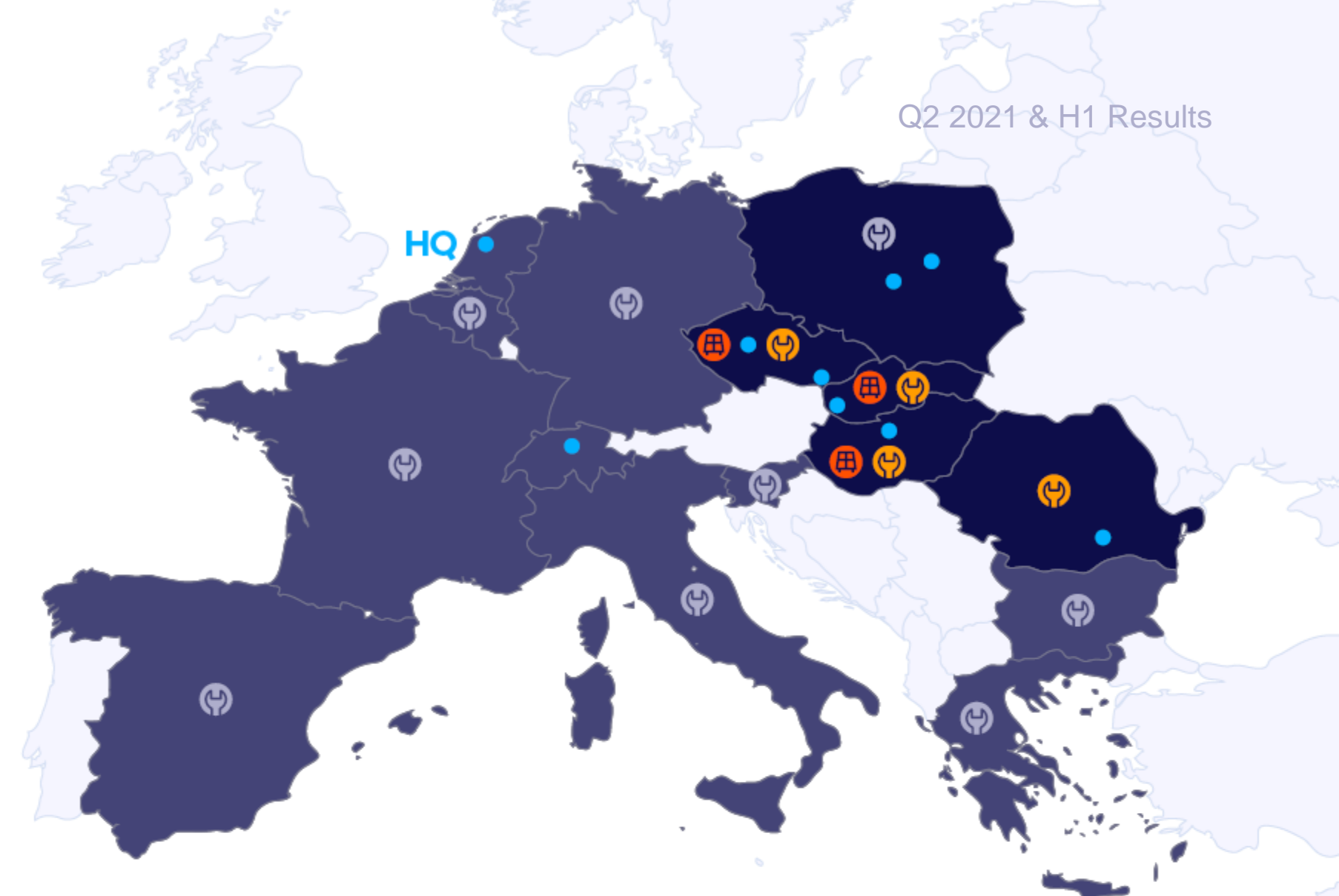
- ▶ Project pipeline with a combined capacity of 546 MWp
- ▶ Focus on Australia, Hungary, Poland and Romania

Electricity production (89.3 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 3 in Australia (14.7 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





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IT technology to optimize efficiency of energy market



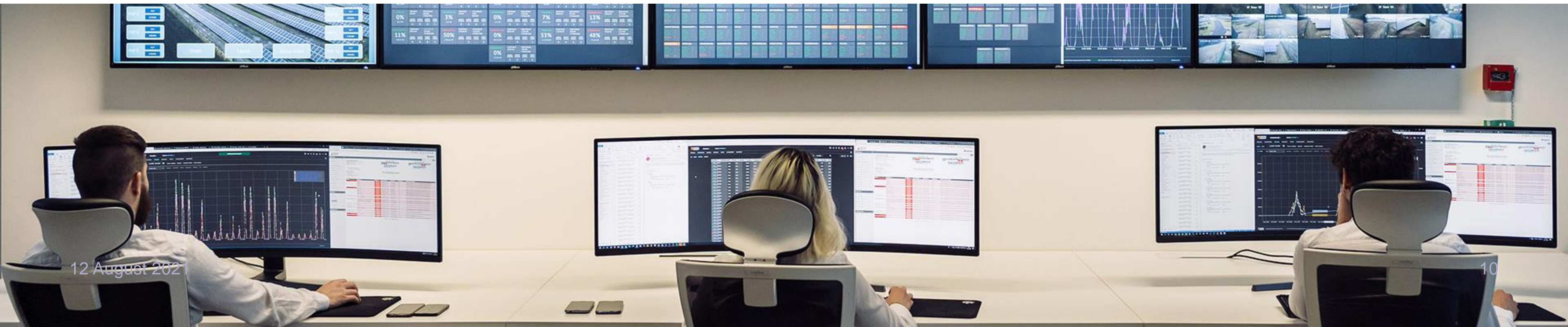
We have partnered with the Warsaw-based company to develop its technologies in Poland and to launch operations in new CEE markets.

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



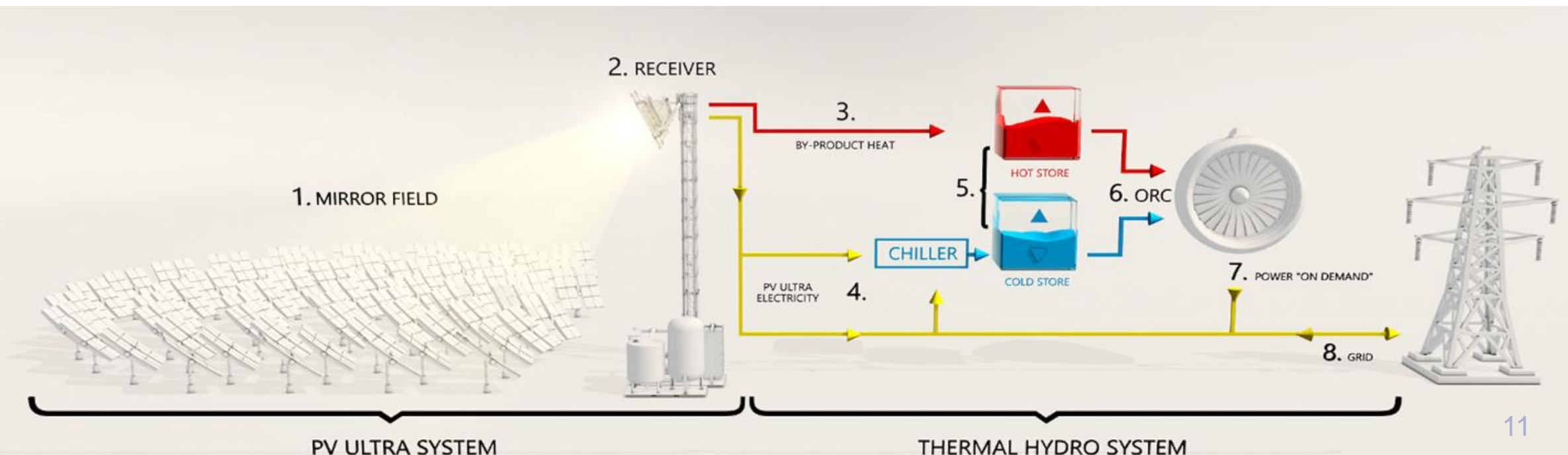
We have partnered with RayGen to develop projects using the Melbourne-based company's innovative solar-plus-storage technology.

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**.

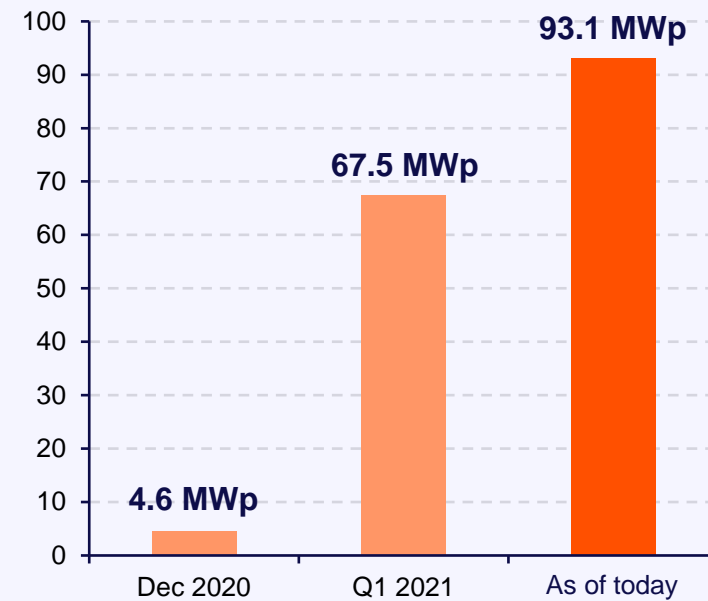
Water

- ▶ **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

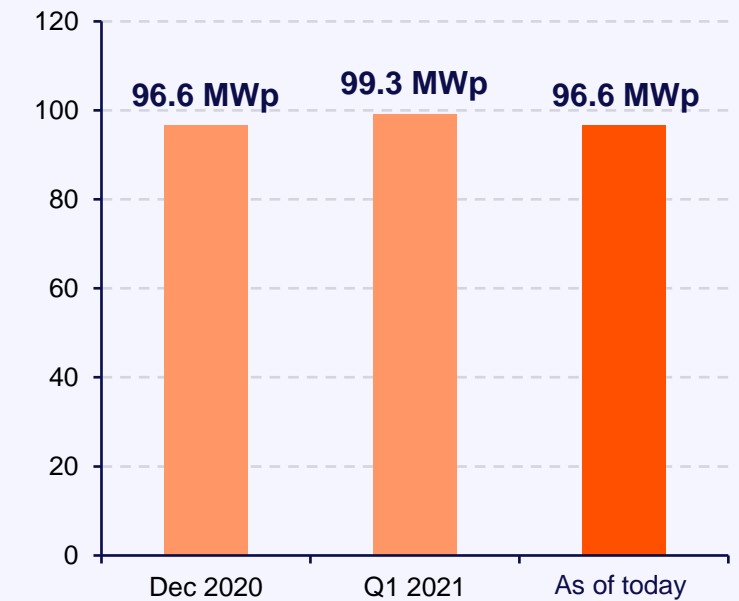
Poland

- ▶ 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.



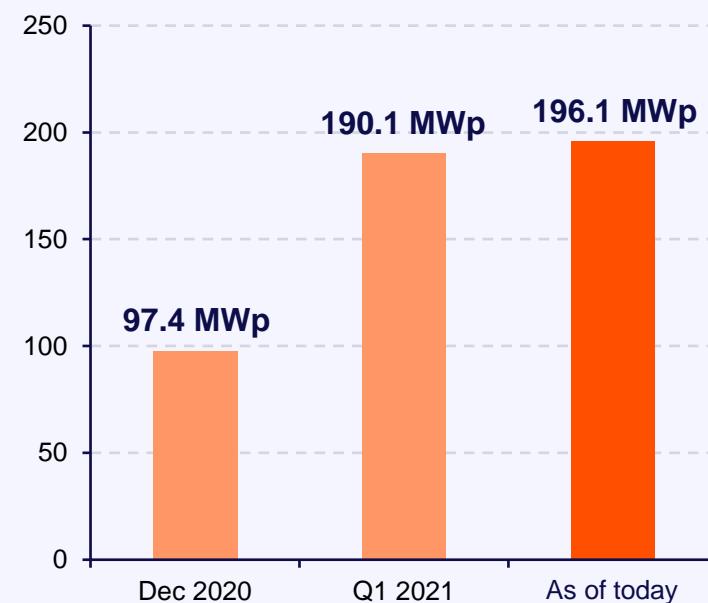
Hungary

- ▶ 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).



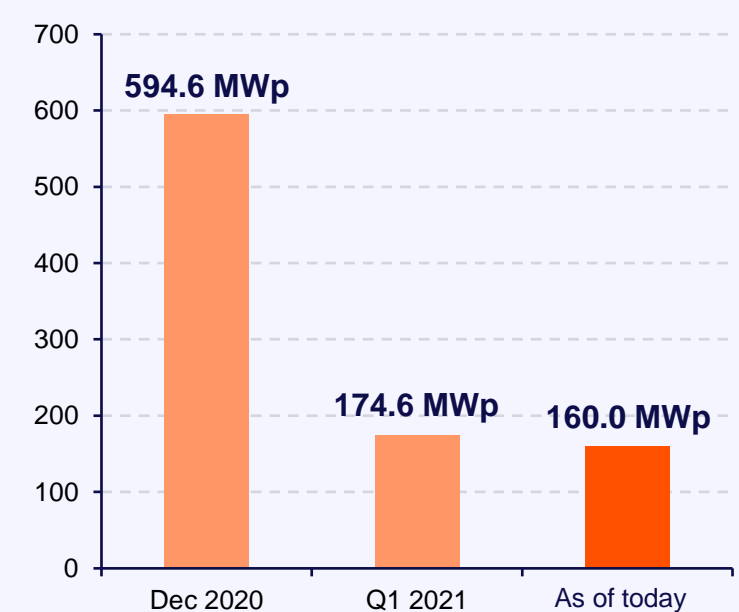
Romania

- ▶ 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 commissioned in August..





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Financials Q2 2021 and H1 2021

Q&A Session

Recent Highlights

- ▶ Construction of an integrated solar (1.2 MWp) and battery storage (with over 3.2 MWh capacity) system on **Lord Howe Island** finished and handed over.
- ▶ **Exchange of project rights concluded with Canadian Solar:** The Group now possesses a 65% stake in the Maryvale Solar Farm.
- ▶ Participation in **RayGen Resources Capital Increase.**
- ▶ **EUR 7.7 million** raised by offering existing shares.
- ▶ In Australia, two utility-scale power plants with **14.6 MWp in Leeton** commissioned in August with expected annual revenues of EUR 1.3 million.
- ▶ **First Sustainability rating** received ('Very Good') from sustainability rating agency imug | rating*.

Report under:

<https://www.photonenergy.com/en/photon-energy-group/our-esg-commitments.html>

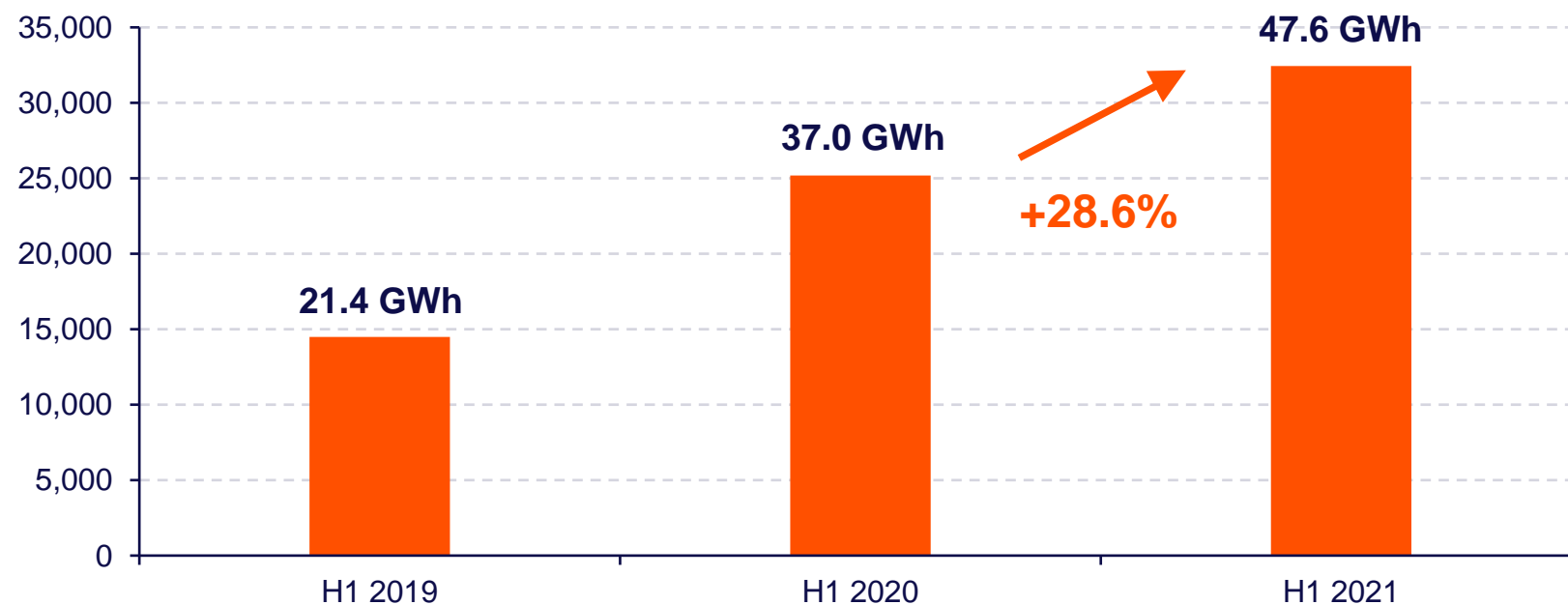


Business Development Year-to-Date

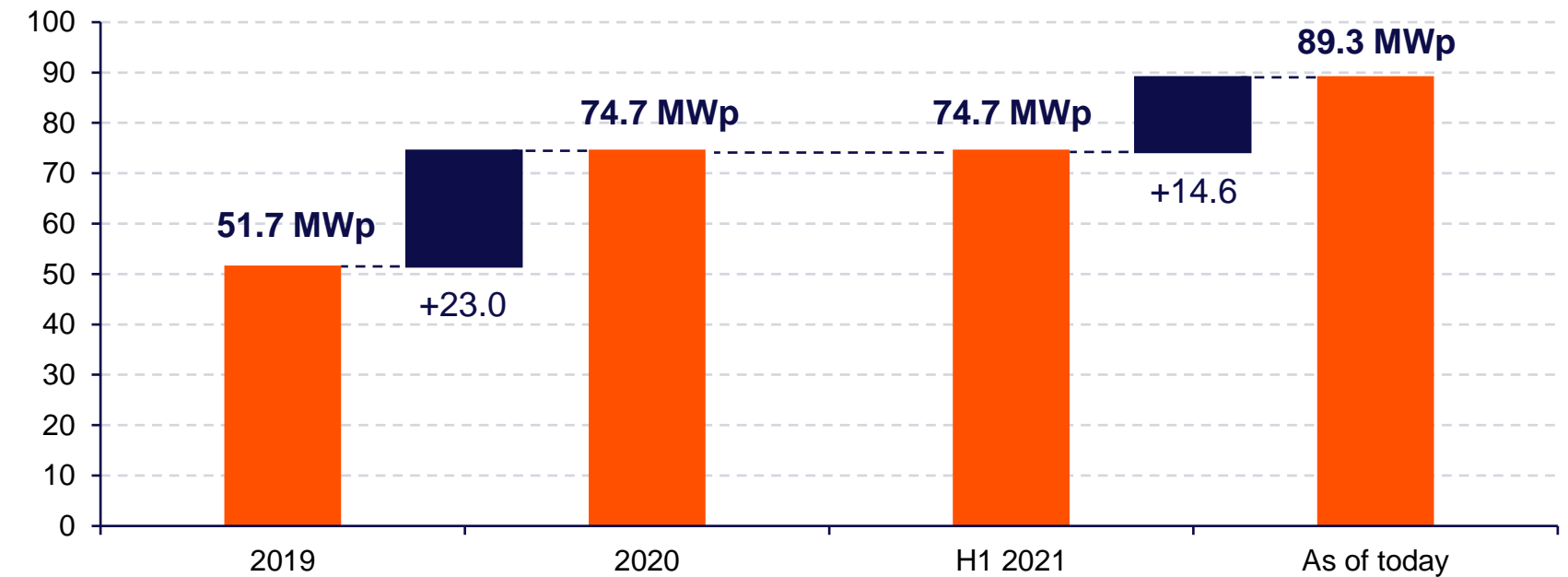
Continued progress across all segments

- ▶ **47.6 GWh of electricity (+28.6% YoY) generated** by our proprietary power plant portfolio in H1 2021:
 - 70.0 GWh generated in 2020,
 - 14.1 MWp of PV power plants grid-connected in Hungary in the past 12 months.
- ▶ **187 MWp added** to our project pipeline in H1 2021 in Hungary, Poland and Romania.
- ▶ Connection of **14.6 MWp in Australia** in August 2021.

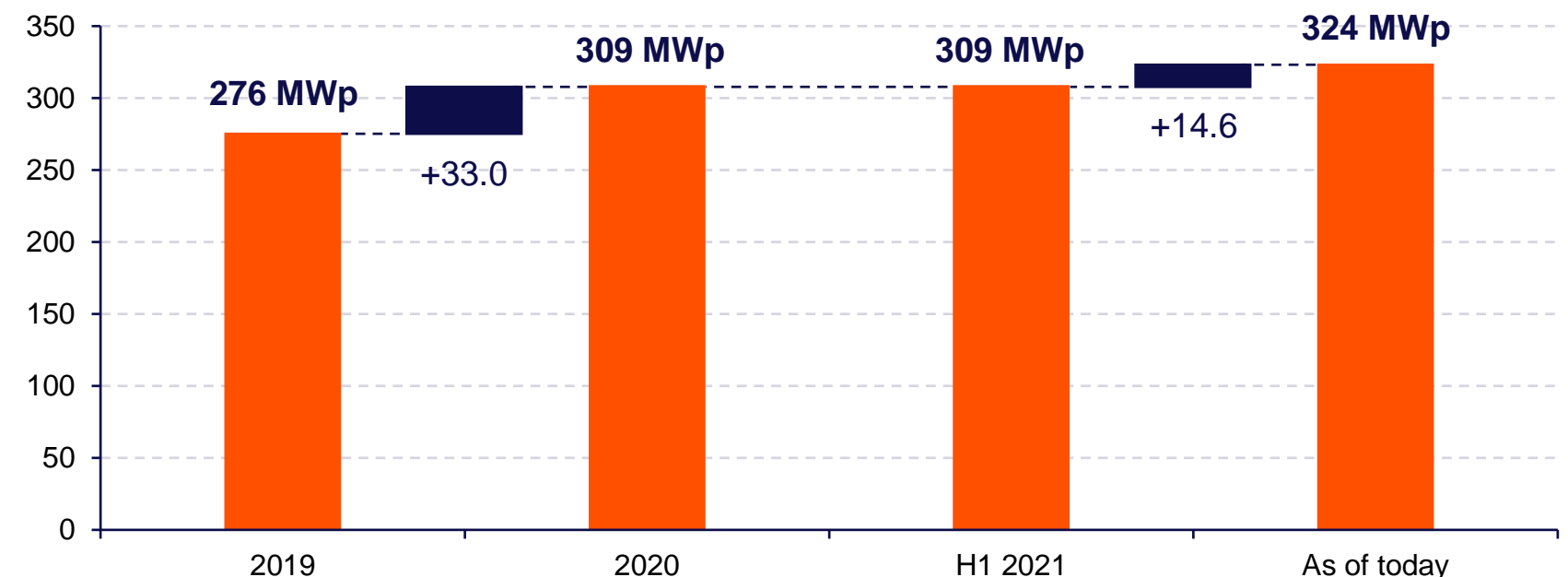
Electricity generation total portfolio



Proprietary portfolio, cumulated (MWp)



Assets under O&M, cumulated (MWp)



Q2 2021 and H1 2021 Financial Results

Income Statement

| In thousand EUR | Q2 2020 | Q2 2021 | Change in % | H1 2020 | H1 2021 | Change in % |
|---|--------------|--------------|---------------|---------------|---------------|--------------|
| Total revenues | 8,882 | 9,855 | 11.0% | 14,198 | 14,425 | 1,6% |
| <i>of which from electricity generation</i> | <i>5,930</i> | <i>6,886</i> | <i>16,1%</i> | <i>8,858</i> | <i>9,828</i> | <i>11,0%</i> |
| EBITDA | 4,151 | 3,898 | -6.1% | 5,555 | 4,120 | -25,8% |
| EBIT | 1,711 | 968 | -43.4% | 1,629 | -507 | nm |
| Net profit/Net loss | -969 | -869 | -10.4% | -2,678 | -4,037 | nm |
| Total comprehensive income (TCI) | 1,183 | 505 | -57.3% | -3,142 | 2,297 | nm |

- ▶ **Strong increase in Revenues from electricity generation** affected by **unfavourable weather conditions in Q1 2021** and **lower EPC revenues**.
- ▶ **Increased financial expenses** linked to the expansion of proprietary PV portfolio, offset by a positive revaluation of derivatives.

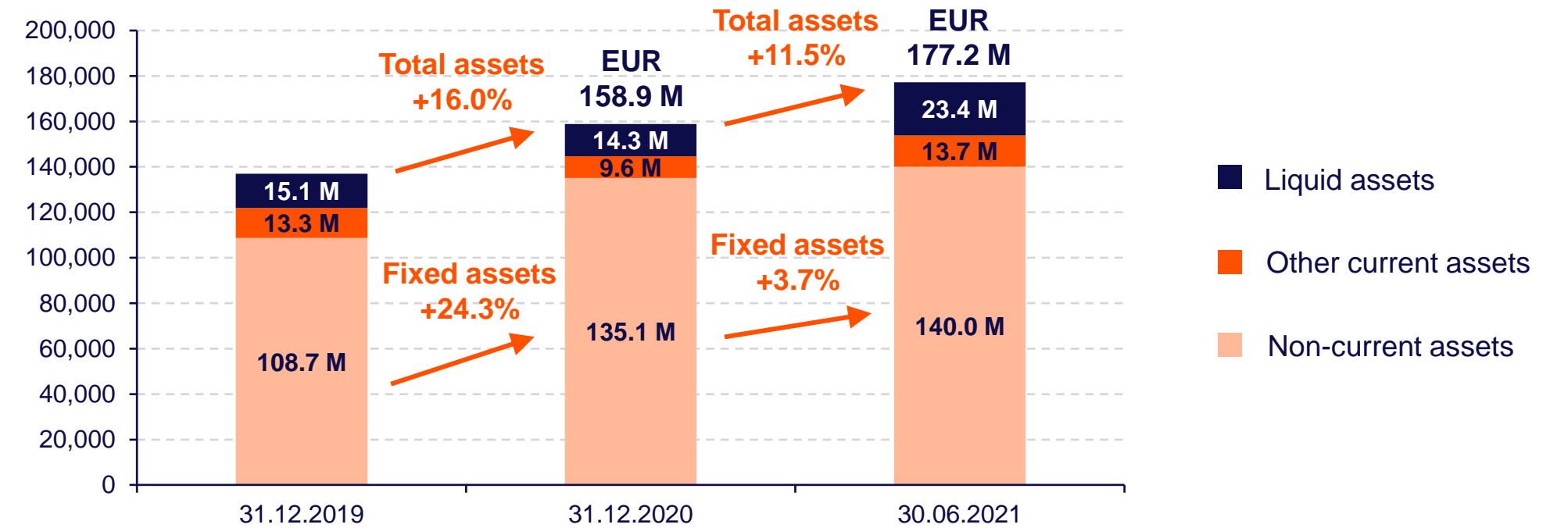
- ▶ **Total comprehensive income in H1 2021**, mainly influenced by revaluation of the participation in Raygen and positive foreign currencies valuations, amounted to **EUR 2.297 million** compared to a negative EUR -3.142 million a year ago

H1 2021 Financial Results

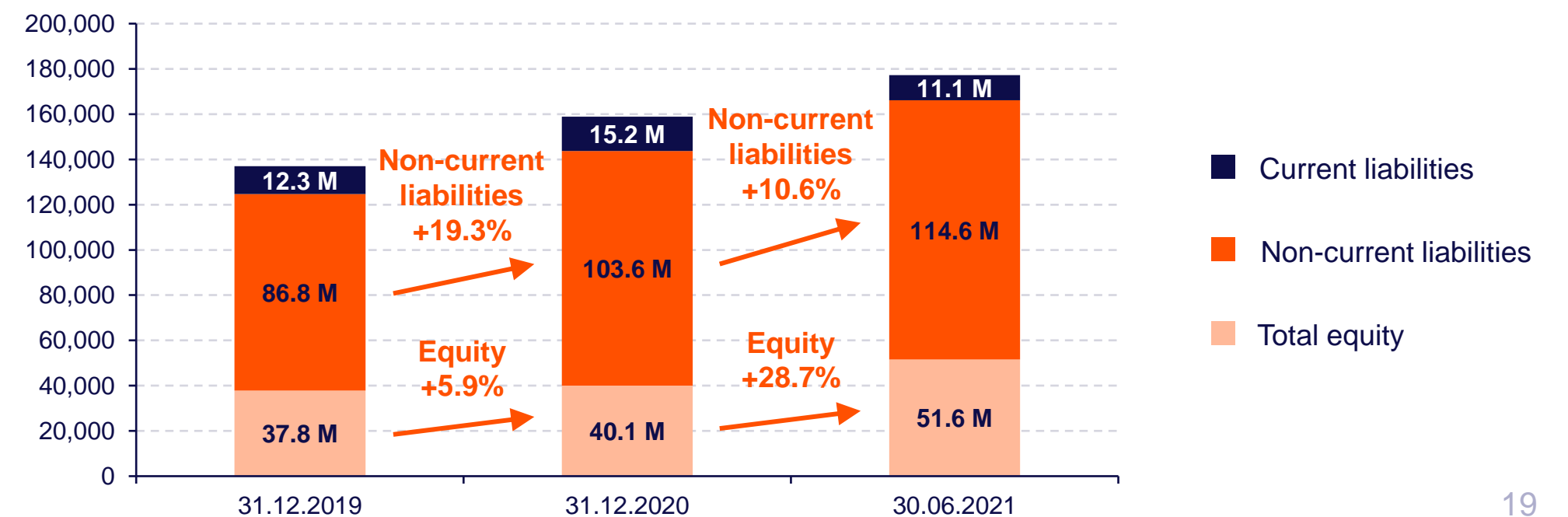
Balance Sheet

- ▶ **Increase in fixed assets** mainly connected to our equity investment in **Raygen** and final work related to **proprietary projects in Leeton**.
- ▶ Equity increase reflecting the TCI for the period and the sale of existing shares for EUR 7.7 million bringing our **adjusted equity ratio to 32.0%** and **full equity ratio to 29.1%**.
- ▶ Long-term liabilities increase resulting from draw downs in line with **long term project refinancing** of our latest project additions in **Hungary**.

Assets



Total liabilities and equity



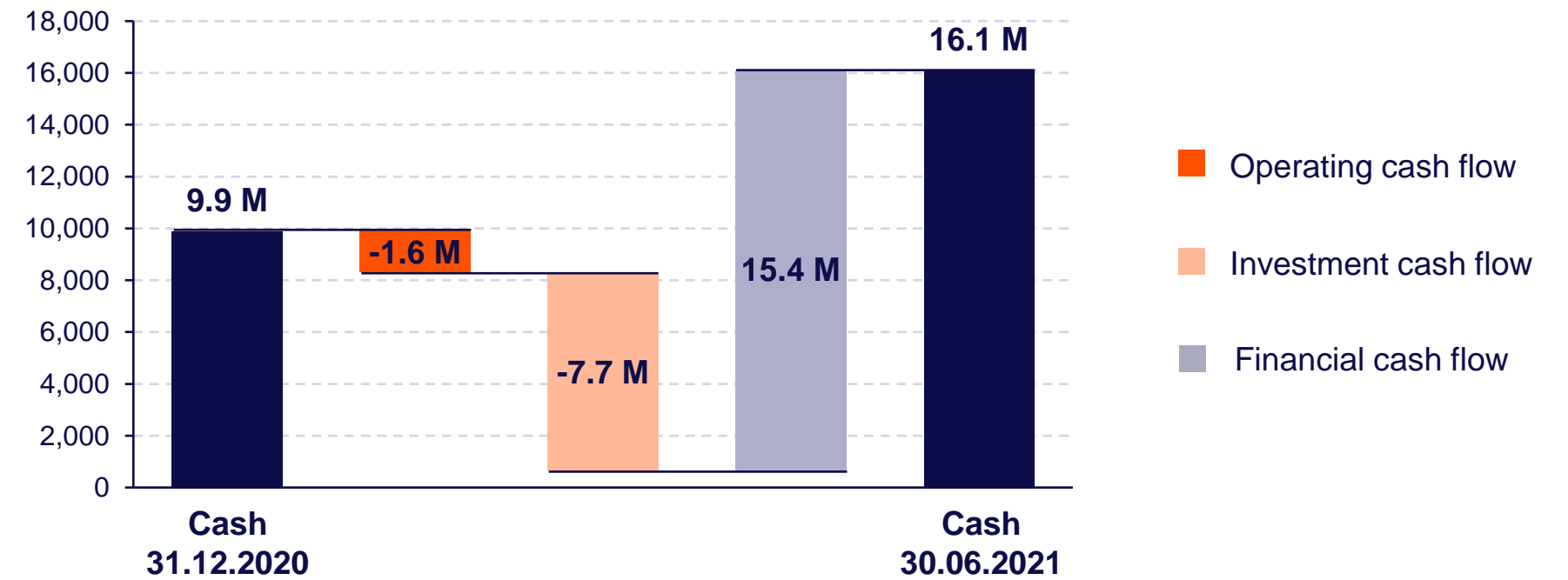
H1 2021 Financial Results

Cash Flow Statement

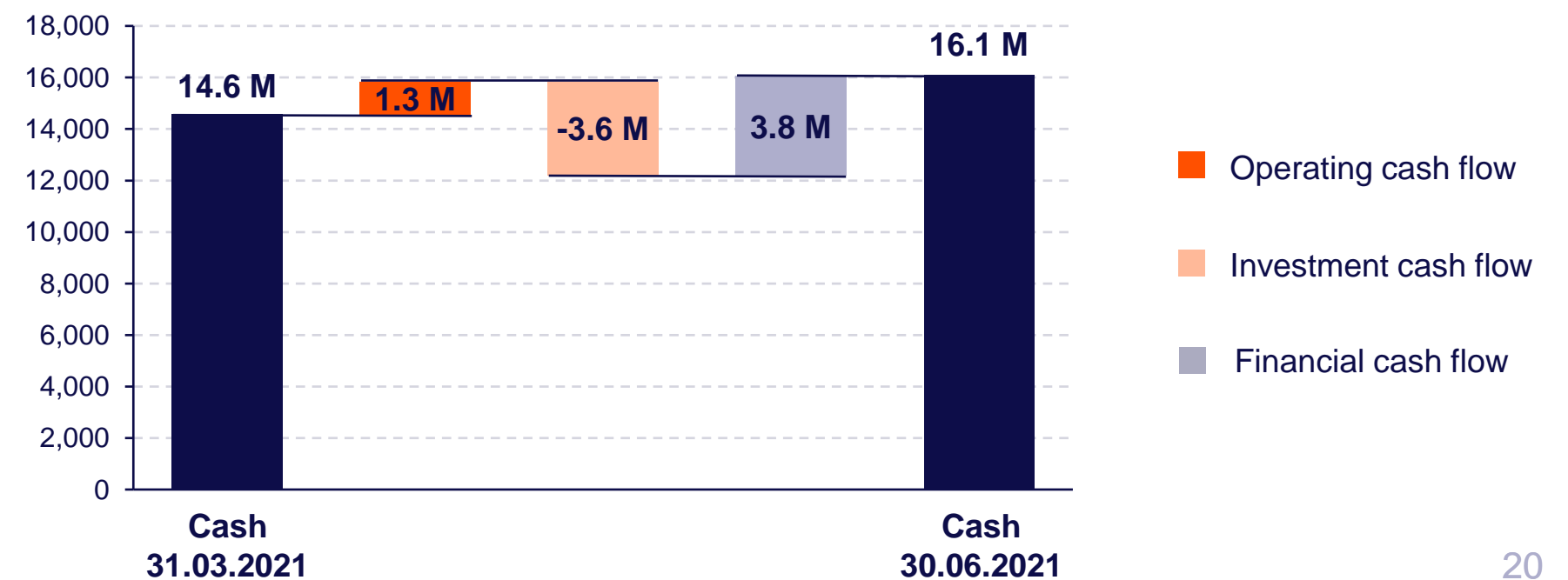
| <i>In thousand EUR</i> | H1 2020 | H1 2021 |
|---------------------------|--------------|--------------|
| Operating cash flow | 1,796 | -1,583 |
| Investment cash flow | -5,941 | -7,670 |
| Financial cash flow | -1,993 | 15,434 |
| Net change in cash | 5,753 | 4,670 |

- ▶ **Lower operating cash flow** connected to the lower operating result and reduction of working capital during the first half year.
- ▶ **Increased investment cash flow** mainly into proprietary portfolio (Australian projects), participations and diversification of liquid assets
- ▶ **Strong financial cash flow** from **sale of existing shares** for EUR 7.7 million in June 2021 and additional EUR 12.9 million **project finance drawn-down** in February 2021 providing stable liquidity for future growth.

Cash flow profile in H1 2021



Cash flow profile in Q2 2021





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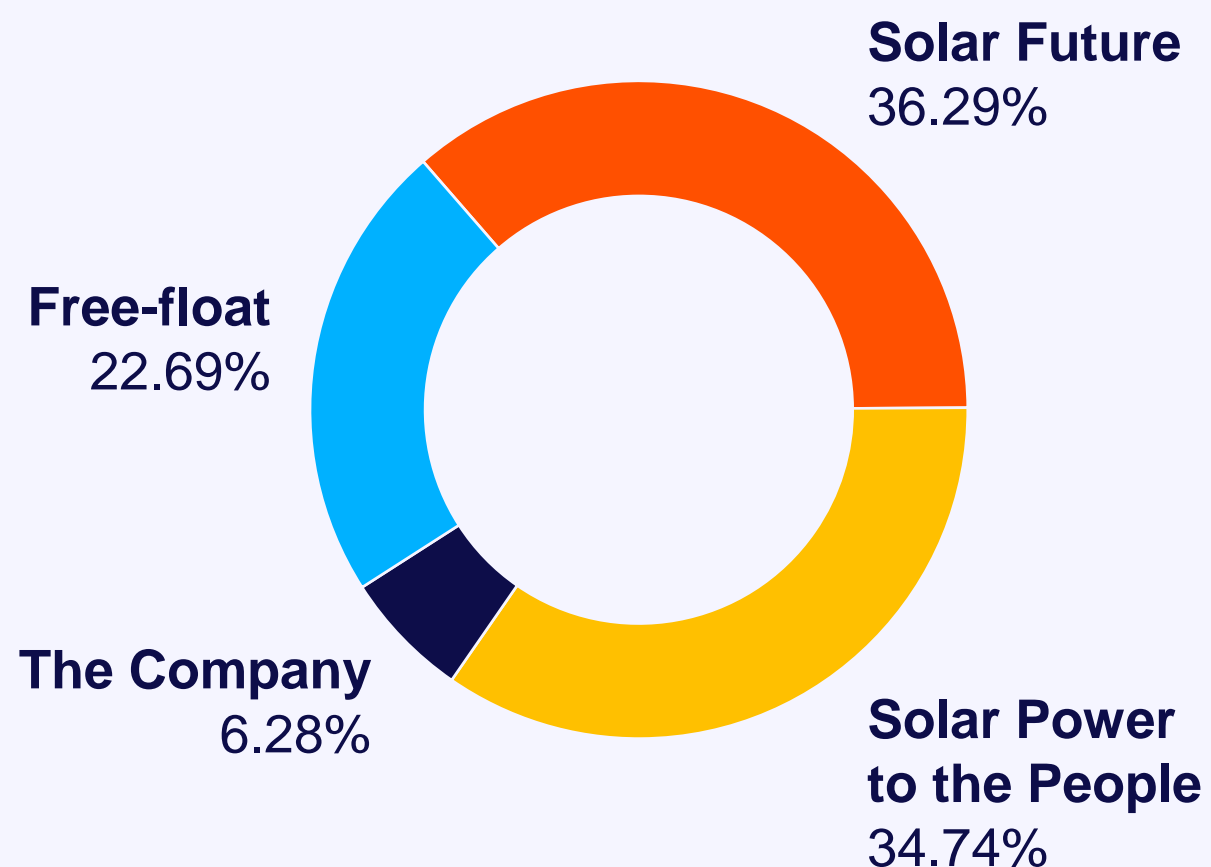


Annex



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 | NL0010391108 |
| Shares outstanding | 56,234,335 |
| Free-float shares | 13,615,885 |
| Market cap 10.08.2021 | EUR 101,043 thousand |
| Net debt 30.06.2021 | EUR 88,474 thousand |
| Enterprise value 10.08.2021 | EUR 189,517 thousand |

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

Bonds (Frankfurt)**

| | |
|--------------------------|----------------------------|
| ISIN | DE000A19MFH4 |
| Coupon (paid quarterly) | 7.75% p.a. |
| Denomination | EUR 1,000 |
| Redemption date | 27.10.2022 |
| Nominal value 31.07.2021 | EUR 45,000 thousand |

** 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.