


PHOTON ENERGY N.V. MONTHLY REPORT

April 2020

for the period from 1 to 30 April 2020

MATERIAL											X	
THINFILM	200										X	
INSPECTION	1000		[ISO E]								X	
TOLERANCE NORM ISO 8015:				YES							X	
PRECISION ISO...											X	
CONCEPT					NORM.REF.							
DESIGN					EXAMINED							
					APPROVED							
					NAME						TYPE	
					PS-PKI						PRA	

1. Information on the occurrence of trends and events in the market environment of the Issuer, which in the Issuer's opinion may have important consequences in the future for the financial condition and results of the Issuer

1.1 Production results of Photon Energy's power plants in the reporting period

Thanks to particularly favourable weather conditions, the average performance of the proprietary power plants came in 33.7% above expectations with a record 9.3 GWh generated during the reporting period. These excellent results were driven by the superior outperformance of our Czech power plants, which delivered 51.1% more electricity than projected. The Slovak and Hungarian power plants also recorded sound electricity output with total outputs 35.9% and 26.6% above energy forecasts, respectively. On a year-to-date (YTD) basis the overall performance of the proprietary portfolio exceeded forecasts by 25.1%.

The addition of new Hungarian power plants over the past 12 months (installed capacity of 57.1 MWp as of April 2020 vs. 37.1 MWp one year ago) has boosted electricity generation with 21.0 GWh of electricity produced YTD compared to 11.5 GWh one year ago (+83.3%). When compared to the performance of the subset of power plants in operation in April 2019, i.e. on a like-for-like basis, the total volume of electricity generation YTD increased by 36.9%.

For more information, please refer to chapter 2. Proprietary PV power plants.

1.2 Photon Energy invests in RayGen Resources

Photon Energy entered into a strategic partnership with the Melbourne-based technology company RayGen Resources to develop global renewable energy projects suitable for the roll-out of RayGen's unique solar power and electricity storage technology. Photon Energy will act as a project developer, EPC contractor and – where suitable – as a project equity investor. As part of the partnership Photon Energy has also become a minority shareholder of RayGen Resources.

1.3 Photon Energy wins a tender for a 3 MWp hybrid solar power plant in Victoria, Australia

Photon Energy won a tender for the design and construction of a 3 MWp solar power plant in the city of Wodonga in Victoria, Australia. The off-grid-capable PV power plant will supply a wastewater treatment facility operated by the regional water

utility, North East Water. The AUD 7.3 million (EUR 4.1 million, PLN 18.7 million) project represents another milestone for Photon Energy as an EPC contractor for complex off-grid-enabled solar-based energy systems in the Australian market.

1.4 Photon Energy Passes 60 MWp Mark for Proprietary PV Portfolio

After the reporting period, Photon Energy completed and grid-connected five PV power plants with a total installed capacity of 3.5 MWp in the municipalities of Mályi and Kunszentmárton, Hungary. This latest addition expands the Group's installed base in Hungary to 35.0 MWp and its total proprietary portfolio of power plants to 60.6 MWp.

The three power plants in Mályi extend over 3.9 hectares and are connected to the grid of ÉMÁSZ Hálózati Kft.; the two plants in Kunszentmárton cover 2.3 hectares and supply power to the grid of E.ON Tiszántúli Áramhálózati Zrt. Together they are expected to generate around 4.2 GWh of electricity per year. The Company now owns and operates four power plants in the Kunszentmárton area, with a combined capacity of 2.8 MWp; the first two projects were commissioned in November 2019.

The Group will operate the new power plants through five wholly owned project companies, each of which possesses either a KÁT or a METÁR-KÁT license. These licenses entitle each power plant to a feed-in tariff of HUF 33,360 per MWh (approx. EUR 95 per MWh). The three plants in Mályi (KÁT) are entitled to a maximum approved and supported production of approximately 16,500 MWh per license over a period of 25 years. The two plants in Kunszentmárton (METÁR-KÁT) are entitled to a maximum approved and supported production of 13,832 MWh per license over 17 years and 4 months. The annual revenues of all five power plants are expected to reach EUR 405,000.

According to the revaluation of the Group's proprietary portfolio, following IAS 16, approximately EUR 800,000 is expected to be recorded as the Group's Other Comprehensive Income in the Q2 2020 Consolidated Income Statement.

2. Proprietary PV power plants

The table below represents power plants owned directly or indirectly by Photon Energy N.V. as of the date of the report.

Table 1. Production results in April 2020

Project name	Capacity	Feed-in-Tariff	Prod. 2020 April	Proj. 2020 April	Perf.	YTD Prod.	YTD Proj.	Perf.	YTD YoY
Unit	kWp	per MWh, in 2020	kWh	kWh	%	kWh	kWh	%	%
Komorovice	2,354	CZK 14,821	380,781	243,788	56.2%	829,998	535,762	54.9%	12.1%
Zvíkov I	2,031	CZK 14,821	338,132	213,676	58.2%	778,289	469,586	65.7%	7.7%
Dolní Dvořiště	1,645	CZK 14,821	234,027	177,754	31.7%	537,340	390,644	37.6%	8.7%
Svatoslav	1,231	CZK 14,821	170,606	132,018	29.2%	376,996	290,130	29.9%	13.0%
Slavkov	1,159	CZK 14,821	193,992	125,718	54.3%	444,066	276,286	60.7%	10.7%
Mostkovice SPV 1	210	CZK 14,821	32,282	19,901	62.2%	72,632	51,201	41.9%	10.4%
Mostkovice SPV 3	926	CZK 15,922	144,655	94,601	52.9%	320,941	212,276	51.2%	10.6%
Zdice I	1,499	CZK 14,821	244,703	156,711	56.1%	548,770	344,397	59.3%	6.4%
Zdice II	1,499	CZK 14,821	247,057	156,711	57.7%	560,871	344,397	62.9%	7.8%
Radvanice	2,305	CZK 14,821	372,488	241,307	54.4%	811,401	530,311	53.0%	8.6%
Břeclav rooftop	137	CZK 14,821	22,915	13,675	67.6%	52,752	35,843	47.2%	13.4%
Total Czech PP	14,996		2,381,638	1,575,861	51.1%	5,334,056	3,480,833	53.2%	9.3%
Babiná II	999	EUR 425.12	130,741	110,788	18.0%	285,653	248,421	15.0%	15.6%
Babina III	999	EUR 425.12	135,344	110,788	22.2%	296,237	248,421	19.2%	15.5%
Prša I.	999	EUR 425.12	137,554	109,167	26.0%	300,224	247,131	21.5%	6.4%
Blatna	700	EUR 425.12	97,283	76,239	27.6%	213,544	190,647	12.0%	10.8%
Mokra Luka 1	963	EUR 382.61	165,607	109,665	51.0%	391,790	269,522	45.4%	8.6%
Mokra Luka 2	963	EUR 382.61	167,580	109,665	52.8%	401,459	269,522	49.0%	8.4%
Jovice 1	979	EUR 382.61	122,904	100,702	22.0%	266,838	221,308	20.6%	3.4%
Jovice 2	979	EUR 382.61	122,502	100,702	21.6%	265,602	221,308	20.0%	3.3%
Brestovec	850	EUR 382.61	151,488	87,734	72.7%	347,696	223,096	55.9%	17.9%
Polianka	999	EUR 382.61	135,958	102,757	32.3%	298,920	225,826	32.4%	18.1%
Myjava	999	EUR 382.61	163,331	107,990	51.2%	368,853	263,890	39.8%	20.4%
Total Slovak PP	10,429		1,530,293	1,126,196	35.9%	3,436,816	2,629,090	30.7%	11.6%
Tizakécske 1	689	HUF 33,360	114,451	90,229	26.8%	276,722	243,502	13.6%	11.9%
Tizakécske 2	689	HUF 33,360	114,780	90,363	27.0%	278,808	245,886	13.4%	11.8%
Tizakécske 3	689	HUF 33,360	113,179	89,527	26.4%	266,697	236,112	13.0%	13.8%
Tizakécske 4	689	HUF 33,360	114,925	90,363	27.2%	280,088	245,886	13.9%	11.9%
Tizakécske 5	689	HUF 33,360	114,611	90,229	27.0%	276,871	243,502	13.7%	11.7%
Tizakécske 6	689	HUF 33,360	114,503	90,363	26.7%	277,873	245,886	13.0%	11.8%
Tizakécske 7	689	HUF 33,360	113,770	90,200	26.1%	276,600	243,311	13.7%	11.0%
Tizakécske 8	689	HUF 33,360	114,104	90,097	26.6%	275,439	242,186	13.7%	11.5%
Almásfüzitő 1	695	HUF 33,360	116,220	90,282	28.7%	272,706	243,707	11.9%	72.0%
Almásfüzitő 2	695	HUF 33,360	114,781	90,245	27.2%	267,280	243,497	9.8%	71.3%
Almásfüzitő 3	695	HUF 33,360	112,699	90,103	25.1%	259,192	241,837	7.2%	67.3%
Almásfüzitő 4	695	HUF 33,360	117,173	90,391	29.6%	276,685	244,378	13.2%	72.2%
Almásfüzitő 5	695	HUF 33,360	117,091	90,149	29.9%	282,406	242,371	16.5%	75.1%
Almásfüzitő 6	660	HUF 33,360	117,193	87,038	34.6%	280,189	233,498	20.0%	75.1%
Almásfüzitő 7	691	HUF 33,360	117,195	89,697	30.7%	279,392	240,967	15.9%	73.9%
Almásfüzitő 8	668	HUF 33,360	117,803	87,876	34.1%	278,153	236,375	17.7%	65.0%
Nagyecsed 1	689	HUF 33,360	112,412	89,648	25.4%	265,599	237,425	11.9%	
Nagyecsed 2	689	HUF 33,360	112,121	89,648	25.1%	267,310	237,425	12.6%	
Nagyecsed 3	689	HUF 33,360	112,641	89,813	25.4%	269,037	237,389	13.3%	
Fertod I	528	HUF 33,360	91,858	68,408	34.3%	220,075	179,886	22.3%	14.0%

Project name	Capacity	Feed-in-Tariff	Prod. 2020 April	Proj. 2020 April	Perf.	YTD Prod.	YTD Proj.	Perf.	YTD YoY
Unit	kWp	per MWh, in 2020	kWh	kWh	%	kWh	kWh	%	%
Fertod II No 2	699	HUF 33,360	115,784	92,179	25.6%	282,283	243,730	15.8%	
Fertod II No 3	699	HUF 33,360	115,886	92,179	25.7%	281,908	243,730	15.7%	
Fertod II No 4	699	HUF 33,360	115,507	92,179	25.3%	282,189	243,730	15.8%	
Fertod II No 5	691	HUF 33,360	115,284	92,290	24.9%	281,057	246,220	14.1%	
Fertod II No 6	699	HUF 33,360	115,143	92,179	24.9%	280,360	243,730	15.0%	
Ventiterra I No 1	697	HUF 33,360	116,477	91,415	27.4%	286,826	250,316	14.6%	
Ventiterra I No 2	697	HUF 33,360	115,780	91,419	26.6%	282,852	250,365	13.0%	
Taszár 1	701	HUF 33,360	114,406	93,042	23.0%	291,225	257,319	13.2%	
Taszár 2	701	HUF 33,360	114,592	93,042	23.2%	291,758	257,319	13.4%	
Taszár 3	701	HUF 33,360	114,440	93,042	23.0%	292,272	257,319	13.6%	
Monor 1	688	HUF 33,360	114,901	88,760	29.5%	278,847	240,862	15.8%	
Monor 2	696	HUF 33,360	115,538	91,987	25.6%	281,041	248,933	12.9%	
Monor 3	696	HUF 33,360	114,703	91,987	24.7%	277,461	248,933	11.5%	
Monor 4	696	HUF 33,360	115,413	91,987	25.5%	280,211	248,933	12.6%	
Monor 5	688	HUF 33,360	115,461	92,254	25.2%	281,129	245,691	14.4%	
Monor 6	696	HUF 33,360	115,836	91,987	25.9%	281,697	248,933	13.2%	
Monor 7	696	HUF 33,360	116,332	91,987	26.5%	281,622	248,933	13.1%	
Monor 8	696	HUF 33,360	114,629	91,987	24.6%	278,752	248,933	12.0%	
Tata 1	672	HUF 33,360	130,464	102,294	27.5%	214,246	175,002	22.4%	
Tata 2	676	HUF 33,360	111,636	90,547	23.3%	196,022	160,749	21.9%	
Tata 3	667	HUF 33,360	111,667	89,191	25.2%	195,943	158,278	23.8%	
Tata 4	672	HUF 33,360	131,898	104,481	26.2%	214,570	178,961	19.9%	
Tata 5	672	HUF 33,360	130,734	104,794	24.8%	215,153	179,518	19.9%	
Tata 6	672	HUF 33,360	131,414	103,304	27.2%	214,952	176,887	21.5%	
Tata 7	672	HUF 33,360	129,713	102,354	26.7%	209,076	175,114	19.4%	
Tata 8	672	HUF 33,360	131,281	103,731	26.6%	212,609	177,641	19.7%	
Total Hungarian PP	31,510		5,358,428	4,231,263	26.6%	12,193,183	10,621,106	14.8%	253.7%
Symonston	144	AUD 301.60	11,552	11,353	1.8%	59,013	68,443	-13.8%	-11.5%
Total Australian PP	144		11,552	11,353	1.8%	59,013	68,443	-13.8%	-11.5%
Total	57,079		9,281,911	6,944,674	33.7%	21,023,069	16,799,472	25.1%	83.3%

Notes:

¹ The eight power plants in Almfűzítő have been connected to the grid in March 2019, making the comparison to accumulated data from last year not relevant.

Capacity: installed capacity of the power plant

Prod.: production in the reporting month - Proj.: projection in the reporting month

Perf.: performance of the power plant in reporting month i.e. (production in Month / projection for Month) - 1.

YTD Prod.: accumulated production year-to-date i.e. from January until the end of the reporting month.

YTD Proj.: accumulated projection year-to-date i.e. from January until the end of the reporting month

Perf. YTD: performance of the power plant year-to-date i.e. (YTD prod. in 2020/ YTD proj. in 2020) - 1

YTD YOY: (YTD Prod. in 2020/ YTD Prod. in 2019) - 1.

Chart 1.a Total production of the Czech portfolio

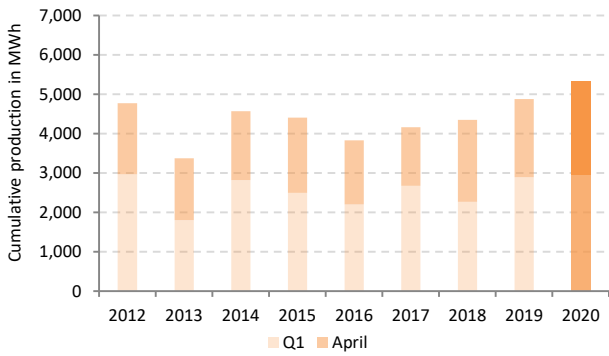


Chart 1.b Total production of the Slovak portfolio

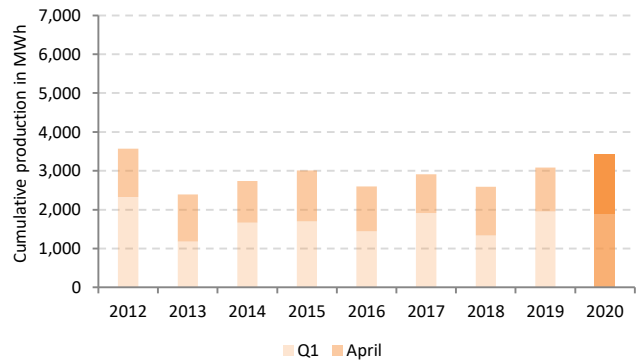


Chart 1.c Total production of Hungarian portfolio

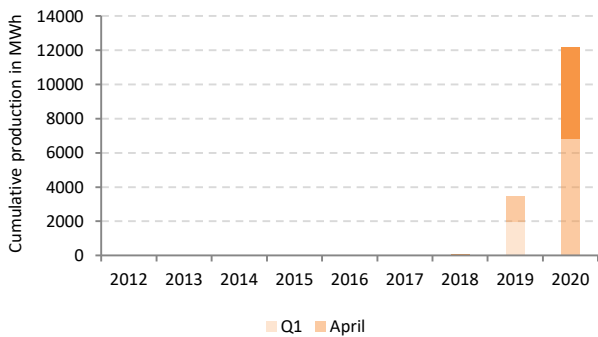


Chart 2. Generation results versus forecast between 1 January 2016 and 30 April 2020

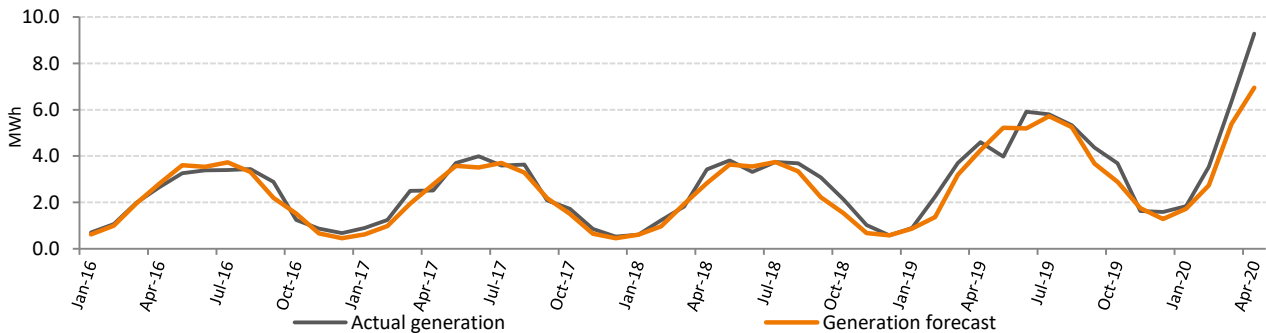
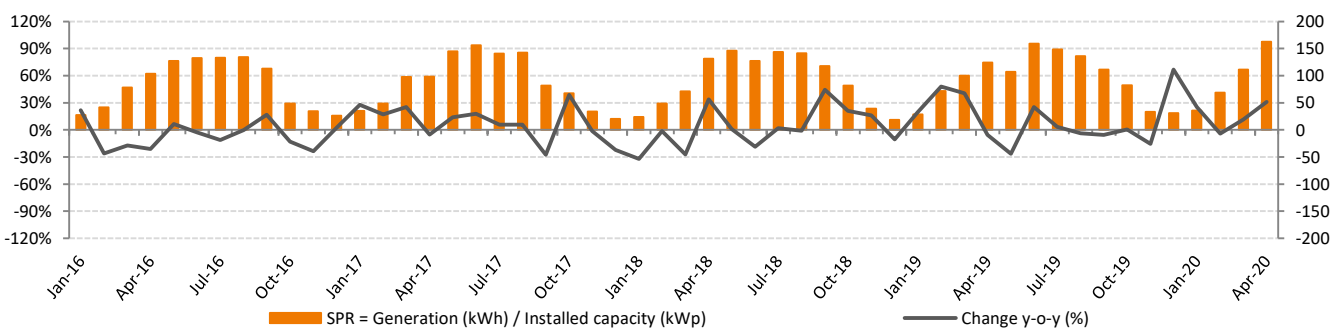


Chart 3. Specific Performance Ratio between 1 January 2016 and 30 April 2020



Specific Performance Ratio is a measure of efficiency which shows the amount of kWh generated per 1 kWp of installed capacity and enables the simple comparison of year-on-year results and seasonal fluctuations during the year.

Thanks to particularly favourable weather conditions, the average performance of the proprietary power plants came in 33.7% above expectations with a record 9.3 GWh generated during the reporting period. These excellent results were driven by the superior outperformance of our Czech power plants, which delivered 51.1% more electricity than projected. The Slovak and Hungarian power plants also recorded sound electricity output with total outputs 35.9% and 26.6% above energy forecasts, respectively. The Australian power plant also outperformed plans by 1.8%.

On a year-to-date (YTD) basis the overall performance of the proprietary portfolio exceeded forecasts by 25.1%.

The addition of new Hungarian power plants over the past 12 months (installed capacity of 57.1 MWp as of April 2020 vs. 37.1 MWp one year ago) has boosted electricity generation with 21.0 GWh of electricity produced YTD compared to 11.5 GWh one year ago (+83.3%).

When compared to the performance of the subset of power plants in operation in April 2019, i.e. on a like-for-like basis, the total volume of electricity generation YTD increased by 36.9%.

The specific performance ratio of the proprietary portfolio (SPR) reached 163 kWh/kWp compared to 124 kWh/kWp one year ago (+31.1% year-on year).

3. Reporting on Photon Energy's project pipeline

Photon Energy is currently developing PV projects in Australia (738 MWp) and Hungary (14.2 MWp) and is evaluating further markets for opportunities.

Project development is a crucial activity in Photon Energy'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 Photon Energy may decide to cooperate with

third-party investors either on a joint-venture basis or with a goal of exiting the projects to such investors entirely. Ownership of project rights provides Photon Energy 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 Photon Energy's future growth. The Group's experience in project development and financing in the Czech Republic, Slovakia, Germany, Italy and Hungary is an important factor in selecting attractive markets and reducing the inherent risks related to project development.

Country	Location	Project function	Share	MWp	Commercial Model	Land	Grid connection	Construction permit	Expected RTB
Hungary	Mályi	Own portfolio	100%	2.1	Licensed PPA	Secured	Secured	Secured	Grid-connected
Hungary	Püspökladány	Own portfolio	100%	14.2	Contr.-for-Diff. ¹	Secured	Secured	Secured	Q2 2020
Hungary	Kunszentmárton II	Own portfolio	100%	1.4	Contr.-for-Diff. ¹	Secured	Secured	Secured	Grid-connected
Total Own portfolio Hungary				17.7					
Australia	Leeton	Own portfolio	100%	14.0	Retailer PPA	Secured	Secured	Secured	Q2 2020
Total Own portfolio Australia				14.0					
Total Own portfolio				31.7					
Australia	Gunning	Developer	49%	220	Co-development & financing agreement with Canadian Solar	Secured	Ongoing	Ongoing	Q3 2020
Australia	Maryvale	Developer	25%	160		Secured	Ongoing	Secured	Q3 2020
Australia	Suntop 2	Developer	25%	200		Ongoing	Ongoing	Ongoing	Q3 2020
Australia	Carrick ²	Developer	51%	144		All options open	Secured	Ongoing	Ongoing
Total Development Australia				724					

Contr.-for-Diff stands for 'Contract for difference' and is a revenue model in form of electricity sales on the electricity spot market plus the compensation of the difference to a guaranteed Feed-in-Tariff.

PV projects have two definitions of capacity. The grid connection capacity is expressed as the maximum of kilowatts or megawatts which can be fed into the grid at any point in time. Electricity grids run on alternating current (AC). Solar modules produce direct current (DC), which is transformed into AC by inverters. Heat, cable lines, inverters and transformers lead to energy losses in the system between the solar modules and the grid connection point. Cumulatively system losses typically add up to 15-20%. Therefore, for a given grid connection capacity a larger module capacity

(expressed in Watt peak – Wp) can be installed without exceeding the grid connection limit. At times of extremely high production, inverters can reduce the volume of electricity so that the plant stays within the grid connection limits. Photon Energy will refer to the installed DC capacity of projects expressed in Megawatt peak (MWp) in its reporting, which might fluctuate over the project development process.

Australia

As of the date of publishing this report, Photon Energy has five large scale solar farms at different stages of development in New South Wales ("NSW"). The project pipeline is still among the largest pipelines of Solar projects in NSW representing a total planned capacity of 738 MWp.

In January 2018, as a result of its development partner selection process managed by its financial advisor Pottinger, the company has signed an agreement for the joint development of five utility-scale solar projects in New South Wales, Australia with Canadian Solar, one of the world's largest solar power companies. Canadian Solar has become a co-shareholder in the project companies and is providing development financing to complete the development of these projects. Canadian Solar acquired a 51% shareholding in all five project companies. The equity capital contributed by Canadian Solar is subject to certain development milestones, joint management processes and other terms customary for project co-development and covers the development budgets to bring all five projects to the ready-to-build stage. Post-transaction, Photon Energy NV retains a 49% stake in the Gunning project and 24.99% stakes in the four other projects.

To date, Photon Energy sold stakes in two of the five projects jointly developed with Canadian Solar Inc. and one project jointly developed with another developer, i.e.:

- 25% stake in the first co-developed project Suntop 1 with a total planned capacity of 189 MWp, which was sold to Canadian Solar Inc. on 30 July 2019. This transaction was concluded and settled in Q3 2019.
- 25% stake in the second co-developed project Gunnedah with a total planned capacity of 146 MWp, which was sold to Canadian Solar Inc. on 30 August 2019. This transaction was concluded in Q3 2019 and settled in Q4 2019.
- 51% stake in the project company holding all project rights for the Brewongle Solar Farm to an undisclosed buyer on 27 December 2019.

The current status for the other projects being co-developed with Canadian Solar is summarized below:

- ▶ **Gunning (220 MWp):** The process of securing construction permit is ongoing. We have redefined and redesigned the project layout to include battery storage. This had an impact on the site assessment and hence feasibility studies and public

consultations had to be postponed. We plan to submit the Environmental Impact Studies (EIS) in Q2 2020. In parallel we are in discussions with Transgrid regarding the grid connection specifications. GPS studies will follow.

- ▶ **Maryvale (160 MWp):** The construction permitting process has been finalized and Development Approval was granted on 4 December 2019. The grid connection options are still under review and in discussion with Essential Energy. We are currently completing the electrical connection process, which is continuing. GPS will start once those discussions will be finalized.
- ▶ **Suntop 2 (200 MWp):** Suntop 2 is the replacement of the Mumbil Solar Farm project which development was stopped due to significant issues related to aspects such as soil erosion, aboriginal heritage protection and challenges of waterways in the location of Mumbil. For the Suntop 2 project the construction permitting process is still underway. Feasibility studies and community consultations have been finalized and EIS were submitted to NSW DP&E in November 2019. We received the first comments and are providing additional information to complete EIS that we plan to resubmit it in May 2020. The grid connection application will start upon completion of EIS.

The current status of other projects developed by Photon Energy is summarized below:

- ▶ **Leeton (14 MWp):** In response to tightening the grid connection standards, a revised system size of 2 times 5 MW AC each (7 MWp DC in total) has been re-designed for single axis tracking and is now being proposed to Transgrid. Consequently, the changes had to be incorporated into EIS and submitted to the local council for review and approval, which was granted in February 2019. The grid connection specifications have also been finalized. Currently we are in the process of negotiating with potential parties conditions of Power Purchase Agreements and long-term project financing. Once this is secured we will start construction works.
- ▶ **Carrick (144 MWp):** The construction permitting process is in the preparation phase. EIS are being carried out in a manner of public consultations and feasibility studies. The grid connection specifications are being defined with Essential Energy. After the reporting period an agreement to sell the shares in the project was signed. Closing of the transaction is expected to happen during the course of Q2 2020.

Glossary of terms	Definitions
NSW Department for Planning and Environment (DP&E)	NSW DP&E is a government agency in charge of planning and development of New South Wales, to ensure the balance between the commercial business development and the needs of local communities. Each project submitted to DP&E must include environmental impact studies (EIS) and once it is reviewed by DP&E, the project is published and available for the public opinion to submit their comments. If the project is rejected by more than 25 people it is moved to Independent Planning Committee (IPC) for review. If there is no public opposition, the project is approved and DP&E issues the project Development Approval (DA)
Independent Planning Committee (IPC)	In case more than 25 public petitions against the project are submitted, IPC needs to investigate further into social and environmental impact of the project. IPC might make some recommendations to be made to the project plan to secure the issuance of DA.
Essential Energy	Essential Energy is Distribution Network Service Provider, which operates and manages low voltage electricity network in NSW. The process to secure the grid connection with Essential Energy includes GPS and AEMO's license.
Transgrid	Transgrid is a Distribution Network Service Provider (DNSP), which operates and manages the NSW high voltage transmission network. Transgrid, in co-operation with Australian Energy Market Operator (AEMO, see description below), is in charge of grid connection approval. To issue its decision Transgrid requires Generation Protection Studies (GPS). GPS is a complete analysis and tests of the impact that a potential power plant would have on the grid. Each power plant is tested under different assumptions (extreme weather conditions, demand/supply changes etc.) and its performance/impact on the grid's stability is thoroughly analysed. Once GPS are completed and accepted, Transgrid is issuing grid connection terms. Those terms are part of the agreement signed with Transgrid, which together with AEMO license secures and finalizes the grid connection process.
Australian Energy Market Operator (AEMO)	AEMO is responsible for operating Australia's largest gas and electricity markets and power systems. AEMO is overlooking all energy producers in NSW and is involved in the process of grid connection approval. AEMO reviews the grid connection terms and GPS studies and issues the license to feed electricity to the grid. AEMO also controls the on-going power generation to make sure that grid stability is maintained.

Hungary

Below is a short summary of projects in the pipeline (17.7 MWp of which 3.5 MWp have been successfully commissioned after the reporting period) and the progress achieved in the reporting period.

- Mályi (2.1 MWp):** After the reporting period, Photon Energy completed and grid-connected three photovoltaic power plants with a total installed capacity of 2.1 MWp in the municipality of Mályi, Hungary.

The three power plants are connected to the grid of ÉMÁSZ Hálózati Kft. and are expected to generate around 2.5 GWh of electricity per year.

The Group owns and operates the power plants through three wholly owned project companies that own one KÁT license each. The licenses entitle each power plant to a feed-in tariff of 33,360 HUF per MWh (approx. EUR 95 per MWh) over a period of 25 years with a maximum approved and supported production of approximately 16,500 MWh per license. Total annual revenues of all three power plants are expected to amount to EUR 240,000.

Following the revaluation of the Group's proprietary portfolio according to IAS 16, approximately EUR 0.5 million will be recorded as the Group's Other Comprehensive Income in the Q2 2020 Consolidated Income Statement.



Construction status: Connected to the grid on 6 May 2020.

- Kunszentmárton II (1.4 MWp):** After the reporting period, Photon Energy completed and grid-connected two photovoltaic power plants with a total installed capacity of 1.4 MWp in the municipality of Kunszentmárton, Hungary.

The two power plants are connected to the grid of E.ON Tiszántúli Áramhálózati Zrt. and are expected to generate around 1.7 GWh of electricity per year.

The Group owns and operates the power plants through two wholly owned project companies that own one KÁT-METÁR license each. The licenses entitle each power plant to a feed-in tariff of 33,360 HUF per MWh (approx. EUR 95 per MWh) over a period of 17 years and 4 months with a maximum approved and supported production of 13,832 MWh per license. Total annual revenues of those two power plants are expected to amount to EUR 165,000.

Following the revaluation of the Group's proprietary portfolio according to IAS 16, approximately EUR 0.3 million will be recorded as the Group's Other Comprehensive Income in the Q2 2020 Consolidated Income Statement.



Construction status: Connected to the grid on 8 May 2020.

► **Püspökladány (14.2 MWp):** In May 2019 Photon Energy acquired ten additional PV projects with a total planned installed DC capacity of 14.2 MWp in the municipality of Püspökladány, in the Hajdú-Bihar region in the east of the country. The transaction involves the acquisition of four project companies, owning ten METÁR licenses in total entitling them to a feed-in-tariff (in the form of electricity sales on the energy spot market plus a contract-for-difference) of HUF 33,360 per MWh (approx. EUR 95 per MWh) over a period of 17 years and 11 months for five of the ten projects, with a maximum approved and supported production of 34,913 MWh for each license, and 15 years and 5 months for the remaining five projects, with a maximum approved and supported production of 29,955 MWh for each license.

The construction permits are now available with discussions ongoing to finalize the grid connection agreements. The acquired PV projects are expected to be ready-to-build in Q2 2020.

At the date of publication of this report, the current project pipeline in Hungary consists of 10 projects with a total planned capacity of 14.2 MWp. Together with our existing portfolio of 35.0 MWp operating PV power plants, we have secured a 49.2 MWp portfolio in Hungary. The Group's updated target assumes the expansion of our portfolio pipeline in Hungary up to 75MWp until year-end 2021, across the support schemes of KÁT, KÁT-METÁR and METÁR licenses.

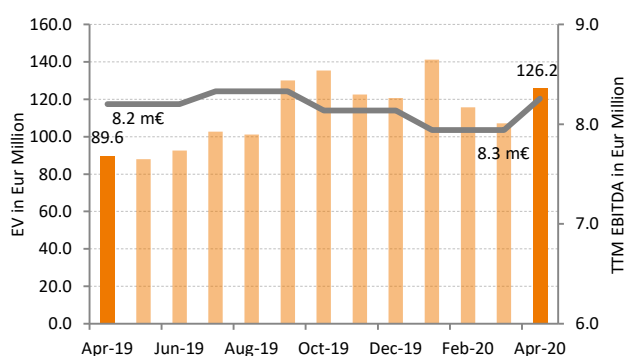
4. Enterprise value & Share price performance

4.1 NewConnect (Warsaw Stock Exchange)

On 30 April 2020 the shares (ISIN NL0010391108) closed at a price of PLN 4.76 (+40.0% MoM, -0.4% YTD), corresponding to a price to book ratio of 1.60. The monthly trading volume amounted to 401,606 shares (vs. an average of 573,078 during the past twelve months).

The share price, certainly negatively affected by the rising uncertainty caused by the COVID-19 outbreak, is progressively recovering after hitting a bottom price of PLN 2.92 on 13 March (closing price of PLN 5.05 as of 13 May 2020).

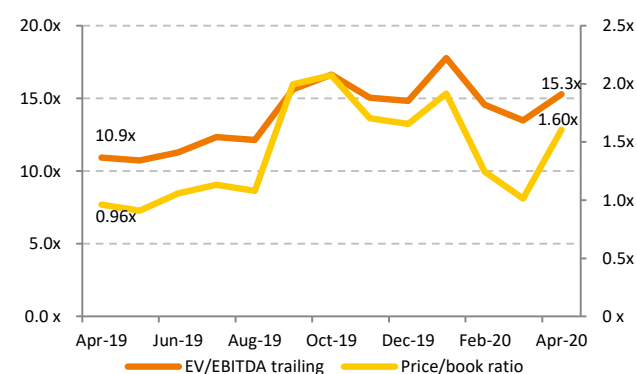
Chart 4. Enterprise value vs. trailing 12 months (TTM) EBITDA



Notes:

EV – Enterprise value is calculated as the market capitalisation as of the end of the reporting month, plus debt, plus minority interest, minus cash. All the balance sheet data are taken from the last quarterly report.
Trailing 12 months EBITDA – defined as the sum of EBITDA reported in the last four quarterly reports; i.e. the sum of EBITDA reported in Q2 2019, Q3 2019, Q4 2019 and Q1 2020.

Chart 5. Enterprise value / trailing 12 months EBITDA and price to book ratio



Price/book ratio – is calculated by dividing the closing price of the stock as of the end of the reporting period by the book value per share reported in the latest quarterly report.

EV/EBITDA ratio – is calculated by dividing the Enterprise Value by the Trailing 12 months (TTM) EBITDA.

Chart 6. Total monthly volumes vs. daily closing stock prices



4.2 Free Market (Prague Stock Exchange)

Since 17 October 2016, in addition to the listing on the NewConnect segment of the Warsaw Stock Exchange, the Company's shares have also been traded on the Free Market of the Prague Stock Exchange. No additional shares have been issued, nor any new equity capital raised through this listing. On 30 April 2020 the share price (ISIN NL0010391108) closed at a

level of CZK 30.00 (+3.4% compared to last month, +512.2% vs CZK 4.90, the reference price on the first trading day on 17 October 2016), corresponding to a price to book ratio of 1.69x. The Company reports a monthly trading volume of 22,133 shares in April, compared to an average monthly trading volume of 20,274 shares during the past twelve months.

Bond trading performance

In December 2016 the Company issued a 7-year corporate bond with a 6% annual coupon and monthly payment in the Czech Republic. The corporate bond (ISIN CZ0000000815) with a nominal value of CZK 30,000 has been traded on the Free Market of the Prague Stock Exchange since 12 December 2016.

On 27 October 2017 the Company issued a 5-year corporate EUR bond with a 7.75% annual coupon and quarterly coupon payments in Germany, Austria and Luxemburg. The original target volume of EUR 30 million has been subscribed to in full

on 7 September 2018, before the end of the public placement period originally set until 20 September 2018. The corporate bond (ISIN DE000A19MFH4) with a nominal value of EUR 1,000 has been traded on the Open Market of the Frankfurt Stock exchange since 27 October 2017. The bond is also listed on the stock exchanges in Berlin, Hamburg, Hannover, Munich and Stuttgart. On 5 August 2019 the Company placed additional EUR 7.5 million. All other parameters remain unchanged.

The total outstanding bond volume amounts to EUR 37.6 million as of the end of the reporting period.

5.1 EUR Bond 2017-22 trading performance

EUR Bond 2017-22 trading performance to date

In the trading period from 25 October 2017 until 30 April 2020, the trading volume amounted to EUR 41.023 million (nominal value, including the volume traded in Berlin, Munich & Stuttgart) with an opening price of 100.00 and a closing price of 101.30 in Frankfurt. During this period the average daily turnover amounted to EUR 65,013.

EUR Bond 2017-22 trading performance in March 2020

In April 2020 the trading volume amounted to EUR 625,000 with an opening price of 98.00 and a closing price of 101.30 in Frankfurt. The average daily turnover amounted to EUR 31,250.

Chart 7. The Company's EUR bond 2017-2022 trading on the Frankfurt Stock Exchange in Germany

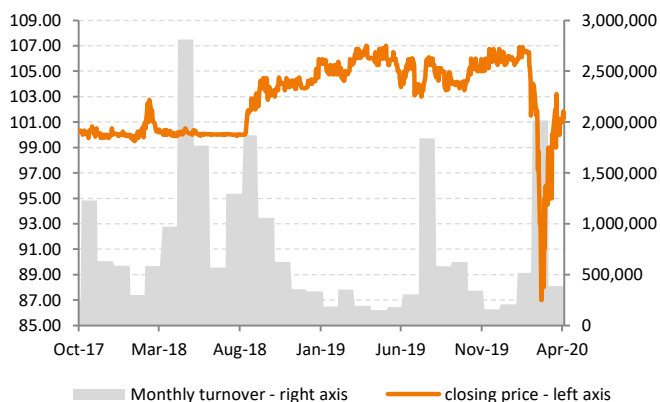
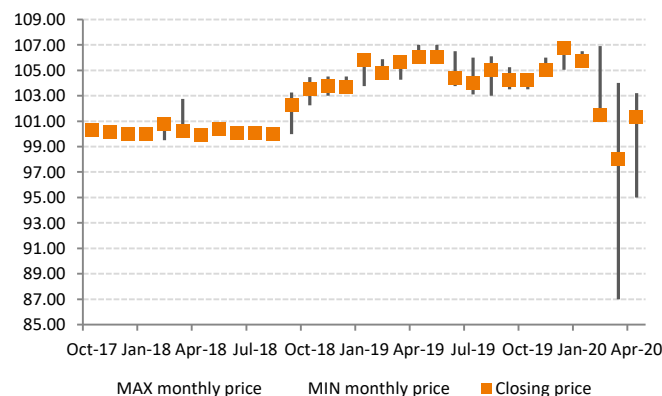


Chart 8. MIN, MAX and closing monthly prices



5.2 CZK Bond 2016-23 trading performance in Prague

In the trading period from 12 December 2016 until 30 April 2020 the trading volume amounted to CZK 10.500 million with a closing price of 100.00.

6. Summary of all information published by the Issuer as current reports for the period covered by the report

In the period covered by this report the following current reports have been published in the EBI (Electronic Database Information) system of Warsaw Stock Exchange:

- ▶ **EBI 6/2020** published on 14 April 2020: Monthly report for March 2020.
- ▶ **EBI 7/2020** published on 15 April 2020: Annual report 2019.

After the reporting period, the following report has been published in the EBI (Electronic Database Information) system of Warsaw Stock Exchange.

- ▶ **EBI 8/2020** published on 12 May 2020: Quarterly report for Q1 2020.

In the period covered by this report the following current reports have been published in the ESPI (Electronic Information Transmission System) system of Warsaw Stock Exchange:

- ▶ **ESPI 5/2020** published on 7 April 2020: Photon Energy invests in RayGen Resources.
- ▶ **ESPI 6/2020** published on 7 April 2020: Photon Energy wins tender to design, build and commission a 3 MWp hybrid solar power plant for a Waste Water Treatment Plant in Victoria, Australia.

After the reporting period, the following report has been published in the ESPI (Electronic Information Transmission System) system of Warsaw Stock Exchange.

- ▶ **ESPI 7/2020** published on 6 May 2020: Photon Energy connects 2.1 MWp to Hungarian grid.
- ▶ **ESPI 8/2020** published on 8 May 2020: Photon Energy connects 1.4 MWp to Hungarian grid.

7. Information how the capital raised in the private placement was used in the calendar month covered by the report. If any of the contributed capital was spent in the given month

Not applicable.

8. Investors' calendar

- ▶ 11 June 2020 Monthly report for May 2020
- ▶ 14 July 2020 Monthly report for June 2020
- ▶ 12 August 2020 Entity and consolidated quarterly reports for Q2 2020
- ▶ 14 August 2020 Monthly report for July 2020
- ▶ 14 September 2020 Monthly report for August 2020
- ▶ 14 October 2020 Monthly report for September 2020
- ▶ 12 November 2020 Entity and consolidated quarterly reports for Q3 2020
- ▶ 13 November 2020 Monthly report for October 2020
- ▶ 14 December 2020 Monthly report for November 2020

9. Investor relations contact

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Amsterdam, 14 May 2020



Georg Hotar, Member of the Board of Directors



Michael Gartner, Member of the Board of Directors