



## 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 N.V.'s power plants in the reporting period

In November generation results of Photon Energy's proprietary PV power plants amounted to 1.4 GWh of electricity, which was 4.3% below the monthly energy forecasts. This underperformance can be attributed solely to the worse-than-expected weather conditions in Hungary and Slovakia.

On a cumulative year-to-date basis the electricity production results are still very solid and amount to 41.8 GWh, which is 8.0% above energy forecasts.

The additions of new Hungarian power plants during the course of the year have raised the year-on-year comparison of electricity generation by 49.8% year-to-date.

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

### 1.2 Proprietary portfolio increased by 7.0 MWp in Hungary, reaching 51.8 MWp globally.

In November Photon Energy Solutions HU Kft, a subsidiary fully owned by Photon Energy Group, has completed and grid-connected seven photovoltaic power plants with a total installed capacity of 4.9 MWp in the municipalities of Fertőd and Kunszentmárton, Hungary. The seven PV power plants are expected to generate around 6.0 GWh of electricity per year and will contribute approximately EUR 600,000 to total annual revenues of the Group.

After the reporting period on 4 December 2019, Photon Energy completed and grid-connected another three photovoltaic power plants with a total installed capacity of 2.1 MWp in the municipality of Taszár, Hungary. These power plants are expected to generate around 2.7 GWh of electricity per year, which translates into approximately EUR 266,000 of annual revenues.

Following the revaluation of the Group's proprietary portfolio according to IAS 16, approximately EUR 2.4 million will be recorded as the Group's Other Comprehensive Income in the 2019Q4 Profit and Loss Statement.

These latest additions expand the Group's installed base in Hungary to 26.1 MWp and its global proprietary portfolio of PV power plants to 51.8 MWp. With a further 7.7 MWp of PV power plants under construction and due to be commissioned in 2020Q1, the Group remains well on track towards its year-end 2021 goal of 75 MWp of Hungarian PV power plants in its proprietary portfolio.

For more information about the pipeline, please refer to chapter 3. Reporting on Photon Energy's project pipeline.

### 1.3 Photon Energy secures long-term financing for additional 20.1 MWp in Hungary

After the reporting period on 9 December 2019, Photon Energy closed another long-term non-recourse project financing agreement for additional 20.1 MWp of its proprietary PV power plant portfolio in Hungary.

The portfolio is comprised of 29 individual KÁT-licensed PV power plants in the locations of Monor, Fertőd, Kunszentmárton, Taszár, Malyi and Tata. The eight projects in Monor (5.6 MWp) were commissioned in October 2019, the five projects in Fertőd (3.5 MWp) and the two projects in Kunszentmárton (1.4 MWp) were grid-connected in November 2019, and the three projects in Taszár (2.1 MWp) went online in early December.

K&H Bank, the Hungarian subsidiary of Belgian KBC Group N.V. and one of Hungary's largest banking and financial services firms as well as a leading local player in project finance, will be providing financing amounting to up to HUF 5.93 billion (EUR 17.9 million) for a period of 15 years.

This step allows us to free up significant liquidity again and to build further projects in Hungary next year.

### 1.4 Development Approval for 160 MWp PV project in Maryvale, Australia has been secured

The construction permitting process has been finalized and Development Approval has been issued on 4 December 2019 for the Maryvale 160 MWp project in NSW Australia. The grid connection options are still under review and discussion with Essential Energy. Generation Protection Studies will start upon the finalization of this process.

### 1.5 ALDI installations 96% finalized, completion in January 2020

By the end of November Photon Energy finalized the construction and grid-connected 28 roof-top installations with a total capacity of 2.8 MWp and a 1.7 MWp roof top-installation for ALDI Stores Australia across New South Wales and Queensland. Two projects were delayed due to repair works carried out by the Investor. As a result, installation works on these projects will continue in December and we expect to finalize the construction and grid-connection of all ALDI stores in January 2020.

## 2. Proprietary PV 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 November 2019**

Project name	Capacity	Feed-in-Tariff	Prod. 2019 November	Proj. 2019 November	Perf.	YTD Prod.	YTD Proj.	Perf.	YTD YoY
Unit	kWp	per MWh, 2019	kWh	kWh	%	kWh	kWh	%	%
Komorovice	2,354	CZK 14,530	59,091	47,806	23.6%	2,520,700	2,206,412	14.2%	-1.3%
Zvíkov I	2,031	CZK 14,530	55,742	41,833	33.2%	2,277,297	1,933,812	17.8%	-0.1%
Dolní Dvořiště	1,645	CZK 14,530	59,861	34,858	71.7%	1,686,086	1,608,774	4.8%	1.7%
Svatoslav	1,231	CZK 14,530	23,409	25,889	-9.6%	1,189,956	1,194,837	-0.4%	-5.3%
Slavkov	1,159	CZK 14,530	38,160	24,654	54.8%	1,330,973	1,137,819	17.0%	-2.0%
Mostkovice SPV 1	210	CZK 14,530	6,013	6,357	-5.4%	221,432	182,860	21.1%	-1.2%
Mostkovice SPV 3	926	CZK 15,610	24,900	20,041	24.2%	987,288	857,334	15.2%	-0.9%
Zdice I	1,499	CZK 14,530	40,647	30,731	32.3%	1,663,345	1,406,988	18.2%	-3.7%
Zdice II	1,499	CZK 14,530	41,106	30,731	33.8%	1,703,487	1,406,988	21.1%	-2.7%
Radvanice	2,305	CZK 14,530	72,736	47,321	53.7%	2,554,812	2,183,964	17.0%	0.3%
Břeclav rooftop	137	CZK 14,530	4,551	4,661	-2.4%	124,478	126,317	-1.5%	-20.9%
<b>Total Czech PP</b>	<b>14,996</b>		<b>426,215</b>	<b>314,882</b>	<b>35.4%</b>	<b>16,259,854</b>	<b>14,246,106</b>	<b>14.1%</b>	<b>-1.5%</b>
Babiná II	999	EUR 425.12	19,871	31,016	-35.9%	918,376	933,997	-1.7%	-4.2%
Babina III	999	EUR 425.12	20,627	31,016	-33.5%	950,863	933,997	1.8%	-1.9%
Prša I.	999	EUR 425.12	24,045	28,719	-16.3%	1,025,608	934,531	9.7%	-1.1%
Blatna	700	EUR 425.12	17,997	22,794	-21.0%	695,835	683,407	1.8%	-2.4%
Mokra Luka 1	963	EUR 382.61	26,648	39,163	-32.0%	1,137,028	969,677	17.3%	15.9%
Mokra Luka 2	963	EUR 382.61	27,645	39,163	-29.4%	1,148,376	969,677	18.4%	2.1%
Jovice 1	979	EUR 382.61	19,575	19,590	-0.1%	901,596	905,229	-0.4%	3.0%
Jovice 2	979	EUR 382.61	19,468	19,590	-0.6%	897,624	905,229	-0.8%	2.5%
Brestovec	850	EUR 382.61	26,034	28,827	-9.7%	993,798	815,696	21.8%	-2.9%
Polianka	999	EUR 382.61	21,702	19,989	8.6%	947,274	926,612	2.2%	-3.9%
Myjava	999	EUR 382.61	29,517	31,180	-5.3%	1,079,673	973,865	10.9%	-3.3%
<b>Total Slovak PP</b>	<b>10,429</b>		<b>253,129</b>	<b>311,046</b>	<b>-18.6%</b>	<b>10,696,051</b>	<b>9,951,916</b>	<b>7.5%</b>	<b>0.3%</b>
Fertod 1	528	HUF 32,590	20,814	22,663	-8.2%	646,988	605,804	6.8%	14.5%
Tiszkécske 1	689	HUF 32,590	29,163	33,679	-13.4%	835,481	835,842	0.0%	na
Tiszkécske 2	689	HUF 32,590	29,586	34,877	-15.2%	837,990	840,709	-0.3%	na
Tiszkécske 3	689	HUF 32,590	30,371	33,639	-9.7%	833,962	835,231	-0.2%	na
Tiszkécske 4	689	HUF 32,590	30,420	34,877	-12.8%	841,454	840,709	0.1%	na
Tiszkécske 5	689	HUF 32,590	30,372	34,877	-12.9%	843,404	840,709	0.3%	na
Tiszkécske 6	689	HUF 32,590	29,266	33,679	-13.1%	837,710	835,842	0.2%	na
Tiszkécske 7	689	HUF 32,590	29,379	33,428	-12.1%	834,201	833,164	0.1%	na
Tiszkécske 8	689	HUF 32,590	26,414	31,611	-16.4%	812,603	820,205	-0.9%	na
Almásfüzitő 1	695	HUF 32,590	26,658	32,673	-18.4%	738,381	752,608	-1.9%	na
Almásfüzitő 2	695	HUF 32,590	25,128	32,604	-22.9%	723,476	752,212	-3.8%	na
Almásfüzitő 3	695	HUF 32,590	27,631	31,921	-13.4%	721,956	749,771	-3.7%	na
Almásfüzitő 4	695	HUF 32,590	26,811	32,969	-18.7%	750,251	754,002	-0.5%	na
Almásfüzitő 5	695	HUF 32,590	30,016	32,012	-6.2%	756,654	750,365	0.8%	na
Almásfüzitő 6	660	HUF 32,590	28,681	30,928	-7.3%	751,550	721,734	4.1%	na
Almásfüzitő 7	691	HUF 32,590	28,188	31,778	-11.3%	752,221	746,070	0.8%	na
Almásfüzitő 8	668	HUF 32,590	26,631	31,490	-15.4%	761,434	729,837	4.3%	na

Project name	Capacity	Feed-in-Tariff	Prod. 2019 November	Proj. 2019 November	Perf.	YTD Prod.	YTD Proj.	Perf.	YTD YoY
Unit	kWp	per MWh, 2019	kWh	kWh	%	kWh	kWh	%	%
Nagyecsed 2	689	HUF 32,590	29,770	33,952	-12.3%	406,990	369,215	10.2%	na
Nagyecsed 3	689	HUF 32,590	29,985	33,712	-11.1%	407,860	369,567	10.4%	na
Fertod 2 No 2	699	HUF 32,590	23,618	27,923	-15.4%	23,618	27,923	-15.4%	na
Fertod 2 No 3	699	HUF 32,590	23,825	27,923	-14.7%	23,825	27,923	-14.7%	na
Fertod 2 No 4	699	HUF 32,590	22,041	27,923	-21.1%	22,041	27,923	-21.1%	na
Fertod 2 No 5	691	HUF 32,590	23,500	29,310	-19.8%	23,500	29,310	-19.8%	na
Fertod 2 No 6	699	HUF 32,590	22,643	27,923	-18.9%	22,643	27,923	-18.9%	na
Kunszentmárton 1	697	HUF 32,590	30,137	32,138	-6.2%	30,137	32,138	-6.2%	na
Kunszentmárton 2	697	HUF 32,590	27,330	32,160	-15.0%	27,330	32,160	-15.0%	na
<b>Total Hungarian PP</b>	<b>18,482</b>	<b>-</b>	<b>738,058</b>	<b>856,622</b>	<b>-13.8%</b>	<b>14,670,304</b>	<b>14,315,906</b>	<b>2.5%</b>	<b>na</b>
Symonston	144	AUD 301.60	22,055	21,040	4.8%	142,017	158,169	-10.2%	-3.4%
<b>Total Australian PP</b>	<b>144</b>		<b>22,055</b>	<b>21,040</b>	<b>4.8%</b>	<b>142,017</b>	<b>158,169</b>	<b>-10.2%</b>	<b>-3.4%</b>
<b>Total</b>	<b>44,051<sup>1</sup></b>		<b>1,439,456</b>	<b>1,503,590</b>	<b>-4.3%</b>	<b>41,768,226</b>	<b>38,672,096</b>	<b>8.0%</b>	<b>49.8%</b>

**Notes:**

<sup>1</sup> The eight PV plants in Monor with a combined capacity of 5.6 Mwp were connected to the grid on 18 October 2019 and should have been shown in the November report in the production statistics. However, access to the production data from Distribution System Operator NKM Áramhálózati Kft. was not available. We are in the process of securing access, which is expected to materialize in the course of December 2019. Cumulative data for October to December will be reported in the December monthly report. The project Taszar with a combined capacity of 2.1 Mwp which was connected to the grid after the reporting period will be shown in the production statistics from December onwards.

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.

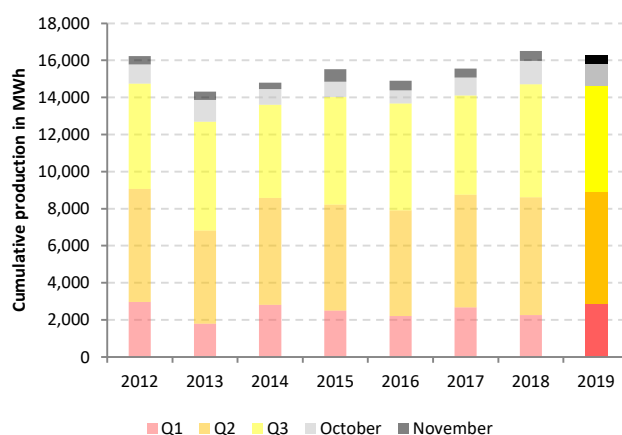
YTD Prod.: accumulated production year-to-date i.e. from January until the end of the reporting month.

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

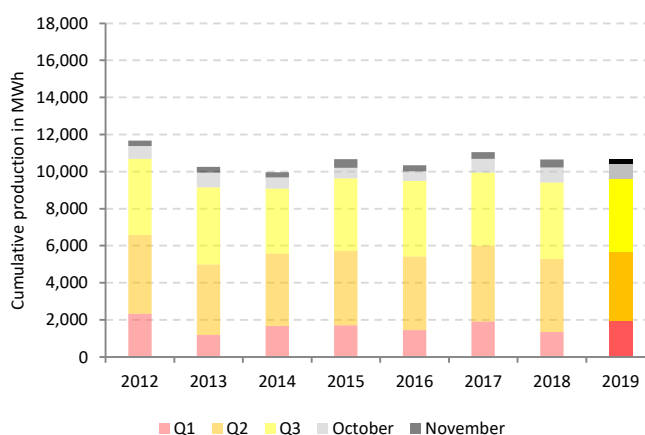
Perf. YTD: performance of the power plant year-to-date i.e. (YTD prod. in 2019/ YTD proj. in 2019) - 1

YoY ratio: (YTD Prod. in 2019/ YTD Prod. in 2018) - 1. YTD Prod. in 2019 includes the Hungarian production data.

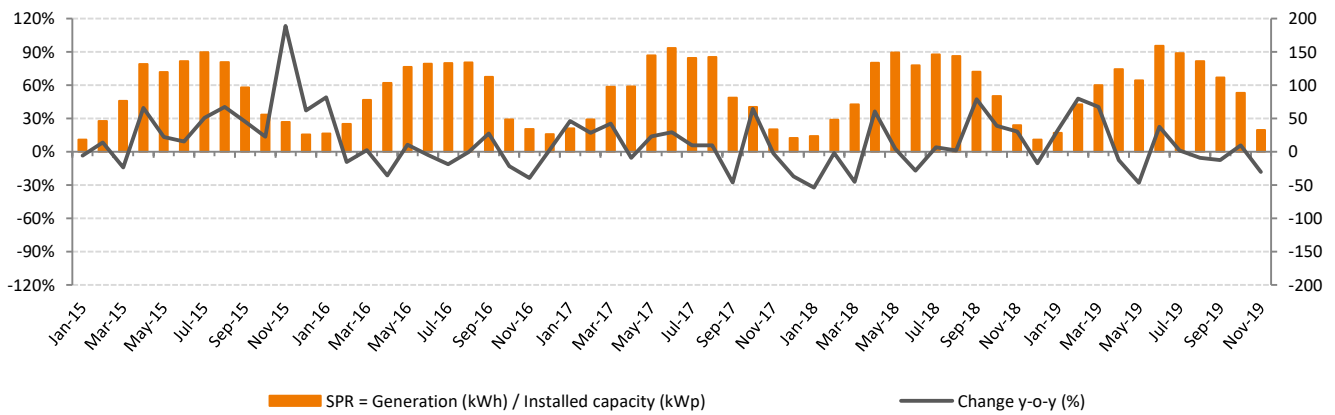
**Chart 1.a Total production of the Czech portfolio**



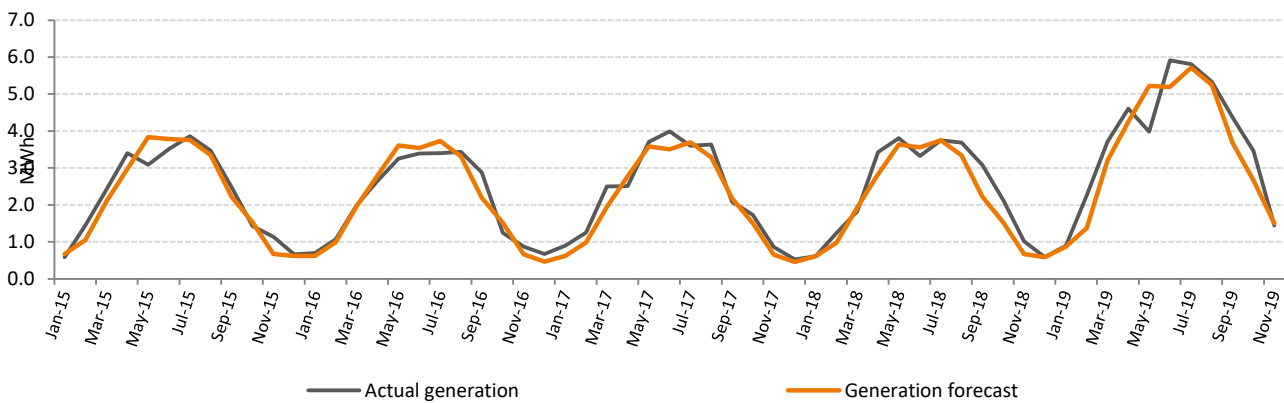
**Chart 1.b Total production of the Slovak portfolio**



**Chart 2. Generation results versus forecast between 1 January 2015 and 30 November 2019**



**Chart 3. Specific Performance Ratio between 1 January 2015 and 30 November 2019**



*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.*

In November generation results of Photon Energy’s proprietary PV power plants amounted to 1.4 GWh of electricity, which was 4.3% below the monthly energy forecasts. This underperformance can be attributed solely to the worse-than-expected weather condition in Hungary and Slovakia.

On a cumulative year-to-date basis the electricity production results are still very solid and amount to 41.8 GWh, 8.0% above the energy forecasts.

The additions of new Hungarian power plants during the course of the year have raised year-on-year comparison of electricity generation by 49.8% year-to-date.

The Czech generation results were the strongest in our portfolio as the Czech power plants outperformed energy forecasts by 35.4% in November. The performance of the Slovak and Hungarian power plants came in below energy audits by 18.6% and 13.8%, respectively. The Australian power plant in Symonston outperformed the energy audit by 4.8%.

The specific performance ratio of the proprietary portfolio (SPR) amounted to 33 KWh/kWp compared to 40 KWh/kWp, down by 18% year-on-year.

### 3. Reporting on Photon Energy’s project pipeline

As of the publishing date of this report, Photon Energy is developing PV projects in Australia (884 MWp) and Hungary (23.2 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 and Italy 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	Taszár <sup>1</sup>	Own portfolio	100%	2.1	Licensed PPA	Secured	Secured	Secured	Operating
Hungary	Tata	Own portfolio	100%	5.5	Licensed PPA	Secured	Secured	Secured	Under construction
Hungary	Malyi	Own portfolio	100%	2.1	Licensed PPA	Secured	Secured	Secured	Under construction
Hungary	Püspökladány	Own portfolio	100%	14.2	Licensed PPA	Secured	Secured	Secured	2020Q1
Hungary	Kunszentmárton II	Own portfolio	100%	1.4	Licensed PPA	Secured	Secured	Secured	2019Q4
<b>Total Own portfolio Hungary</b>				<b>25.3</b>					
Australia	Leeton	Own portfolio	100%	14.0	Retailer PPA	Secured	Secured	Secured	2019Q4
<b>Total Own portfolio Australia</b>				<b>14.0</b>					
<b>Total Own portfolio</b>				<b>39.3</b>					
Australia	Gunning	Developer	49%	220	Co-development & financing agreement with Canadian Solar	Secured	Ongoing	Ongoing	2020Q2
Australia	Maryvale	Developer	25%	160		Secured	Ongoing	Secured	2020Q2
Australia	Suntop 2	Developer	25%	200	Ongoing	Ongoing	Ongoing	2020Q2	
Australia	Carrick	Developer	51%	144	All options open	Secured	Ongoing	Ongoing	2020Q2
Australia	Brewongle	Developer	51%	146	All options open	Secured	Ongoing	Ongoing	2020Q2
<b>Total Development Australia</b>				<b>870</b>					

<sup>1</sup> The Taszar project has been connected to the grid after the reporting period on 4 December 2019 and will consequently be shown in the production statistics in the future as well. Upon removing project Taszar, the development pipeline of the remaining projects in Hungary will amount to 23.2 MWp.

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 six 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 884 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 out of five projects jointly developed with Canadian Solar Inc. 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 2019Q3.
- 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 2019Q3 and settled in 2019Q4.

The capital gain realised on both transactions amounted to EUR 4.121 million on top of the book value of EUR 1.109 million and was booked below the operating line as “Disposal of investments” in 2019Q3. Both projects were excluded from the Company’s pipeline co-developed with Canadian Solar, resulting in its reduction to three projects with a remaining capacity of 580 MWp.

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

- ▶ **Gunning (220 MWp):** The process of securing construction permit is undergoing. 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 2020Q1. 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 upon finalizations of those discussions.
- ▶ **Suntop 2 (200 MWp):** Suntop2 is a replacement of Mumbil Solar Farm, which could not have been developed due to significant issues related to aspects such as soil erosion, aboriginal heritage protection and challenges of waterways in the location of Mumbil. The construction permitting process is still undergoing. 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. We plan to resubmit it in Jan 2020. The grid connection application will start upon completion of EIS.

The 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. 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.
- ▶ **Brewongle (146 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 Transgrid.

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

As of the date of publishing this report, Photon Energy has twenty three projects in the pipeline with a total planned capacity of 23.2 MWp. Below is a short summary of projects in the pipeline and the progress achieved in the reporting period.

- ▶ **Tata (5.5 MWp):** Photon Energy owns five project companies with all land, grid connection capacity rights and KÁT licenses required for the construction of eight PV power plants with a total installed capacity of 5.5 MWp near the North-Western Hungarian municipality of Tata. Six of the eight projects will be build using single-axis tracking substructures. The Tata projects are currently under construction and the summary of work in progress is as follows:

### Tata – Work in progress



### Construction status:

The land preparation and low voltage electrical works are done. The ramming of the piles and substructures are finalized. The excavation works are completed and the grid connection line is constructed.

The technology for fixed substructures was delivered and modules were mounted on the substructures. Low voltage electrical works, security system and perimeter grounding are also completed. The six projects designed for tracking system are in the progress with 85% of substructures mounted and modules to be installed in the course of December 2019 and January 2020.

The projects are scheduled to be grid-connected in 2020Q1.

- ▶ **Malyi (2.1 MWp):** Photon Energy NV owns three PV projects with a total planned capacity of 2.1 MWp in the municipality of Malyi, close to Miskolc in the north of the country. Each project company owns a KÁT license entitling it to a feed-in-tariff of some HUF 32,590 per MWh (approx. EUR 98 per MWh) over a period of 25 years with a maximum approved and supported production of 16,500 MWh per license. The acquired PV projects are ready-to-build and the construction is in progress:

### Malyi – Work in progress



### Construction status:

The land preparation works are completed. Access and inner road is finished. Fencing is done by 80%. Ground works are completed and low voltage cable is currently being placed. Switching station and transformers were installed.

Substructure has been mounted in 90%. Modules will be delivered to the site this week and shall be mounted in the course of December 2019 and January 2020.

The projects are to be completed and grid-connected in 2020Q1

- ▶ **Püspökladány (14.2 MWp):** In May 2019 Photon Energy NV 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 32,590 per MWh (approx. EUR 98 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 acquired PV projects are expected to be ready-to-build in 2020Q1 as we are still waiting for the mid-voltage construction permit, which is in-progress.

- ▶ **Kunszentmárton II (1.4 MWp):** Photon Energy NV acquired four PV projects with a total planned capacity of 2.8 MWp in the municipality of Kunszentmárton, in Central Hungary. After the reporting period Photon Energy constructed and grid connected two out of four projects, which own KÁT licenses (ESPI 27/2019). The remaining two projects (hereafter named Kunszentmárton II) owning KÁT-METÁR licenses and entitling them to a feed-in-tariff of HUF 32,590 per MWh (approx. EUR 98 per MWh) over a period of 17 years and 4 months are still in the pipeline. The maximum approved and supported production amounts to 13,832 MWh per KÁT-METÁR license.

The construction of the two remaining KÁT-METÁR licensed projects is planned to start during 2020Q1.

The current project pipeline in Hungary consists of twenty three projects with a total planned capacity of 23.2 MWp. Together with our existing portfolio of operating PV plants of 26.1 MWp, we have secured a 49.3 MWp portfolio in Hungary. With this the Group remains well on track towards our year-end 2021 goal of 75 MWp of Hungarian PV power plants in our proprietary portfolio.

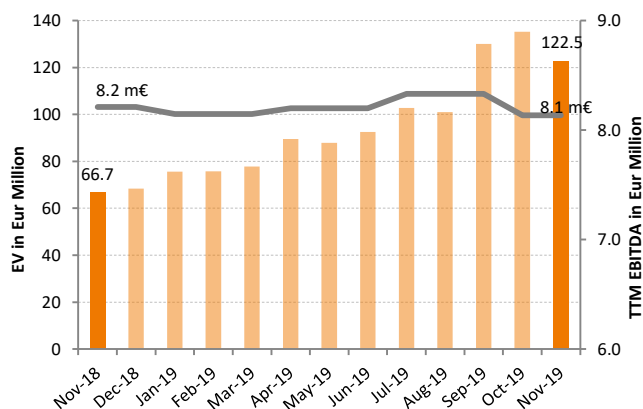


## 4. Enterprise value & Share price performance

### 4.1 NewConnect (Warsaw Stock Exchange)

On 30 November 2019, the share price (ISIN NL0010391108) closed at the level of PLN 5.00 (-17% MoM, +172% YTD), corresponding to a price to book ratio of 1.71x. The monthly trading volume was strong and amounted to 406,400 shares (vs. an average of 206,557 during the past twelve months).

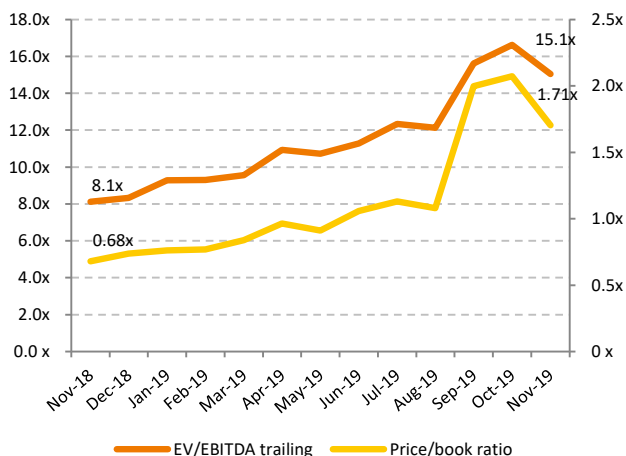
**Chart 4. Enterprise value vs. trailing 12 months (TTM) EBITDA**



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. as of 30.09.2019, the sum of EBITDA reported in 2018Q4, 2019Q1, 2019Q2 and 2019Q3.

**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 November 2019 the share price (ISIN NL0010391108) closed at a level of CZK 38.00 (+26.7% compared to last month,

+675.5% vs CZK 4.90, the reference price on the first trading day on 17 October 2016), corresponding to a price to book ratio of 2.19x. The Company reports a monthly trading volume of 31,841 shares in November compared to an average monthly trading volume of 21,001 shares during the past twelve months.

## 5. 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, increasing the outstanding bond volume to a total of EUR 37.5 million. All other parameters remain unchanged.

### 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 November 2019, the trading volume amounted to EUR 36.213 million (nominal value, including the volume traded in Berlin, Munich & Stuttgart) with an opening price of 100.00 and a closing price of 105.00 in Frankfurt. During this period the average daily turnover amounted to EUR 68,456.

#### EUR Bond 2017-22 trading performance in November 2019

In November 2019 the trading volume amounted to EUR 502,000 with an opening price of 104.25 and a closing price of 105.00 in Frankfurt. The average daily turnover amounted to EUR 23,905.

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

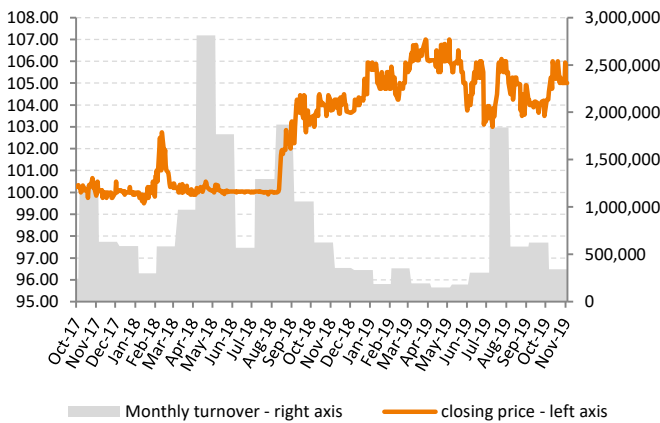
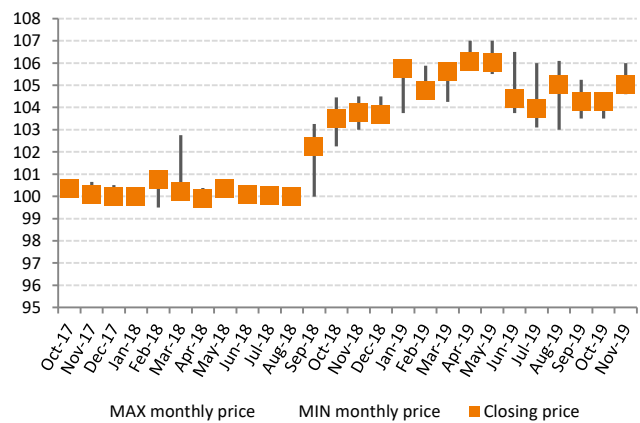


Chart 8. MIN, MAX and closing monthly prices



### 5.2 CZK Bond 2016-23 trading performance in Prague

In the trading period from 12 December 2016 until 30 November 2019 the trading volume amounted to CZK 10.200 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 report has been published in the EBI (Electronic Database Information) system of Warsaw Stock Exchange:

- ▶ **EBI 19/2019** published on 7 November 2019: Quarterly report for 2019Q3
- ▶ **EBI 20/2019** published on 12 November 2019: Monthly report for October 2019

After the period covered by this report there has been no reports published in the EBI (Electronic Database Information) system of Warsaw Stock Exchange.

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

- ▶ **ESPI 27/2019** published on 4 November 2019: Photon Energy commissions seven PV power plants with 4.9 MWp in Hungary
- ▶ **ESPI 28/2019** published on 10 November 2019: Change in substantial blocks of shares

After 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 29/2019** published on 5 December 2019: Photon Energy commissions 2.1 MWp in Hungary and grows its global portfolio to 51.8 MWp
- ▶ **ESPI 30/2019** published on 10 December 2019: Photon Energy secures long-term financing for additional 20.1 MWp in Hungary

## 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

There are no more publications planned by the end of December 2019.

## 9. Investor relations contact

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Amsterdam, 11 December 2019



Georg Hotar, Member of the Board of Directors



Michael Gartner, Member of the Board of Directors