

Photon Energy N.V.

Monthly Report for May 2021

For the period from 1 to 31 May 2021

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

The Company reports 34.3 GWh of electricity produced YTD compared to 29.3 GWh one year ago (+16.9%), propelled by the addition of new Hungarian power plants over the past year (14.1 MWp added since May 2020). This represents an avoidance of 13,582 tonnes of CO₂ emissions for the first five months of 2021.

In May the overall performance of the power plants in Photon Energy's portfolio came in approximately 8.4% below expectations due to unfavourable weather conditions. On a year-to-date basis, the overall performance of the portfolio underperformed forecasts by 4.7%.

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

1.2 Photon Energy Group Announces Long-Term Strategy Guidance

After the reporting period, the Management Board published its guidance regarding the Company's growth strategy until 2024.

By year-end 2024, the Company intends to expand its proprietary PV power plant portfolio from 74.7 MWp to a total installed capacity of at least 600 MWp. By the same time, the Company intends to develop a project pipeline of 1.5 GWp to drive further growth beyond 2024. The Company also expects to further grow its engineering, procurement and construction (EPC) business by leveraging decentralized energy generation solutions and a combination of cutting-edge PV and storage technologies. Photon Energy Group will also continue to grow its global operations and maintenance (O&M) portfolio; by 2024, the Company intends to have 1.0 GWp of own and clients' power plants under contract compared to today's 300MWp.

In addition to that, the Company intends to utilise existing economies of scale through an upcoming B2B online sales platform to generate additional trading revenues from PV modules, inverters, batteries and other components.

In order to secure the funding required for the implementation of the Group's strategy, the management board intends to offer up to 7 million of its existing treasury shares, currently valued at around EUR 18 million.

For the fiscal year 2024, the management board expects the EBITDA to grow by approx. five-fold as compared to 2020 figures. An expected upside potential from the recently deployed PFAS nanoremediation technology is not included in this guidance.

Further indebtedness shall be limited such that the equity ratio will be kept above 25% for the duration of the outlined period.

1.3 Photon Energy Group Receives 'Very Good' Rating from Sustainability Rating Agency imug | rating

The Company received its first sustainability rating, being awarded a rating of 'very good' with 75 out of 100 points by imug | rating, an independent institution that assessed the Company's

policies and activities in the area of sustainability. imug's ratings are attributed based on the following scale: weak, moderate, good, very good, excellent.

We are proud that our ESG practices have been rated 'very good' by imug | rating. This validates our strategy, which sees sustainability as a key driver of value creation for our Company. Since it is our mission to make a positive societal contribution through a strong focus on sustainability, we attach much value to this rating as a demonstration of our commitment to transparency and trustworthiness to our stakeholders.

1.4 Photon Energy Group Participates in AUD 42 Million RayGen Series C Capital Raise

After the reporting period, the Company announced that it has participated in an AUD 42 million (EUR 26.7 million) capital raise in the Melbourne-based deep-technology originator and developer of innovative solar-plus-storage projects RayGen Resources Pty Ltd ('RayGen').

The round comprises AUD 27 million (EUR 17.2 million) of strategic investments by AGL, Schlumberger New Energy and Chevron Technology Ventures, alongside other new and existing investors, including Photon Energy Group. This private funding has been matched with AUD 15 million (EUR 9.5 million) of non-dilutive, recoupable grant funding by ARENA. The Company entered a strategic partnership with and announced its initial investment in RayGen in April 2020, joining other investors in the hi-tech company.

Acting as a project developer and EPC contractor and – where suitable – as an equity investor in joint projects, Photon Energy made a follow-on equity investment of AUD 3 million (EUR 1.9 million) maintaining about 9% in the technology company.

RayGen intends to deploy proceeds from the funding to build, commission and operate the 50 MWh RayGen Power Plant Carwarp (RPPC). AGL has provided an offtake for this project and is collaborating on a feasibility study for the RayGen technology at AGL's Liddell facility. The funds will also be used to design and build a new 100MW p.a. module manufacturing line (expanding existing capacity from 25MW to 125MW p.a.), as well as enable project development of a pipeline of 1GWh+ projects to financial close.

1.5 Reporting on Photon Energy's project pipeline

Photon Energy is currently developing PV projects in Australia (174.6 MWp), Hungary (99.3 MWp), Romania (190.1 MWp) and Poland (77.1 MWp), and is evaluating further markets for opportunities.

For detailed information, please refer to chapter 3 "Reporting on Photon Energy's project pipeline".

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 May 2021

Project name	Capacity	Feed-in-Tariff	Prod. 2021 May	Proj. 2021 May	Perf.	YTD Prod.	YTD Proj.	Perf.	YTD YoY
Unit	kWp	per MWh, in 2021	kWh	kWh	%	kWh	kWh	%	%
Komorovice	2,354	CZK 15,117	263,331	318,944	-17.4%	849,975	1,013,922	-16.2%	-26.0%
Zvíkov I	2,031	CZK 15,117	248,287	277,900	-10.7%	834,304	939,928	-11.2%	-20.6%
Dolní Dvořiště	1,645	CZK 15,117	182,672	196,526	-7.0%	602,440	653,113	-7.8%	-17.0%
Svatoslav	1,231	CZK 15,117	125,774	153,410	-18.0%	407,137	467,061	-12.8%	-22.7%
Slavkov	1,159	CZK 15,117	151,363	168,678	-10.3%	501,926	542,934	-7.6%	-18.1%
Mostkovice SPV 1	210	CZK 15,117	25,511	28,219	-9.6%	78,878	89,768	-12.1%	-21.0%
Mostkovice SPV 3	926	CZK 16,240	115,283	127,295	-9.4%	359,634	397,098	-9.4%	-18.8%
Zdice I	1,499	CZK 15,117	188,189	216,708	-13.2%	623,588	689,035	-9.5%	-18.0%
Zdice II	1,499	CZK 15,117	190,733	219,136	-13.0%	642,041	697,608	-8.0%	-17.1%
Radvanice	2,305	CZK 15,117	291,570	325,372	-10.4%	895,540	1,010,566	-11.4%	-20.7%
Břeclav rooftop	137	CZK 15,117	18,146	19,361	-6.3%	59,391	64,433	-7.8%	-18.3%
Total Czech PP	14,996		1,800,859	2,051,549	-12.2%	5,854,854	6,565,466	-10.8%	-20.3%
Babiná II	999	EUR 425.12	108,026	122,542	-11.8%	350,557	367,429	-4.6%	-14.1%
Babina III	999	EUR 425.12	111,152	123,260	-9.8%	360,866	374,607	-3.7%	-14.6%
Prša I.	999	EUR 425.12	119,097	130,662	-8.9%	375,098	402,182	-6.7%	-12.0%
Blatna	700	EUR 425.12	81,795	90,542	-9.7%	259,883	276,173	-5.9%	-14.8%
Mokra Luka 1	963	EUR 382.61	123,934	112,286	10.4%	445,554	440,240	1.2%	-15.0%
Mokra Luka 2	963	EUR 382.61	126,757	132,456	-4.3%	457,364	474,782	-3.7%	-14.3%
Jovice 1	979	EUR 382.61	103,915	105,871	-1.8%	312,863	337,136	-7.2%	-15.7%
Jovice 2	979	EUR 382.61	104,041	105,242	-1.1%	311,285	333,724	-6.7%	-16.0%
Brestovec	850	EUR 382.61	114,229	123,699	-7.7%	379,434	411,022	-7.7%	-19.5%
Polianka	999	EUR 382.61	111,372	124,114	-10.3%	334,973	374,552	-10.6%	-20.6%
Myjava	999	EUR 382.61	132,275	140,719	-6.0%	408,303	442,831	-7.8%	-20.0%
Total Slovak PP	10,429		1,236,592	1,311,393	-5.7%	3,996,181	4,234,678	-5.6%	-16.1%
Tiszaécske 1	689	HUF 34,140	97,025	100,015	-3.0%	332,444	341,568	-2.7%	-11.0%
Tiszaécske 2	689	HUF 34,140	97,445	100,152	-2.7%	335,044	344,071	-2.6%	-10.9%
Tiszaécske 3	689	HUF 34,140	96,349	99,378	-3.0%	322,489	333,601	-3.3%	-11.1%
Tiszaécske 4	689	HUF 34,140	97,530	100,152	-2.6%	336,179	344,071	-2.3%	-10.9%
Tiszaécske 5	689	HUF 34,140	94,520	100,015	-5.5%	324,224	341,568	-5.1%	-12.8%
Tiszaécske 6	689	HUF 34,140	97,107	100,152	-3.0%	333,830	344,071	-3.0%	-10.9%
Tiszaécske 7	689	HUF 34,140	97,251	99,981	-2.7%	334,453	341,346	-2.0%	-10.5%
Tiszaécske 8	689	HUF 34,140	96,979	99,866	-2.9%	331,389	340,114	-2.6%	-10.9%
Almásfüzitő 1	695	HUF 34,140	88,447	100,199	-11.7%	327,092	341,956	-4.3%	-10.9%
Almásfüzitő 2	695	HUF 34,140	86,107	100,158	-14.0%	318,273	341,707	-6.9%	-11.5%
Almásfüzitő 3	695	HUF 34,140	85,322	99,997	-14.7%	319,009	339,900	-6.1%	-9.0%
Almásfüzitő 4	695	HUF 34,140	88,825	100,323	-11.5%	328,320	342,746	-4.2%	-11.6%
Almásfüzitő 5	695	HUF 34,140	89,148	100,050	-10.9%	334,389	340,482	-1.8%	-11.5%
Almásfüzitő 6	660	HUF 34,140	89,189	96,464	-7.5%	332,122	328,094	1.2%	-11.6%
Almásfüzitő 7	691	HUF 34,140	88,241	99,528	-11.3%	330,151	338,567	-2.5%	-11.9%
Almásfüzitő 8	668	HUF 34,140	89,765	97,420	-7.9%	331,089	331,904	-0.2%	-11.5%
Nagyecsed 1	689	HUF 34,140	94,868	98,740	-3.9%	323,258	334,265	-3.3%	-11.1%
Nagyecsed 2	689	HUF 34,140	94,830	98,740	-4.0%	324,974	334,265	-2.8%	-11.0%
Nagyecsed 3	689	HUF 34,140	94,762	98,915	-4.2%	326,301	334,405	-2.4%	-11.1%
Fertod I	528	HUF 34,140	69,629	76,462	-8.9%	258,879	254,909	1.6%	-14.3%

Project name	Capacity	Feed-in-Tariff	Prod. 2021 May	Proj. 2021 May	Perf.	YTD Prod.	YTD Proj.	Perf.	YTD YoY
Unit	kWp	per MWh, in 2021	kWh	kWh	%	kWh	kWh	%	%
Fertod II No 2	699	HUF 34,140	87,326	103,653	-15.8%	333,037	345,433	-3.6%	-13.5%
Fertod II No 3	699	HUF 34,140	87,772	103,653	-15.3%	334,750	345,433	-3.1%	-13.0%
Fertod II No 4	699	HUF 34,140	83,039	103,653	-19.9%	334,710	345,433	-3.1%	-13.0%
Fertod II No 5	691	HUF 34,140	87,251	103,927	-16.0%	332,284	348,177	-4.6%	-13.3%
Fertod II No 6	699	HUF 34,140	86,719	103,653	-16.3%	332,386	345,433	-3.8%	-13.0%
Kunszentmárton I No 1	697	HUF 34,140	99,416	107,421	-7.5%	350,566	355,734	-1.5%	-9.6%
Kunszentmárton I No 2	697	HUF 34,140	99,279	107,425	-7.6%	347,014	355,787	-2.5%	-9.5%
Kunszentmárton II No 1	693	HUF 34,140	99,811	99,198	0.6%	357,229	334,117	6.9%	nm
Kunszentmárton II No 2	693	HUF 34,140	100,119	99,198	0.9%	357,792	334,416	7.0%	nm
Taszár 1	701	HUF 34,140	91,893	104,475	-12.0%	342,771	359,736	-4.7%	-11.4%
Taszár 2	701	HUF 34,140	91,361	104,475	-12.6%	342,711	359,736	-4.7%	-11.5%
Taszár 3	701	HUF 34,140	91,956	104,475	-12.0%	344,504	359,736	-4.2%	-10.1%
Monor 1	688	HUF 34,140	97,543	104,251	-6.4%	346,823	343,186	1.1%	-7.7%
Monor 2	696	HUF 34,140	97,191	104,894	-7.3%	345,923	351,835	-1.7%	-9.0%
Monor 3	696	HUF 34,140	96,754	104,894	-7.8%	342,451	351,835	-2.7%	-9.0%
Monor 4	696	HUF 34,140	97,066	104,894	-7.5%	345,396	351,835	-1.8%	-8.9%
Monor 5	688	HUF 34,140	97,085	103,850	-6.5%	345,890	347,576	-0.5%	-9.5%
Monor 6	696	HUF 34,140	97,337	104,894	-7.2%	344,512	351,835	-2.1%	-9.7%
Monor 7	696	HUF 34,140	97,271	104,894	-7.3%	345,575	351,835	-1.8%	-9.5%
Monor 8	696	HUF 34,140	97,098	104,894	-7.4%	343,742	351,835	-2.3%	-9.5%
Tata 1	672	HUF 34,140	96,459	123,599	-22.0%	335,160	366,191	-8.5%	4.2%
Tata 2	676	HUF 34,140	78,969	101,587	-22.3%	312,187	340,624	-8.3%	10.0%
Tata 3	667	HUF 34,140	79,142	99,979	-20.8%	311,531	332,553	-6.3%	2.4%
Tata 4	672	HUF 34,140	97,090	126,100	-23.0%	337,714	374,959	-9.9%	4.5%
Tata 5	672	HUF 34,140	97,148	126,451	-23.2%	295,410	376,228	-21.5%	-9.3%
Tata 6	672	HUF 34,140	96,941	124,774	-22.3%	337,232	370,329	-8.9%	0.1%
Tata 7	672	HUF 34,140	96,500	123,669	-22.0%	337,809	366,436	-7.8%	2.1%
Tata 8	672	HUF 34,140	97,158	125,252	-22.4%	341,832	371,983	-8.1%	7.2%
Malý 1	695	HUF 34,140	100,381	102,537	-2.1%	321,821	335,861	-4.2%	nm
Malý 2	695	HUF 34,140	100,597	102,631	-2.0%	322,448	336,301	-4.1%	nm
Malý 3	695	HUF 34,140	100,599	102,631	-2.0%	322,501	336,301	-4.1%	nm
Puspokladány 1	1,406	HUF 34,140	239,367	252,191	-5.1%	745,725	770,723	-3.2%	na
Puspokladány 2	1,420	HUF 34,140	243,695	249,848	-2.5%	756,292	748,453	1.0%	na
Puspokladány 3	1,420	HUF 34,140	245,948	244,633	0.5%	746,054	730,773	2.1%	na
Puspokladány 4	1,406	HUF 34,140	239,130	250,686	-4.6%	744,186	765,592	-2.8%	na
Puspokladány 5	1,420	HUF 34,140	249,512	249,291	0.1%	762,868	747,179	2.1%	na
Puspokladány 6	1,394	HUF 34,140	244,007	249,873	-2.3%	737,929	758,146	-2.7%	na
Puspokladány 7	1,406	HUF 34,140	239,172	250,582	-4.6%	740,934	765,266	-3.2%	na
Puspokladány 8	1,420	HUF 34,140	245,813	245,178	0.3%	746,550	733,151	1.8%	na
Puspokladány 9	1,406	HUF 34,140	232,240	250,469	-7.3%	682,138	764,946	-10.8%	na
Puspokladány 10	1,420	HUF 34,140	245,533	244,470	0.4%	744,601	730,283	2.0%	na
Total Hungarian PP	49,098		7,182,024	7,795,807	-7.9%	24,356,898	25,106,836	-3.0%	42.0%
Symonston	144	AUD 301.60	9,200	8,582	7.2%	75,275	76,478	-1.6%	9.6%
Total Australian PP	144		9,200	8,582	7.2%	75,275	76,478	-1.6%	9.6%
Total	74,667		10,228,675	11,167,330	-8.4%	34,283,207	35,983,457	-4.7%	16.9%

Notes:

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 2021 / YTD proj. in 2021) - 1

YTD YOY: (YTD Prod. in 2021 / YTD Prod. in 2020) - 1.

Chart 1.a Total production of the Czech portfolio

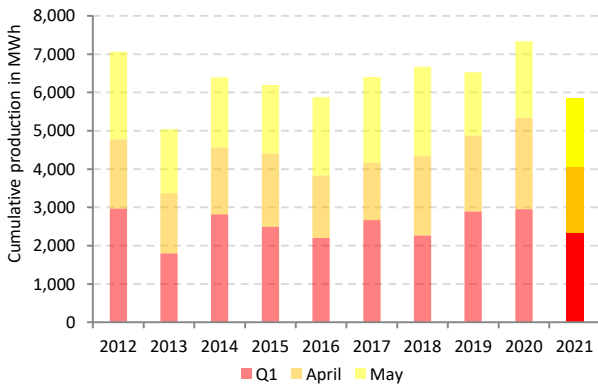


Chart 1.b Total production of the Slovak portfolio

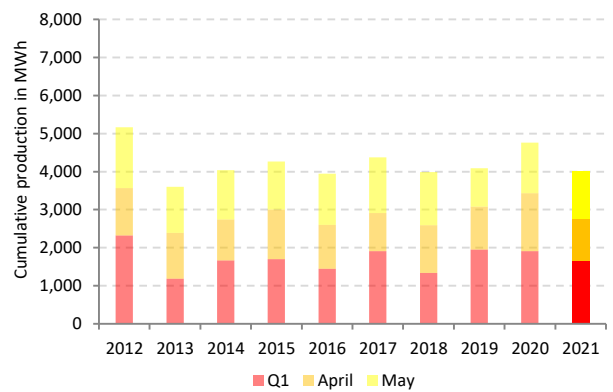


Chart 1.c Total production of Hungarian portfolio

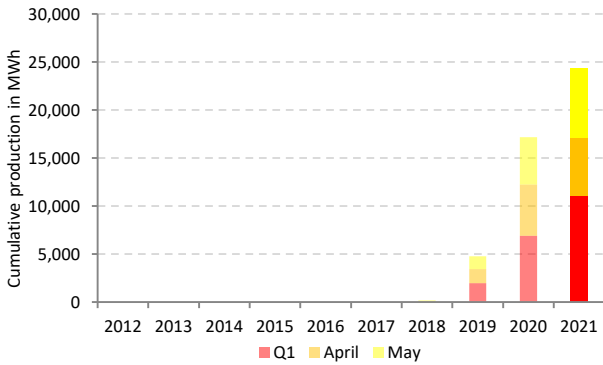


Chart 2. Generation results versus forecast between 1 January 2016 and 31 May 2021

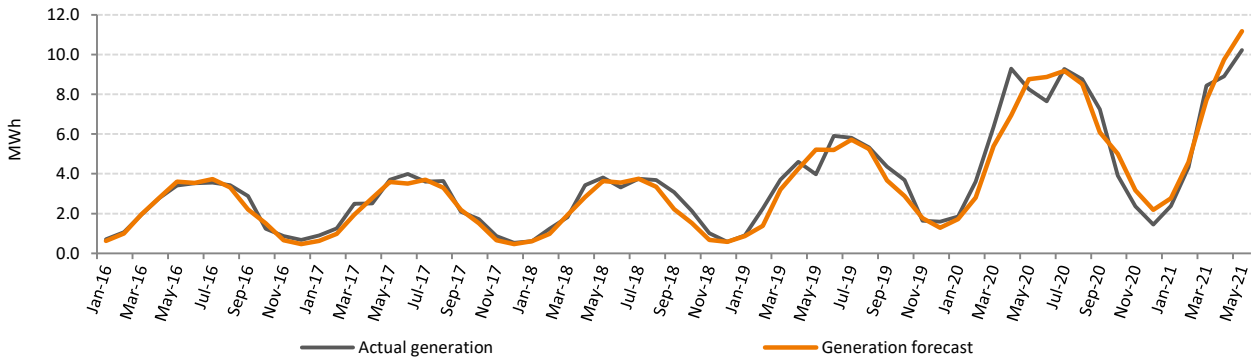
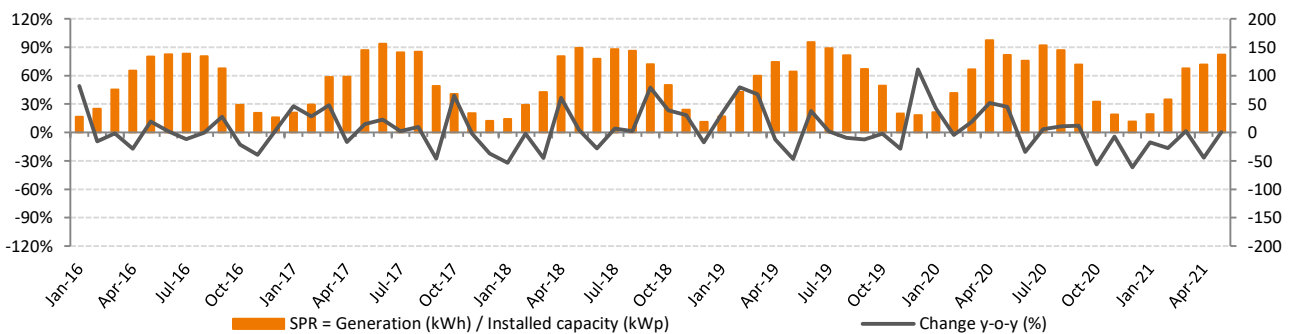


Chart 3. Specific Performance Ratio between 1 January 2016 and 31 May 2021



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.

The Company reports 34.3 GWh of electricity produced YTD compared to 29.3 GWh one year ago (+16.9%), propelled by the addition of new Hungarian power plants over the past year (14.1 MWp added since May 2020). This represents an avoidance of 13,582 tonnes of CO₂ emissions for the first five months of 2021.

In May the overall performance of the power plants in Photon Energy's portfolio came in approximately 8.4% below expectations due to unfavourable weather conditions. On a year-to-date

basis, the overall performance of the portfolio underperformed forecasts by 4.7%.

Our Czech, Slovak, Hungarian and Australian portfolios were short of generation estimates by 10.8%, 5.6%, 3.0% and 1.6% respectively.





The specific performance ratio of the proprietary portfolio (SPR) reached 137.0 kWh/kWp compared to 136.3 kWh/kWp one year ago (+0.5% year-on year).

3. Reporting on Photon Energy's project pipeline

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 the 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 for 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.

Photon Energy is currently developing PV projects in Australia (174.6 MWp), Hungary (99.3 MWp), Romania (190.1 MWp) and Poland (77.1 MWp), and is evaluating further markets for opportunities.

Country	1. Feasibility*	2. Early development	3. Advanced development	4. Ready-to-build technical	5. Under construction	Total in MWp
 Australia	-		160.0	-	14.6	174.6
 Hungary	70.7	27.2	1.4	-	-	99.3
 Romania	87.4	102.7	-	-	-	190.1
 Poland	52.2	24.9	-	-	-	77.1
Total in MWp	210.3	154.8	161.4	-	14.6	541.1

*Development phases are described in the glossary available at the end of this chapter.

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.

Projects having reached an advanced development phase, as well as projects for which sufficient details can be disclosed are described in the table below:

Country	Location	Dvt Phase	Project function	Share	MWp	Commercial Model	Land	Grid connection	Construction permit	Expected RTB
Australia	Leeton	5	Own portfolio	100%	7.3	Merchant	Secured	Secured	Secured	Commissioning process in progress
Australia	Fivebough	5	Own Portfolio	100%	7.3	Merchant	Secured	Secured	Secured	
Australia	Maryvale	3	Developer	65%	160.0	Co-development	Secured	Ongoing	Secured	Q1 2022
Hungary	Tolna 1	3	Own portfolio	100%	1.4	Contract-for-difference	Secured	Secured	Secured	Q3 2021
Hungary	Tolna 2	2	Own Portfolio	100%	27.2	All options open	Secured for some projects	Secured	Secured	Q3 2021

¹ 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.

Australia

As of the date of publishing this report, Photon Energy has three large scale solar farms at different stages of development in New South Wales ("NSW").

On 13 April, the Company announced an agreement to exchange project rights with its development partner Canadian Solar. As a result, Photon Energy will continue developing the 160 MWp Maryvale Solar Farm project independently, while further development of Gunning Solar Farm and Suntop 2 Solar Farm projects will be handled by Canadian Solar.

Until that date, these three projects were co-developed with Canadian Solar as part of an agreement concluded in 2018 (to date, two other projects, Suntop 1 with 189MW and Gunnedah with 146MW, have been successfully developed and sold in the scope of this cooperation):

Under the terms of the agreement, Photon Energy has exchanged its 49% stake in the 220 MWp Gunning Solar Farm project and 25% stake in the 200 MWp Suntop 2 Solar Farm project for Canadian Solar's stake in the Maryvale Solar Farm project. As part of the transaction, the Company now possesses a 65% stake and the original local co-development partner will continue its work on the project holding a 35% stake in the project.

Of the three projects, Maryvale is in the furthest stages of development. The Company expects to undertake preliminary design and grid connection studies within the next six months, followed by a Connection Agreement which is expected to be reached early next year.

Maryvale Solar Farm has development approval and is located in the NSW Central-West Orana Renewable Energy Zone, which is earmarked to unlock up to 3 GW of network capacity by the mid-2020s.

- ▶ **Development status for Maryvale (160 MWp):** Development Approval was granted on 4 December 2019. The grid connection options are still in progress with Essential Energy. We are currently preparing for Grid Protection Study (GPS) and it is expected that project development can be completed within Q1 2022.

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

- ▶ **Leeton and Fivebough (Total capacity 14.6 MWp):** In May 2020, Photon Energy announced the conclusion of an agreement with Infradebt for the project debt financing of the two PV power plants we are developing in Leeton, with a grid connection capacity of 4.95 MWp AC and an installed capacity of 7.3 MWp DC each.

Photon Energy Engineering Australia Pty Ltd. is acting as engineering, procurement and construction (EPC) contractor for both projects. After commissioning long-term O&M services will be provided by Photon Energy Operations Australia Pty Ltd.

The plants' bi-facial PV modules are mounted on single-axis trackers and will supply the produced electricity to Essential Energy's distribution network as non-scheduled generators. The combined annual electricity production of both PV power plants is forecast to be 27.8 GWh, and will be sold on the National Electricity Market on a merchant basis, as will the Large Generation Certificates (LGCs) generated by the plants. No power purchase agreements (PPAs) have been entered into by Photon Energy.

These are the two largest projects to be added to Photon Energy's portfolio to date, and our first merchant projects providing competitive energy into the market. The experience we gain in operating the power plants will be used to maximise revenues in the energy market.



- ▶ **Construction status:** The project works are now completed and we are finalising the commissioning process. We intend to connect both plants and begin injection to the grid within Q2 2021.

Glossary of terms	Definitions
Development phase 1: "Feasibility"	LOI or MOU signed, location scouted and analyzed, working on land lease/purchase, environmental assessment and application for grid connection.
Development phase 2: "Early development"	Signing of land option, lease or purchase agreement, Environmental assessment (environmental impact studies "EIS" for Australia), preliminary design. Specific to Europe: Application for Grid capacity, start work on permitting aspects (construction, connection line, etc.). Specific to Australia: community consultation, technical studies.
Development phase 3: "Advanced development"	In Europe: Finishing work on construction permitting, Receiving of MGT (HU)/ATR (ROM) Letter, Finishing work on permitting for connection line, etc. In Australia: Site footprint and layout finalised, Environmental Impact Statement and development application lodged. Grid connection studies and design submitted.
Development phase 4: "Ready-to-build technical"	In Europe: Project is technical ready to build, we work on offtake model (if not FIT or auction), securing financing (internal/external). In Australia: Development application approved, offer to connect to grid received and detailed design commenced. Financing and off-take models/arrangements (internal/external) under negotiation.
Development phase 5: "Under construction"	Procurement of components, site construction until the connection to the grid. On top for Australian projects, signature of Financing and off-take agreements, reception of Construction certificate, conclusion of connection agreement, EPC agreement, Grid connection works agreements.

Glossary of terms	Definitions
<i>NSW Department for Planning and Environment (DP&E)</i>	<i>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)</i>
<i>Independent Planning Committee (IPC)</i>	<i>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.</i>
<i>Essential Energy</i>	<i>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.</i>
<i>Transgrid</i>	<i>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.</i>
<i>Australian Energy Market Operator (AEMO)</i>	<i>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.</i>

Hungary

Below is a short summary of projects in the pipeline and of the progress achieved in the reporting period.

- ▶ **Tolna (28.6 MWp):** The thirteen projects with a total planned installed DC capacity of 28.6 MWp are located in the Tolna region in the south of Hungary. Two power plants have a grid connection capacity of 5.0 MW AC each, whereas 1 MW AC have been secured for each of the remaining eleven projects. The grid connection points have been secured and the negotiations for suitable land plots have been finalized for several projects. Grid connection plans have been initiated and already partially approved, to allow us to conclude grid connection agreements with E.ON. with a validity of two years.

On 8 December 2020, one of the 1MW AC (approx. 1.4 MWp DC) project was granted a METAR premium of 24,470 HUF/MWh (approx. EUR 68 per MWh) with a maximum supported production of 21,585 MWh over a period of up to 15 years. This achievement results from the approval of the project application to the first pilot tender for the METAR system organized in September 2019.

The revenue model will either take the form of a contract-for-difference based on METAR licenses (for projects proving successful through an auction process in the future), a PPA, or the direct sale of electricity through a trader on the Hungarian electricity market. Construction plans include the use of tracking technology allowing bifacial solar modules to follow the course of the sun, which are expected to achieve a 15-20% higher specific performance than fixed installations.

Now the team has solidified grid capacity, land, and a commercial structure, the projects will continue to take shape as they move towards construction and realization.

The current project pipeline in Hungary consists of 15 projects with a total planned capacity of 99.3 MWp.

4. Enterprise value & Share price performance

4.1 Main market of the Warsaw Stock Exchange

On 31 May 2021 the Company's shares (ISIN NL0010391108) closed at a price of PLN 11.40 (-2.6% MoM), corresponding to a price to book ratio of 2.98. The monthly trading volume amounted to 102,260 shares (vs. an average monthly volume of 179,722 YTD).

Trading of the Company's shares on the regulated market of the Warsaw Stock Exchange (WSE) (Giełda Papierów Wartościowych w Warszawie) commenced on 5 January 2021. Prior to that date, data presented in this section have been extracted from the trading activity on NewConnect.

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

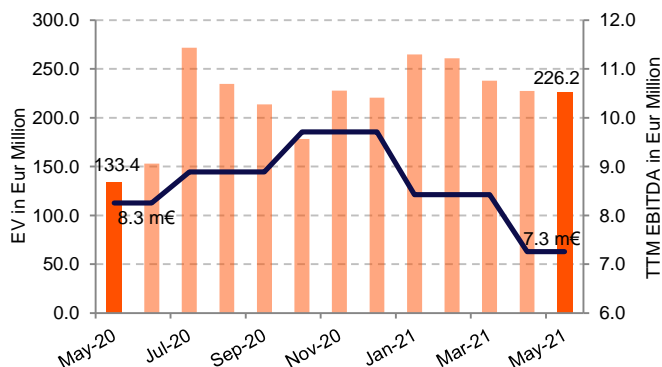
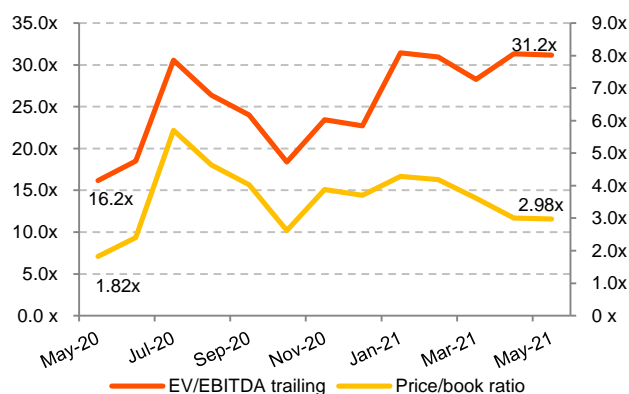


Chart 5. Enterprise value / trailing 12 months EBITDA and price to book ratio



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 2020, Q3 2020, Q4 2020, and Q1 2021.

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 Main market of the Prague Stock Exchange

On 31 May 2021 the share price (ISIN NL0010391108) closed at a level of CZK 73.00 (-6.4% MoM), corresponding to a price to book ratio of 3.36x. The Company reports a monthly trading volume of 44,184 shares in May, compared to an average monthly trading volume of 52,730 YTD.

Trading of the Company's shares on the regulated market of the Prague Stock Exchange (PSE) (Burza cenných papírů Praha) commenced on 5 January 2021. Prior to that date, Data have been extracted from the trading activity on the Free Market of the Prague Stock Exchange.

4.3 Quotation Board of the Frankfurt stock exchange

On 31 May 2021 the share price (FSX: A1T9KW) closed at a level of EUR 2.54 (-3.1% MoM), corresponding to a price to book ratio of 2.97x.

The Company reports a monthly trading volume of 8,280 shares in May, compared to an average monthly trading volume of 19,164 YTD.

The Company's shares have been traded on the Quotation Board of the Frankfurt Stock Exchange since 11 January 2021.

Since 28 July 2020, the Company's shares have already been traded on the Free Market (Freiverkehr) of the Munich Stock Exchange.

In addition the Company's shares have also been traded on the Free Market (Freiverkehr) of the Berlin Stock Exchange since 13 January 2021, and on the Free Market (Freiverkehr) of the Stuttgart Stock Exchange since 14 January 2021.

5. Bond trading performance

In December 2016 the Company issued a 7-year corporate bond with a 6% annual coupon and monthly payments 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. The Group has successfully increased the bond placement by EUR 7.5 million in 2019, and EUR 7.5 million in 2020 with all parameters unchanged. The total outstanding bond volume amounts to EUR 45.0 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 31 May 2021, the trading volume amounted to EUR 50.013 million (nominal value, including the volume traded in Berlin, Munich & Stuttgart) with an opening price of 100.00 and a closing price of 103.40 in Frankfurt. During this period the average daily turnover amounted to EUR 55,202.

EUR Bond 2017/22 trading performance in May 2021

In May 2021 the trading volume amounted to EUR 268,000 with an opening price of 103.75 and a closing price of 103.40 in Frankfurt. The average daily turnover amounted to EUR 12,762.

Chart 7. The Company's EUR bond 2017/22 trading on the Frankfurt Stock Exchange in Germany

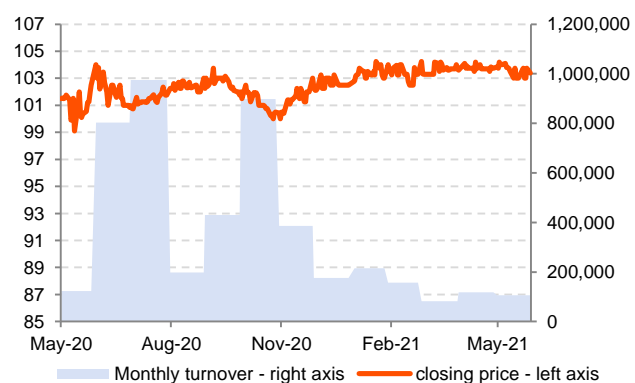
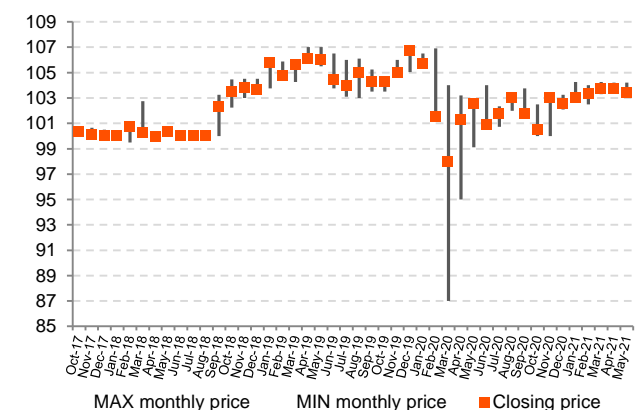


Chart 8. MIN, MAX and closing monthly prices



5.2 CZK Bond 2016/23 trading performance in Prague

In the trading period from 12 December 2016 until 31 May 2021, the trading volume amounted to CZK 32.040 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

No reports have been published in the EBI (Electronic Database Information) system of the Warsaw Stock Exchange during or after the reporting period.

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

- ▶ **ESPI report 18** – 11.05.2021 – Quarterly report for Q1 2021.
- ▶ **ESPI report 19** – 13.05.2021 – Monthly report for April 2021.
- ▶ **ESPI report 20** – 31.05.2021 – “Non public” report: list of shareholders entitled to vote at the Annual General Meeting to be held on 1 June 2021.

After the reporting period, the following reports have been published in the ESPI (Electronic Information Transmission System) system of the Warsaw Stock Exchange:

- ▶ **ESPI report 21** – 01.06.2021 – List of shareholders holding at least 5% of votes at the Annual General Meeting to be held on 1 June 2021.
- ▶ **ESPI report 22** – 01.06.2021 – The Minutes of the AGM of shareholders held on 1 June 2021.
- ▶ **ESPI report 23** – 02.06.2021 – Photon Energy Group Receives ‘Very Good’ Rating from Sustainability Rating Agency imug | rating.
- ▶ **ESPI report 24** – 08.06.2021 – Photon Energy Group participates in AUD 42 Million RayGen series C capital raise.
- ▶ **ESPI report 25** – 10.06.2021 – Photon Energy Group announces long-term strategy guidance.

7. Investors' calendar

- ▶ 11 June 2021: Wall Street Conference Warsaw (online chat)
- ▶ 14 July 2021: Monthly report for June 2021
- ▶ 10 August 2021: Entity and consolidated quarterly reports for Q2 2021/H1 2021
- ▶ 12 August 2021: Online presentation of Photon Energy Group's Q2 2021/H1 2021 results
- ▶ 12 August 2021: Monthly report for July 2021
- ▶ 14 September 2021: Monthly report for August 2021
- ▶ 14 October 2021: Monthly report for September 2021
- ▶ 10 November 2021: Entity and consolidated quarterly reports for Q3 2021
- ▶ 15 November 2021: Online presentation of Photon Energy Group's Q3 2021 results
- ▶ 15 November 2021: Monthly report for October 2021
- ▶ 22-24 November 2021: Deutsches Eigenkapitalforum in Frankfurt
- ▶ 14 December 2021: Monthly report for November 2021

8. Investor relations contact

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Amsterdam, 10 June 2021



Georg Hotar, Member of the Board of Directors



Michael Gartner, Member of the Board of Directors