



Q3 2021 Results

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

Photon Energy N.V.

15 November 2021

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Business Model

Strategy and Outlook

Financials Q3 2021

Q&A Session



Business Model

Strategy and Outlook

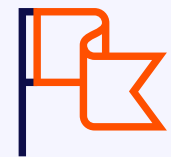
Financials Q3 2021

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



~ 330 MWp
O&M portfolio



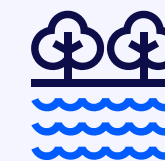
89.3 MWp
proprietary portfolio



~ 900 MWp
PV project pipeline



70.0 GWh
produced in 2020



605 ha
of lakes and
ponds managed



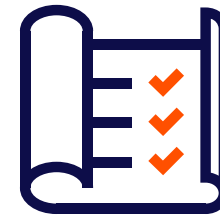
3,500 m of wells
drilled, maintained
or decommissioned



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**.



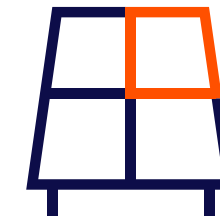
EPC Solutions

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**

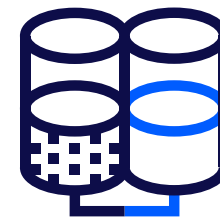


Technology

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

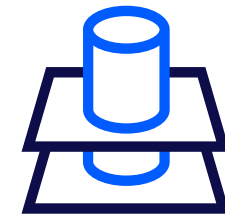
Business Model: Water Services

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



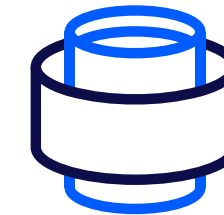
Treatment

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



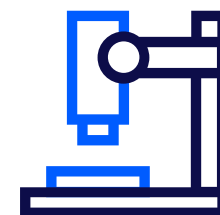
Remediation

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



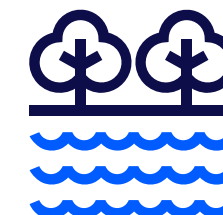
Wells and Resources

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

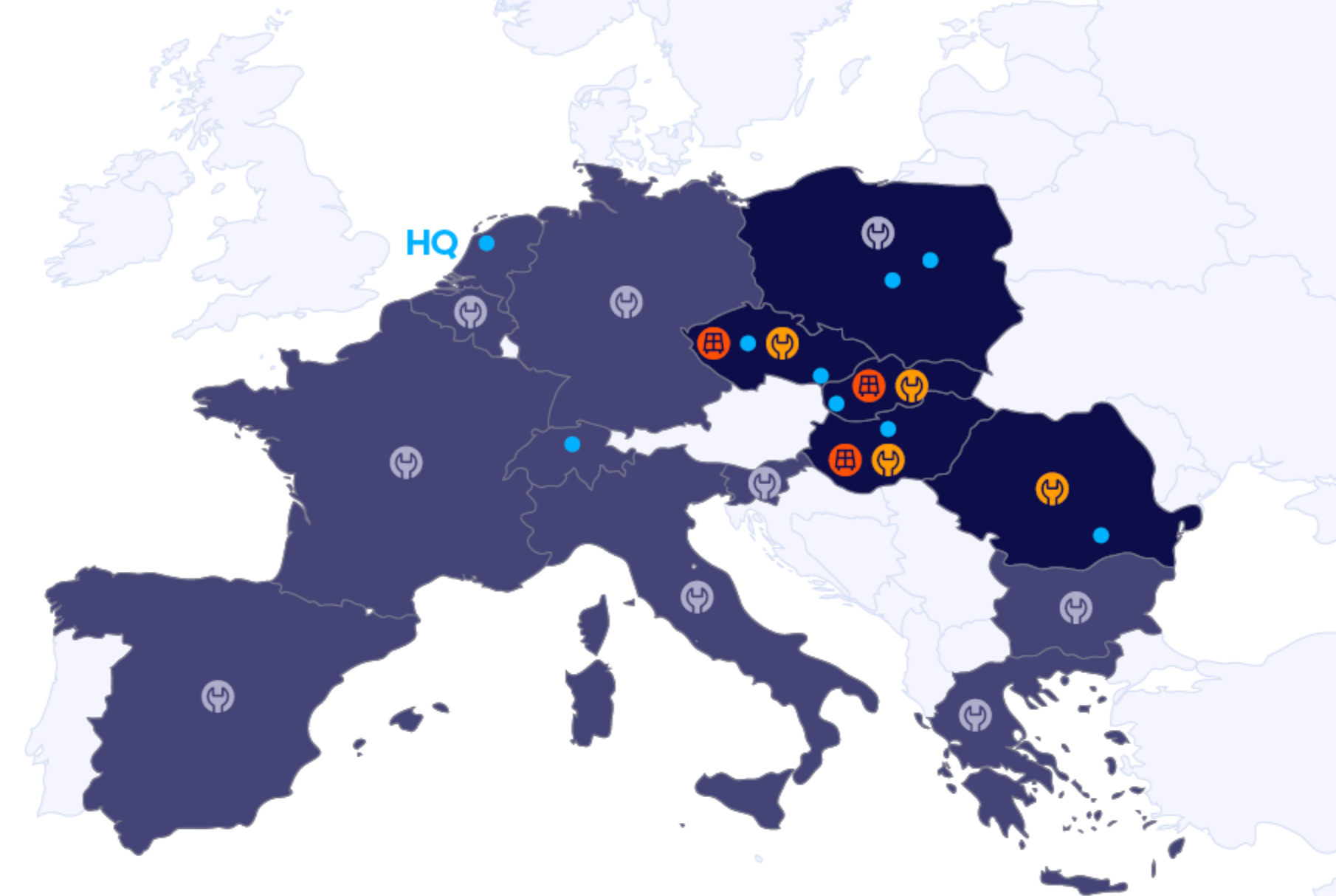
- ▶ Project pipeline with a combined capacity of 899.3 MWp
- ▶ Focus on Australia, Hungary, Poland and Romania

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 (~330 MWp)

- ▶ Full Operations and Maintenance services in the Czech Republic, Slovakia, Romania, Hungary and Australia (~270 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

Strategy and Outlook

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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

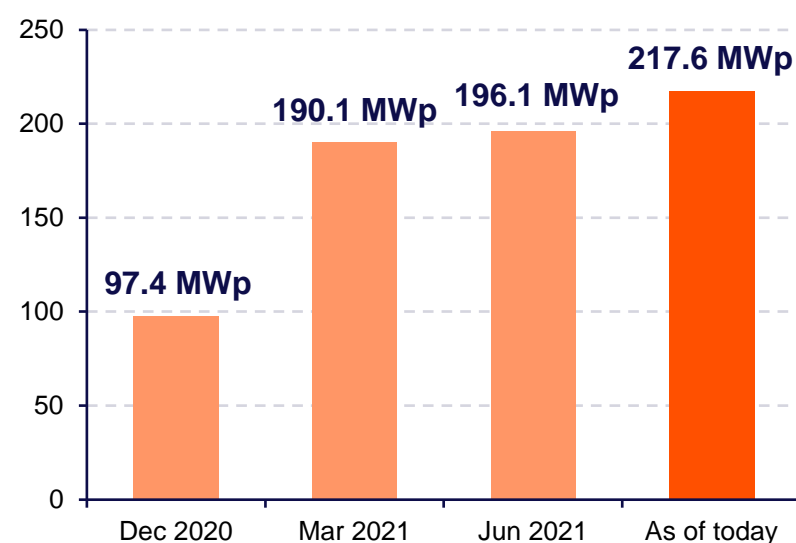
Pipeline in development (in MWp)

Country	1. Feasibility	2. Early development	3. Advanced development	4. Ready-to-build technical	5. Under construction	Total in MWp
 Romania	44.4	161.2	12.0	-	-	217.6
 Poland	96.2	28.9	-	-	-	125.1
 Hungary	68.0	23.1	2.7	2.7	-	96.5
 Australia	-	300.0	160.0	-	-	460.0
Total pipeline	208.6	513.2	174.7	2.7	-	899.3

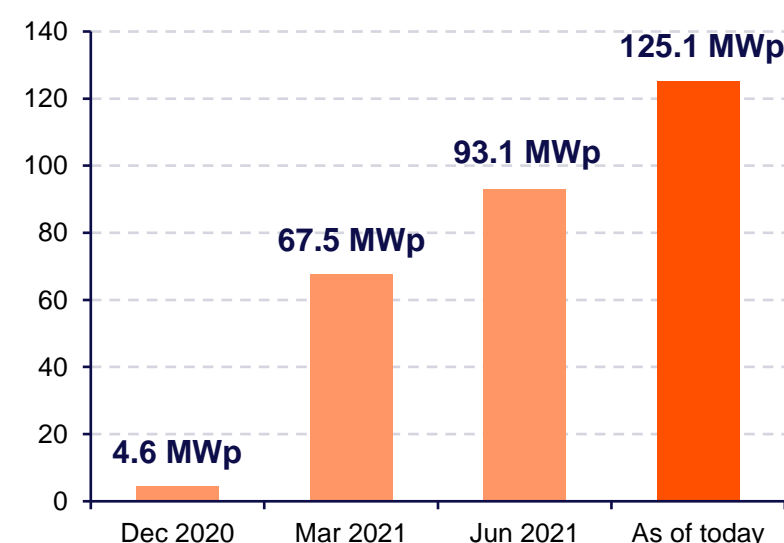
Pipeline development

- ▶ The typical development period of new PVPPs is 12–24 months and the construction period – additional 6–12 months.
- ▶ European projects under development expected to be launched in years 2021–2023, subject i.a. to availability of financing.
- ▶ After achieving Ready-to-build stage the Company has an option to sell the project rights, reporting capital gains and raising funds to finance new projects with a greater potential of value creation.
- ▶ New developments in Australia to be analysed, prepared and carried out using the innovative PV technology and energy storage system provided by RayGen, a Company in which the Group has a minority equity investment of 9.0%

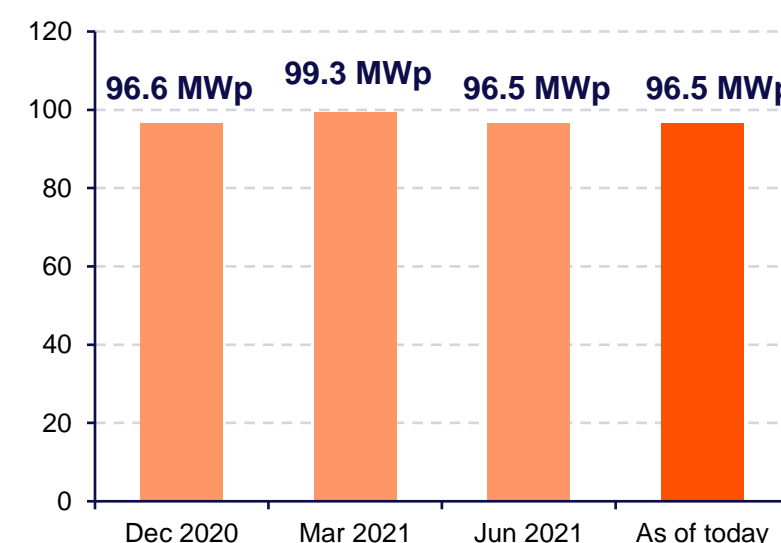
Romania



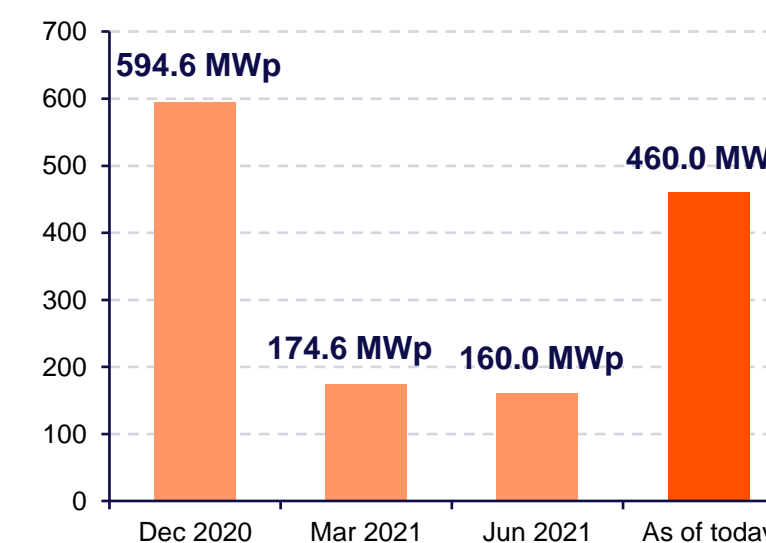
Poland



Hungary



Australia



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

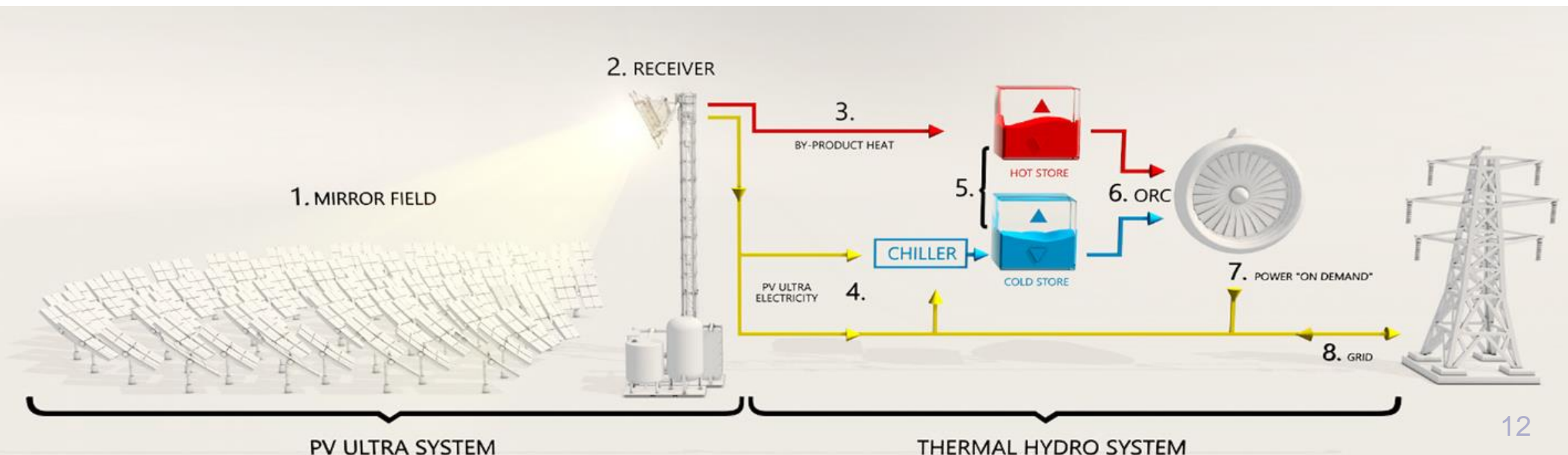
- ▶ Photon Energy will act as a project developer and EPC contractor and an potential equity investor.
- ▶ Photon Energy made a minority equity investment in the company in April 2020 and participated in second financing round with AGL, Schlumberger, Chevron and others in April 2021.
- ▶ We are currently working on the development of a 300 MWp / 3.6 GWh solar-plus-storage project.

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.



15 November 2021





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Recent Highlights

- ▶ Two utility-scale power plants with **14.6 MWp in Leeton commissioned** with expected annual revenues of EUR 1.3 million
- ▶ **53 MWp added to pipeline** in the key markets Hungary, Poland and Romania.
- ▶ Development of a **300 MW / 3.6 GWh RayGen solar storage project** in Australia.
- ▶ **Green Bond offering** commenced on 2 November.
 - Alignment with the ICMA's Green Bond Principles confirmed by a Second-party Opinion;
 - Bond rated 'attractive', with 4 out of 5 stars, in the KFM-Mittelstandsanleihen Barometer.
 - Exchange offer well received by investors (EUR 21.2 million representing 47%)
- ▶ **Regulatory measures** introduced retroactively in the Czech Republic and Slovakia, negative impact inferior to expectations.



KFM-Barometer
Mittelstandsanleihen
November 2021



6,50%-Anleihe
Photon Energy N.V.
Anleihe 21/27, WKN A3KWKY

Attraktiv
(4 von 5)



EUR Bond 2017/22 & New GREEN Bond 2021/27

Exchange offer to existing bond holders and offer to private and qualified investors*

Bond	EUR Bond 2017/2022	New GREEN EUR Bond 2021/2027
Volume	EUR 45 million (fully placed)	Up to EUR 50 million
Coupon	7.75% p.a., quarterly payment	6.50% p.a., quarterly payment
Initial offering	27 October 2017	2 – 17 November 2021
Ratings	KFM Barometer 4,5 of 5 stars	IMUG rating – second party opinion & KFM Barometer 4 of 5 stars
Segment	Secondary market: traded on Open Market of the Frankfurt Stock Exchange since 27 October 2017	Secondary market: trading on Open Market of the Frankfurt Stock Exchange planned 23 November 2021
Covenants	<ul style="list-style-type: none"> ▶ Dividend restriction ▶ Group Equity ratio $\geq 25\%^{**}$ ▶ Cross default ▶ Negative pledge ▶ Pari passu – Equal seniority of existing and future unsecured claims ▶ Change of Control-Clause 	<ul style="list-style-type: none"> ▶ Dividend restriction (max 50% if EBITDA/ICR > 2) ▶ Group Equity ratio $\geq 25\%^{**}$ ▶ Cross default ▶ Negative pledge ▶ Pari passu ▶ Change of Control-Clause ▶ Transparency clause
Denomination	EUR 1,000	EUR 1,000
Term / Redemption	Five years / 27 October 2022 at par	Six years / 23 November 2027 at par
ISIN	DE 000A19MFH42	DE 000A3KWKY4

KFM-Barometer
Mittelstandsanleihen
November 2021

6,50%-Anleihe
Photon Energy N.V.
Anleihe 21/27, WKN A3KWKY

Attributiv
(4 von 5)

* Public offer in Germany, Austria and Luxemburg, private placement to limited number of qualified investors in European countries

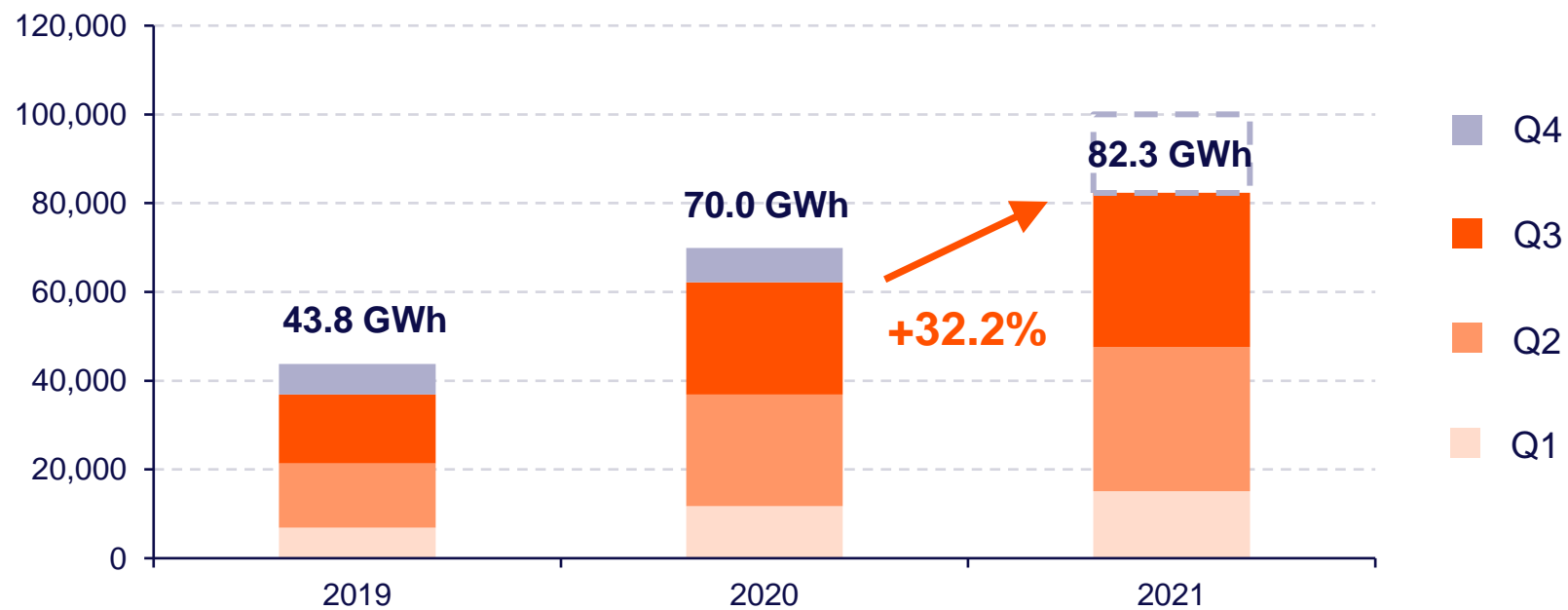
** The Group defines and calculates adjusted equity ratio as total equity divided by the sum of interest-bearing debt and equity.

Business Development Until Today

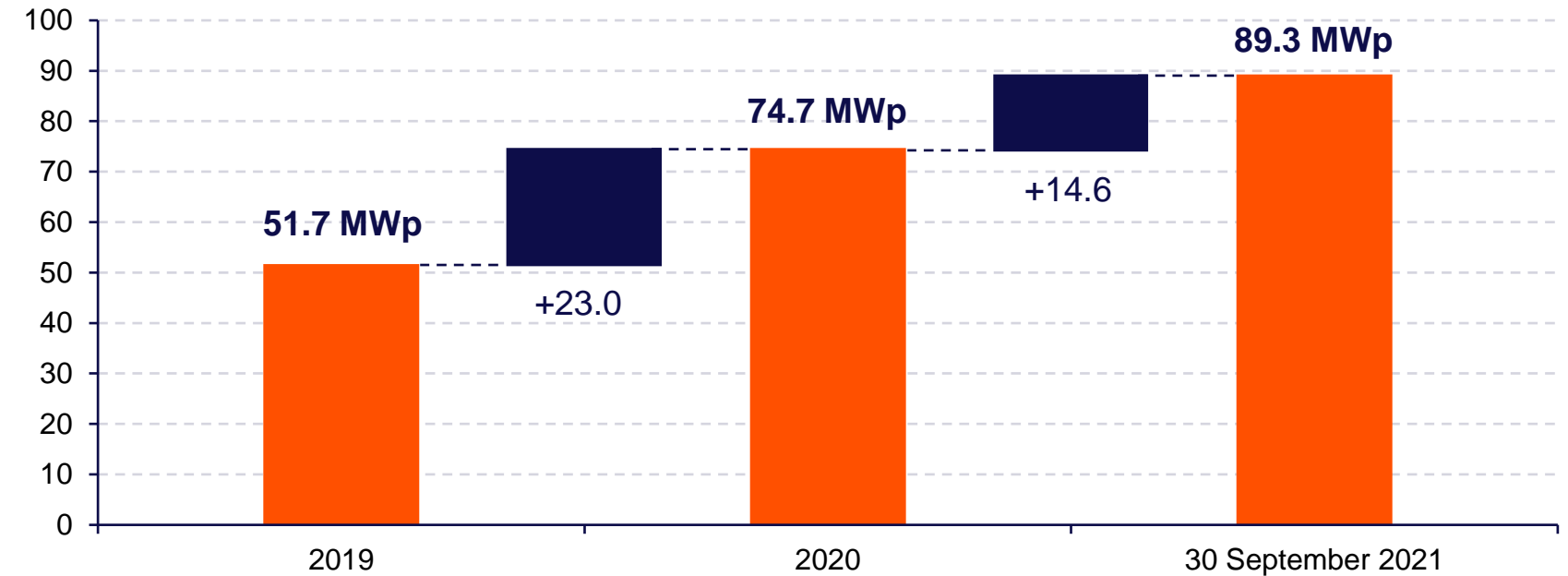
Continued progress across all segments

- ▶ **82.3 GWh of electricity (+32.2% YoY) generated** by our proprietary power plant portfolio in Q1–Q3 2021:
 - **70.0 GWh** generated in 2020,
 - **14.1 MWp** of PV power plants grid-connected in Hungary in the past 12 months.
- ▶ **238 MWp** added to our project pipeline in Q1-Q3 2021 in Hungary, Poland and Romania.
- ▶ Connection of **14.6 MWp in Australia** in August 2021.

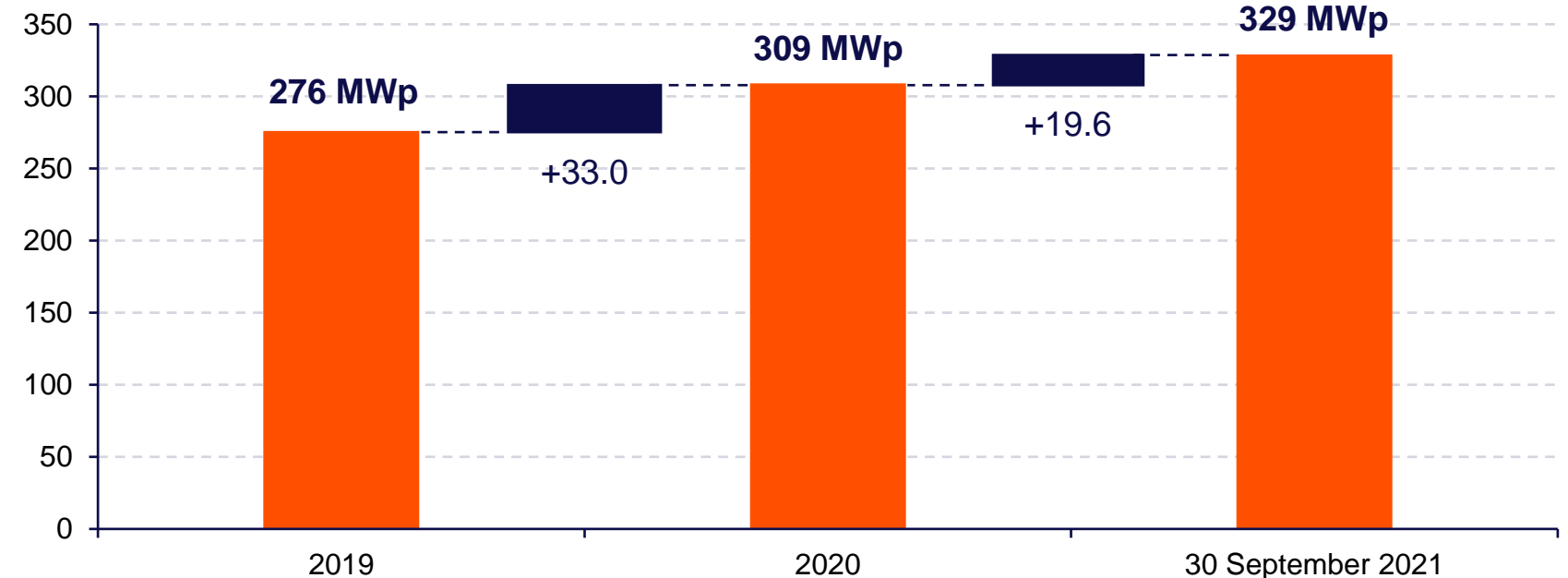
Electricity generation total portfolio



Proprietary portfolio, cumulated (MWp)



Assets under O&M, cumulated (MWp)



Q3 2021 and Q1-Q3 2021 Financial Results

Income Statement

In thousand EUR	Q3 2020	Q3 2021	Change in %	Q1-Q3 2020	Q1-Q3 2021	Change in %
Total revenues	8,965	10,200	13.8%	23,163	24,625	6.3%
<i>of which from electricity generation</i>	5,896	6,566	11.4%	14,754	16,395	11.1%
EBITDA	3,910	4,433	13.4%	9,466	8,554	-9.6%
EBIT	1,105	416	<i>nm</i>	2,734	-91	<i>nm</i>
Net profit/Net loss	-1,653	-1,405	<i>nm</i>	-4,332	-5,442	<i>nm</i>
Other Comprehensive Income (OCI)	5,957	226	<i>nm</i>	5,494	6,561	19.4%
Total comprehensive income (TCI)	4,304	-1,179	<i>nm</i>	1,162	1,119	-3.8%

- ▶ Continuous strong **increase in revenues from electricity generation** due to **additional installed capacity** and **lower EPC** revenues **overcompensated by Technology** sales.
- ▶ **Lower negative impact of regulatory measures** on consolidated revenues as expected. Next year reduction of up to EUR 1.0 million and on consolidated EBITDA of up to EUR 2.0 million p.a. **overcompensated by already achieved growth** of portfolio and additional by **switching from FIT to green bonus** scheme in CZ. **Lower impact on OCI** on

revaluation of CZ and SK power plants in the amount of **EUR 2.9 million** compared to announced up to EUR 4 million.

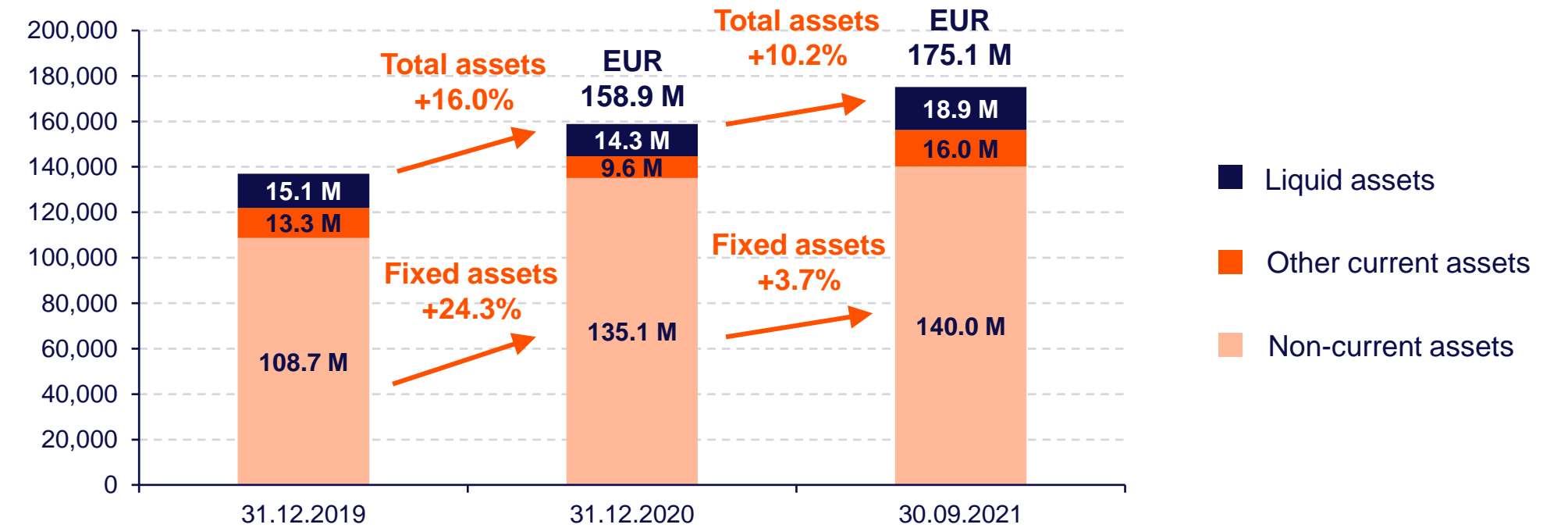
- ▶ **Increased financial expenses** linked to the expansion of proprietary PV portfolio, offset by a positive revaluation of derivatives.
- ▶ **Recurring positive total comprehensive income**; Q1-Q3 2021, mainly influenced by revaluation of the participation in RayGen, revaluation of newly connected Australian projects and positive foreign currencies valuations.

Q3 2021 Financial Results

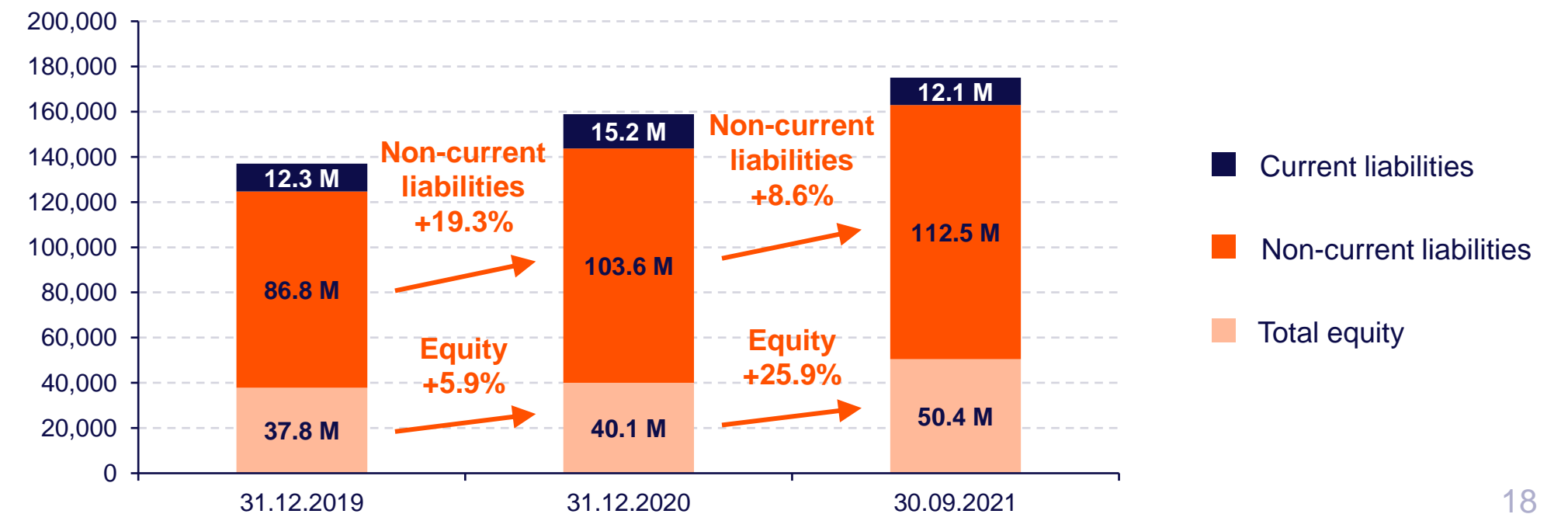
Balance Sheet

- ▶ **Increase in fixed assets** mainly connected to our expansion of Hungarian & Australian portfolio, and the investment in Raygen.
- ▶ Equity increase reflecting the **TCI** for the periods and the sale of existing **treasury shares** for EUR 7.7 million bringing our **adjusted equity ratio to 32.0%** and **full equity ratio to 28.8%**.
- ▶ Long-term liabilities increase resulting from draw downs in line with **long term project refinancing** of our latest project additions in **Hungary** and **bond placements**.
- ▶ Negative impact of **regulatory measures with EUR 2.9 million below expectations** of up to **EUR 4.0 million** on consolidated equity in 2021.

Assets



Total liabilities and equity



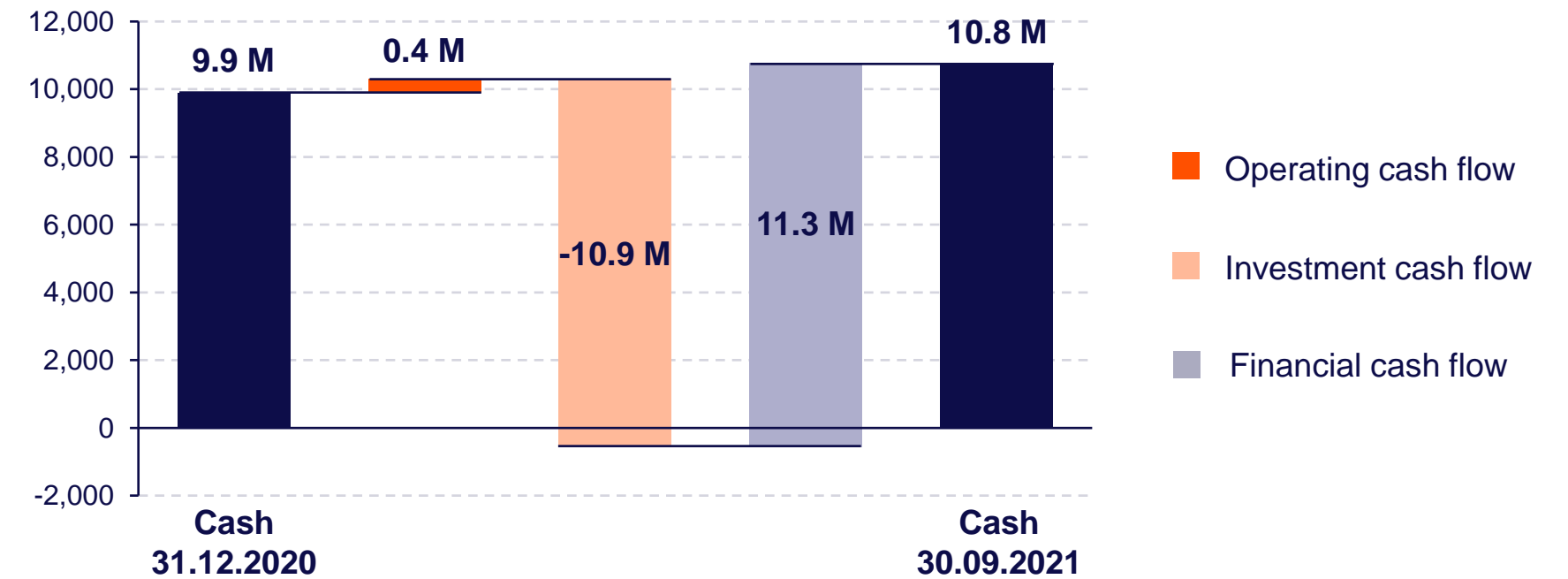
Q3 2021 Financial Results

Cash Flow Statement

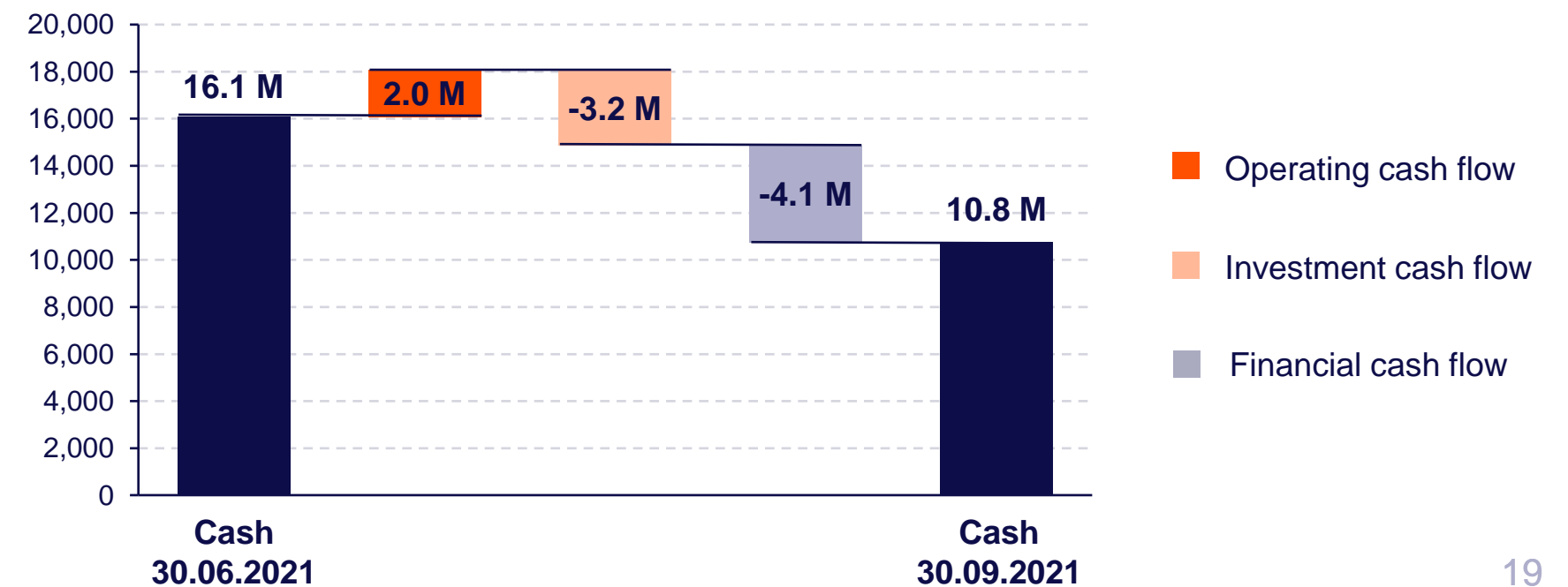
<i>In thousand EUR</i>	Q1–Q3 2020	Q1–Q3 2021
Operating cash flow	4,772	421
Investment cash flow	-14,399	-10,882
Financial cash flow	8,790	11,329
Net change in cash	-836	868

- ▶ **Stable operating cash flow** on an annual basis. Q1–Q3 2021 impacted by increase of inventory and extraordinary reduction of other working capital.
- ▶ **Increased investment cash flow** mainly into proprietary portfolio (Hungary & Australia), participations and diversification of liquid assets in 2021.
- ▶ **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 Q1–Q3 2021



Cash flow profile in Q3 2021





Business Model

Strategy and Outlook

Financials Q3 2021

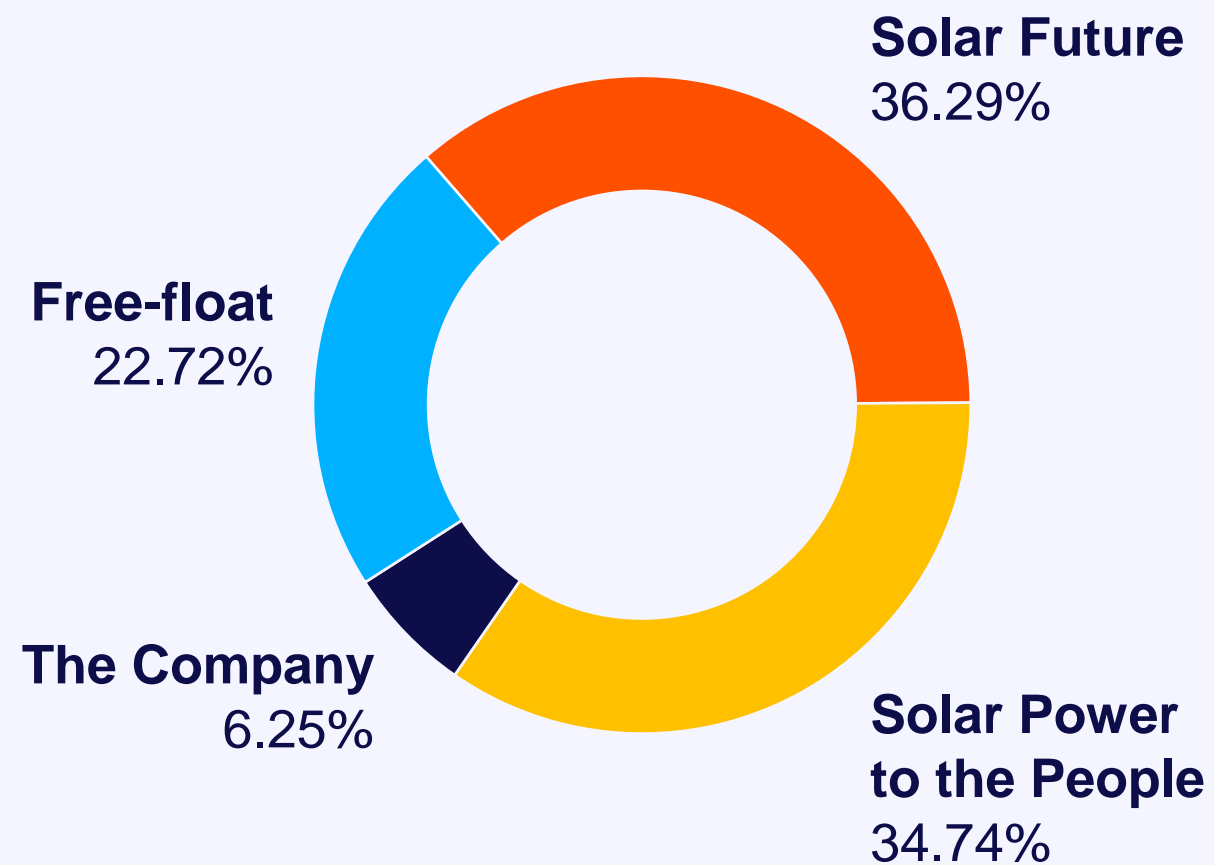
Q&A Session



Annex

Our Shares

Shareholding Structure



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

Shares

ISIN	NL0010391108
Shares outstanding	56,252,365
Free-float shares	13,633,915
Market cap 12.11.2021	EUR 90,506 thousand
Net debt 30.09.2021	EUR 89,676 thousand
Enterprise value 12.11.2021	EUR 182,182 thousand

- ▶ Photon Energy is listed on the **regulated markets of Prague and Warsaw Stock Exchanges**.
- ▶ Additionally it is listed on the **Frankfurt Quotation Board** and in alternative system of trading on stock exchanges in Berlin, Munich and Stuttgart
- ▶ Photon Energy is following the Dutch **Corporate Governance Code** and the Best Practices of the Warsaw Stock Exchange.

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.