HIGHLIGHTS OF 2018



PHOTON ENERGY EXPANDS PV POWER PLANT PORTFOLIO IN HUNGARY

At the time of publishing this report, we have 17 PV power plants in operation with a combined capacity of 11.5 MWp in Hungary, bringing Photon Energy's selfowned portfolio of PV power plants to 37.1 MWp. The 11.5 MWp volume includes the 528 kWp PV power plant Fertőd I, eight power plants in Tiszakécske totalling 5.5 MWp, and another eight plants in Almásfüzitő with a capacity of 5.5 MWp.

All power plants in Hungary were connected to the grid of E.ON and are expected to generate 14.2 GWh of clean electricity annually. At year-end 2018, Photon Energy was producing electricity from Fertőd I and the eight power plants located at Tiszakécske. The power plants operate under 17 KÁT licenses that entitle the power plants to a feed-in tariff of 32,000 HUF per MWh (approx. EUR 100 per MWh) with a maximum approved and supported production of approx. 15.5 GWh per license for the power plants in Tiszakécske and Almásfüzitő and 14.3 GWh for the Fertőd I one.

O&M DIVISION ENTERS NEW MARKETS

A proven solar operations and maintenance partner, our O&M division successfully continued to offer customized service packages across new CEE markets in 2018, winning full-scope O&M service contracts for a combined capacity of 17.3 MWp in Hungary and Slovenia.

In December 2018, we expanded our O&M services portfolio with a 15-year operation and maintenance deal with owners of 28 PV power plants totaling 15.3 MWp in Hungary. This led to the country becoming Photon Energy's second largest O&M market.

In addition to Hungary, Photon Energy reached another milestone by entering into the Slovenian market, with a 2 MWp PV power plant being the first Photon Energy solar asset operated and maintained in the country. As a result, Photon Energy Operations' total O&M services portfolio under contract now amounts to approx. 250 MWp worldwide.





PHOTON WATER TECHNOLOGY IMPLEMENTS PILOT PROJECTS

Complementing Photon Energy's core solar energy solutions and aligning with the Group's integrated business model, Photon Water Technology made continued progress on two major projects working jointly with the Czech Development Agency and other parties in 2018.

Throughout the reporting year, the water management subsidiary installed the innovative algae control solution based on the Water Trifecta[®] water management methodology and PV technology in different locations across the Czech Republic.

In November, the company implemented its water treatment project under Czech Development Agency's B2B programme in Peru. In order to ensure that local communities have access to a long-term reliable supply of clean and safe water, the company installed its solution in public spaces and informed the general public about the importance of quality drinking water



MAJOR MILESTONES HIT DOWN UNDER

As a significant vote of confidence in our strategy and development skills an agreement was signed in late January 2018 with the global solar industry giant Canadian Solar to finance the ongoing development of five of our utility scale projects, leaving us with significant equity stakes and upside once fully developed. This milestone crystallized our strong efforts in the Australian market in the past years and proved that our strategic investment Down Under is bearing fruit. The deal is the largest of its kind in Australia to date, representing about 1.14 GWp of solar PV and sets a clear pathway to the ready-to-build stage of the projects.

Photon Energy is also to roll-out 4.6 MWp solar projects for Aldi across 30 stores and a distribution centre of the supermarket chain ALDI in New South Wales and Queensland. We are very proud to be cooperating with ALDI to transform its stores into solar power generators capable of providing a large proportion of their daytime electricity consumption. The 31 installations are designed to generate a total of more than 6.3 GWh of clean energy every year.

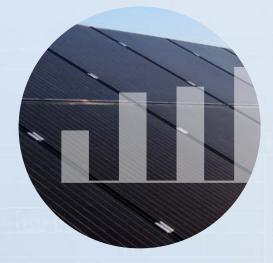
Photon Energy will also provide state-of-the-art monitoring as well as operations and maintenance services to ensure the systems are highly reliable with the maximum positive impact for ALDI.

THE COMPANY SUCCESSFULLY PLACED ITS 7.75% EUR BOND 2017/22

One key event in 2018 that should be highlighted has definitely been the successful placement of our EUR 30 million corporate bond on 7 September 2018. The target volume of EUR 30 million was subscribed to in full before the end of the public placement that took place in Germany, Austria and Luxembourg, originally set until 20 September 2018.

Based on our improved financial results, our successful track record as a bond issuer including the repayment of the company's first 8 % corporate bond earlier in March 2018, as well as on a stable trading price and good trading liquidity, our EUR bond offers an attractive risk-return profile. Once again, we would like to thank our bond investors for the trust they placed in us. Investors can still purchase the bond on the Open Market of the Frankfurt Stock Exchange and other stock exchanges in Germany.





PHOTON ENERGY TURNS THE FIRST NET PROFIT IN ITS HISTORY

On the back of outstanding production by our proprietary portfolio of operating PV power plants and a solid increase in other revenue streams, we increased our revenues by 17.6% to a record level of EUR 20.256 million in 2018, while improving our EBITDA by 3.7% to EUR 8.145 million, turning into the black at the net result level and recording a EUR 2.531 million total comprehensive income in 2018.

The Company quadrupled its profit before taxation to EUR 1.840 million, compared to EUR 0.346 million for the same period last year (+431.4%), mainly driven by the results of the successful development work in Australia, materialized by a capital gain of EUR 3.074 million in the first quarter of 2018.

These positive revenue dynamics resulted in a fundamental improvement at the bottom line, translating to a profit after taxation of EUR 0.510 million, compared to a loss of EUR 0.807 million for the same period last year. The Company further reports positive consolidated total comprehensive income for the full year, driven by the activation of our eight power plants in Tiszakecke that were connected to the grid in December 2018.