

Photon Energy N.V.

Monthly Report for January 2021

For the period from 1 to 31 January 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

In January, due to heavy snowfall, the overall performance of the power plants in Photon Energy's portfolio was below energy forecasts. The average performance of all power plants in Photon Energy's portfolio came in approximately 14.1% below expectations but in total volume terms 29.2% above last year's level, thanks to the expansion of our Hungarian portfolio over the past year (23.0 MWp added since January 2020).

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

1.2 Photon Energy secures long-term financing for additional 14.1 MWp in Hungary

During the reporting period, the Company closed a second long-term non-recourse project financing agreement with the Hungarian CIB Bank for ten proprietary PV power plants in Hungary. The portfolio to be refinanced is comprised of ten METÁR-licensed PV power plants with a combined capacity of 14.1 MWp in the municipality of Püspökladány. The projects have been feeding clean electricity into the grid since their commissioning between October and November 2020. The financing, which totals HUF 4.6 billion (EUR 12.9 million), is being provided for a period of 15 years by CIB Bank, a subsidiary of the Italian Intesa Sanpaolo Group and the second-largest commercial bank in Hungary.

With this financing agreement, all our Hungarian projects have now been successfully refinanced long-term on a non-recourse project-level basis. This will free up substantial liquidity that will allow us to continue our plans for ongoing growth as we further expand our portfolio.

Photon Energy delivered the engineering, procurement and construction services for all of the above-mentioned power plants through its subsidiary Photon Energy Solutions HU Kft. The Group's subsidiary Photon Energy Operations HU Kft. is providing long-term monitoring and operations and maintenance services to the power plants.

1.3 Photon Energy led financing round in Lerta

The Company successfully led Lerta's second equity financing round with a PLN 4 million investment for a 12% stake, raising a total of PLN 7.5 million. The ValueTech Seed Fund also participated in this financing round, along with several other existing investors. This strategic partnership intends to strengthen Lerta's business in the Polish market and expand its activities to Hungary and Romania, two of Photon Energy's key future markets.

Lerta develops Virtual Power Plant technologies and services: the aggregation of generation sources and controllable loads, whose intelligent and automatic coordination allows for the stabilisation of power systems based on weather-dependent renewable energy sources. Thanks to technology that is based on machine learning and real-time analysis of data from cooperating units, Lerta can optimize the position of energy producers and users and maximize their revenues on several markets simultaneously, including both the capacity market and the energy market as well as the balancing market, which is undergoing fundamental changes throughout the EU.

Photon Energy had already indirectly invested in Lerta through its investment in the ValueTech Seed Fund, which led Lerta's first financing round in 2018.

1.4 Photon Energy makes debut on the regulated markets of the Warsaw and Prague Stock Exchanges and on the Quotation Board of the Frankfurt Stock Exchange

As already published in our last report, our shares are now listed on the regulated markets of the Warsaw and Prague Stock Exchanges, as well as on the Quotation Board of the Frankfurt Stock Exchange. We anticipate that these listings will help stimulate trading liquidity and diversify our investor base by providing an opportunity to invest in the Company to institutional and retail investors across Europe. To be in full compliance with the laws and regulations imposed on public companies as well as the best practices of the regulated markets, the Company has also established a two-tier board structure comprised of the existing management board and a new supervisory board and audit committee.

The trading of the shares on the regulated markets of the Warsaw and Prague Stock Exchanges commenced on 5 January 2021 and on 11 January on the Quotation Board of the Open Market of the Frankfurt Stock Exchange.

1.5 Reporting on Photon Energy's project pipeline

Photon Energy is currently developing PV projects in Australia (594.6 MWp), Hungary (96.6 MWp), Romania (105.2 MWp) and Poland (24.9 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 January 2021

Project name	Capacity	Feed-in-Tariff	Prod. 2021 January	Proj. 2021 January	Perf.	YTD Prod.	YTD Proj.	Perf.	YTD YoY
Unit	kWp	per MWh, in 2021	kWh	kWh	%	kWh	kWh	%	%
Komorovice	2,354	CZK 15,117	26,884	59,516	-54.8%	26,884	59,516	-54.8%	-66.3%
Zvíkov I	2,031	CZK 15,117	48,549	70,822	-31.4%	48,549	70,822	-31.4%	-42.7%
Dolní Dvořiště	1,645	CZK 15,117	26,405	45,282	-41.7%	26,405	45,282	-41.7%	-59.3%
Svatoslav	1,231	CZK 15,117	24,233	28,076	-13.7%	24,233	28,076	-13.7%	-35.8%
Slavkov	1,159	CZK 15,117	33,396	34,686	-3.7%	33,396	34,686	-3.7%	5.4%
Mostkovice SPV 1	210	CZK 15,117	4,727	5,923	-20.2%	4,727	5,923	-20.2%	-22.8%
Mostkovice SPV 3	926	CZK 16,240	18,840	22,089	-14.7%	18,840	22,089	-14.7%	-15.0%
Zdice I	1,499	CZK 15,117	43,884	47,660	-7.9%	43,884	47,660	-7.9%	-21.3%
Zdice II	1,499	CZK 15,117	45,531	48,864	-6.8%	45,531	48,864	-6.8%	-21.0%
Radvanice	2,305	CZK 15,117	44,318	59,210	-25.2%	44,318	59,210	-25.2%	-21.4%
Břeclav rooftop	137	CZK 15,117	4,800	4,509	6.4%	4,800	4,509	6.4%	6.8%
Total Czech PP	14,996		321,566	426,638	-24.6%	321,566	426,638	-24.6%	-35.9%
Babiná II	999	EUR 425.12	22,443	24,548	-8.6%	22,443	24,548	-8.6%	-17.7%
Babina III	999	EUR 425.12	23,571	25,664	-8.2%	23,571	25,664	-8.2%	-16.6%
Prša I.	999	EUR 425.12	25,115	30,584	-17.9%	25,115	30,584	-17.9%	21.3%
Blatna	700	EUR 425.12	17,337	17,102	1.4%	17,337	17,102	1.4%	7.0%
Mokra Luka 1	963	EUR 382.61	34,291	42,788	-19.9%	34,291	42,788	-19.9%	-20.2%
Mokra Luka 2	963	EUR 382.61	36,481	46,779	-22.0%	36,481	46,779	-22.0%	-20.3%
Jovice 1	979	EUR 382.61	16,458	18,328	-10.2%	16,458	18,328	-10.2%	-21.3%
Jovice 2	979	EUR 382.61	16,084	18,186	-11.6%	16,084	18,186	-11.6%	-22.5%
Brestovec	850	EUR 382.61	16,722	28,375	-41.1%	16,722	28,375	-41.1%	-41.3%
Polianka	999	EUR 382.61	13,213	22,661	-41.7%	13,213	22,661	-41.7%	-48.1%
Myjava	999	EUR 382.61	16,681	26,372	-36.7%	16,681	26,372	-36.7%	-48.5%
Total Slovak PP	10,429		238,395	301,388	-20.9%	238,395	301,388	-20.9%	-22.9%
Tiszaékcske 1	689	HUF 34,140	27,458	29,857	-8.0%	27,458	29,857	-8.0%	6.1%
Tiszaékcske 2	689	HUF 34,140	28,042	30,816	-9.0%	28,042	30,816	-9.0%	6.1%
Tiszaékcske 3	689	HUF 34,140	24,125	27,292	-11.6%	24,125	27,292	-11.6%	6.2%
Tiszaékcske 4	689	HUF 34,140	28,421	30,816	-7.8%	28,421	30,816	-7.8%	5.8%
Tiszaékcske 5	689	HUF 34,140	27,125	29,857	-9.1%	27,125	29,857	-9.1%	7.2%
Tiszaékcske 6	689	HUF 34,140	27,862	30,816	-9.6%	27,862	30,816	-9.6%	6.1%
Tiszaékcske 7	689	HUF 34,140	28,006	29,788	-6.0%	28,006	29,788	-6.0%	6.1%
Tiszaékcske 8	689	HUF 34,140	27,046	29,108	-7.1%	27,046	29,108	-7.1%	6.0%
Almásfüzitő 1	695	HUF 34,140	22,828	29,534	-22.7%	22,828	29,534	-22.7%	0.4%
Almásfüzitő 2	695	HUF 34,140	22,026	29,457	-25.2%	22,026	29,457	-25.2%	3.3%
Almásfüzitő 3	695	HUF 34,140	23,924	28,914	-17.3%	23,924	28,914	-17.3%	-2.7%
Almásfüzitő 4	695	HUF 34,140	22,602	29,758	-24.0%	22,602	29,758	-24.0%	-1.8%
Almásfüzitő 5	695	HUF 34,140	25,460	29,009	-12.2%	25,460	29,009	-12.2%	-2.0%
Almásfüzitő 6	660	HUF 34,140	24,296	27,942	-13.0%	24,296	27,942	-13.0%	-2.0%
Almásfüzitő 7	691	HUF 34,140	23,628	28,798	-18.0%	23,628	28,798	-18.0%	-1.5%
Almásfüzitő 8	668	HUF 34,140	22,611	28,490	-20.6%	22,611	28,490	-20.6%	-1.1%
Nagyecsed 1	689	HUF 34,140	20,703	28,045	-26.2%	20,703	28,045	-26.2%	-28.1%
Nagyecsed 2	689	HUF 34,140	20,473	28,045	-27.0%	20,473	28,045	-27.0%	-27.7%
Nagyecsed 3	689	HUF 34,140	20,678	27,716	-25.4%	20,678	27,716	-25.4%	-27.9%
Fertod I	528	HUF 34,140	18,198	21,168	-14.0%	18,198	21,168	-14.0%	-9.4%

Project name	Capacity	Feed-in-Tariff	Prod. 2021 January	Proj. 2021 January	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	26,406	28,837	-8.4%	26,406	28,837	-8.4%	-13.5%
Fertod II No 3	699	HUF 34,140	26,350	28,837	-8.6%	26,350	28,837	-8.6%	-13.8%
Fertod II No 4	699	HUF 34,140	27,399	28,837	-5.0%	27,399	28,837	-5.0%	-10.5%
Fertod II No 5	691	HUF 34,140	25,982	30,611	-15.1%	25,982	30,611	-15.1%	-14.3%
Fertod II No 6	699	HUF 34,140	26,167	28,837	-9.3%	26,167	28,837	-9.3%	-13.2%
Kunszentmárton I No 1	697	HUF 34,140	31,081	30,889	0.6%	31,081	30,889	0.6%	8.4%
Kunszentmárton I No 2	697	HUF 34,140	29,168	30,923	-5.7%	29,168	30,923	-5.7%	6.7%
Kunszentmárton II No 1	693	HUF 34,140	32,438	24,975	29.9%	32,438	24,975	29.9%	na
Kunszentmárton II No 2	693	HUF 34,140	31,964	25,174	27.0%	31,964	25,174	27.0%	na
Taszár 1	701	HUF 34,140	34,636	34,982	-1.0%	34,636	34,982	-1.0%	-11.3%
Taszár 2	701	HUF 34,140	34,936	34,982	-0.1%	34,936	34,982	-0.1%	-11.8%
Taszár 3	701	HUF 34,140	34,806	34,982	-0.5%	34,806	34,982	-0.5%	-11.8%
Monor 1	688	HUF 34,140	28,943	27,913	3.7%	28,943	27,913	3.7%	19.8%
Monor 2	696	HUF 34,140	29,040	28,194	3.0%	29,040	28,194	3.0%	20.3%
Monor 3	696	HUF 34,140	27,207	28,194	-3.5%	27,207	28,194	-3.5%	18.9%
Monor 4	696	HUF 34,140	28,341	28,194	0.5%	28,341	28,194	0.5%	19.8%
Monor 5	688	HUF 34,140	29,165	27,486	6.1%	29,165	27,486	6.1%	19.9%
Monor 6	696	HUF 34,140	29,100	28,194	3.2%	29,100	28,194	3.2%	19.5%
Monor 7	696	HUF 34,140	28,600	28,194	1.4%	28,600	28,194	1.4%	20.0%
Monor 8	696	HUF 34,140	28,138	28,194	-0.2%	28,138	28,194	-0.2%	16.6%
Tata 1	672	HUF 34,140	21,802	24,849	-12.3%	21,802	24,849	-12.3%	na
Tata 2	676	HUF 34,140	23,612	29,292	-19.4%	23,612	29,292	-19.4%	na
Tata 3	667	HUF 34,140	23,230	27,004	-14.0%	23,230	27,004	-14.0%	na
Tata 4	672	HUF 34,140	22,454	25,883	-13.2%	22,454	25,883	-13.2%	na
Tata 5	672	HUF 34,140	22,033	26,028	-15.4%	22,033	26,028	-15.4%	na
Tata 6	672	HUF 34,140	21,561	25,368	-15.0%	21,561	25,368	-15.0%	na
Tata 7	672	HUF 34,140	21,453	24,879	-13.8%	21,453	24,879	-13.8%	na
Tata 8	672	HUF 34,140	22,292	25,550	-12.8%	22,292	25,550	-12.8%	na
Malý 1	695	HUF 34,140	25,905	25,848	0.2%	25,905	25,848	0.2%	na
Malý 2	695	HUF 34,140	26,602	25,952	2.5%	26,602	25,952	2.5%	na
Malý 3	695	HUF 34,140	26,591	25,952	2.5%	26,591	25,952	2.5%	na
Puspokladány 1	1,406	HUF 34,140	47,827	60,297	-20.7%	47,827	60,297	-20.7%	na
Puspokladány 2	1,420	HUF 34,140	48,732	56,516	-13.8%	48,732	56,516	-13.8%	na
Puspokladány 3	1,420	HUF 34,140	46,930	54,526	-13.9%	46,930	54,526	-13.9%	na
Puspokladány 4	1,406	HUF 34,140	47,411	59,899	-20.8%	47,411	59,899	-20.8%	na
Puspokladány 5	1,420	HUF 34,140	48,858	56,516	-13.6%	48,858	56,516	-13.6%	na
Puspokladány 6	1,394	HUF 34,140	46,626	58,506	-20.3%	46,626	58,506	-20.3%	na
Puspokladány 7	1,406	HUF 34,140	44,227	59,899	-26.2%	44,227	59,899	-26.2%	na
Puspokladány 8	1,420	HUF 34,140	46,898	54,825	-14.5%	46,898	54,825	-14.5%	na
Puspokladány 9	1,406	HUF 34,140	47,264	59,899	-21.1%	47,264	59,899	-21.1%	na
Puspokladány 10	1,420	HUF 34,140	46,533	54,526	-14.7%	46,533	54,526	-14.7%	na
Total Hungarian PP	49,098		1,804,217	2,024,667	-10.9%	1,804,217	2,024,667	-10.9%	77.2%
Symonston	144	AUD 301.60	20,448	22,414	-8.8%	20,448	22,414	-8.8%	26.1%
Total Australian PP	144		20,448	22,414	-8.8%	20,448	22,414	-8.8%	26.1%
Total	74,667		2,384,626	2,775,106	-14.1%	2,384,626	2,775,106	-14.1%	29.2%

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

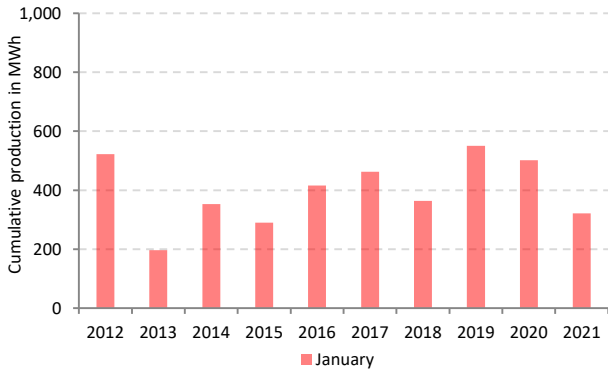


Chart 1.b Total production of the Slovak portfolio

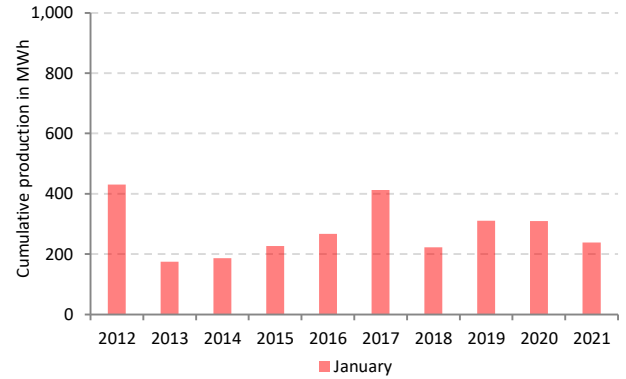


Chart 1.c Total production of Hungarian portfolio

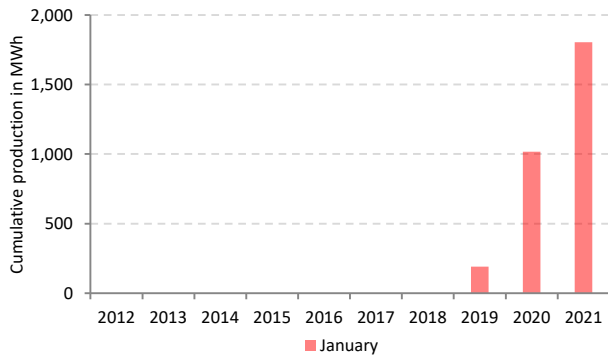


Chart 2. Generation results versus forecast between 1 January 2016 and 31 January 2021

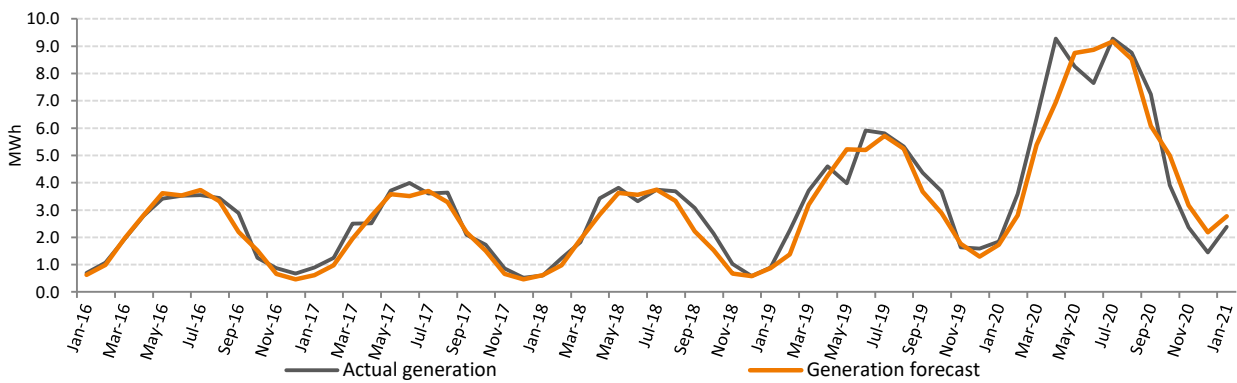
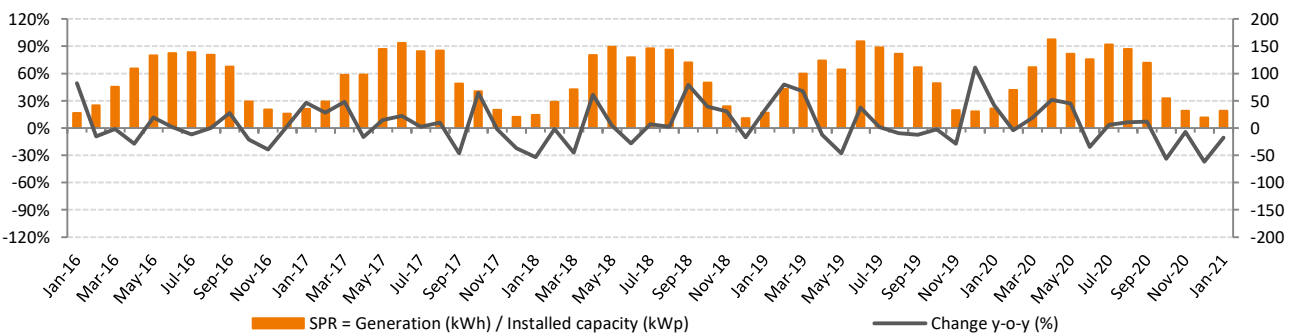


Chart 3. Specific Performance Ratio between 1 January 2016 and 31 January 2021



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.

In January due to heavy snowfall, the overall performance of the power plants in Photon Energy's portfolio was below energy forecasts. The average performance of all power plants in Photon Energy's portfolio came in approximately 14.1% below expectations but in total volume terms 29.2% above last year's level, thanks to the expansion of our Hungarian portfolio over the past year (23.0 MWp added since January 2020).

Our Czech, Slovak and Hungarian portfolios performed on average below expectations by approximately 24.6%, 20.9% and 10.9%, respectively. Our Australian power plant was short of generation estimates by 8.8% but improved by 26.6% compared to January 2020.





The specific performance ratio of the proprietary portfolio (SPR) reached 31.9 kWh/kWp compared to 35.7 kWh/kWp one year ago (-10.5% 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 (594.6 MWp), Hungary (96.6 MWp), Romania (105.2 MWp) and Poland (24.9 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	-	200.0	380.0	-	14.6	594.6
 Hungary	68.0	27.2	1.4	-	-	96.6
 Romania	27.7	77.5	-	-	-	105.2
 Poland	4.6	20.3	-	-	-	24.9
Total in MWp	100.3	325.0	381.4	-	14.6	821.3

*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	Commissioning process in progress
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
Australia	Gunning	3	Developer	49%	220	Co-development & financing agreement with Canadian Solar	Secured	Ongoing	Ongoing	Q2 2021
Australia	Maryvale	3	Developer	25%	160		Secured	Ongoing	Secured	Q2 2021
Australia	Suntop 2	2	Developer	25%	200		Ongoing	Ongoing	Ongoing	Q2 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 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 595 MWp.

Three of these projects are being 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 agreement):

- ▶ **Gunning (220 MWp):** The process of securing construction permit is ongoing. We have redefined and re-designed 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. In parallel we are in discussions with Transgrid regarding the grid connection specifications. GPS studies will follow.
- ▶ **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 2021.
- ▶ **Suntop 2 (200 MWp):** 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 the EIS. The grid connection application will start upon completion of EIS.

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. Commissioning is expected in December 2020, after which long-term O&M services will be provided by Photon Energy Operations Australia Pty Ltd.

The plants’ bi-facial PV modules will be 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 by the end of February 2021 and begin injection during the following weeks

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.
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)

Glossary of terms	Definitions
<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 bi-facial 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 14 projects with a total planned capacity of 96.6 MWp. Taking into account with our existing portfolio of 49.1 MWp operating PV power plants, we are well positioned to meet the Group's target for expansion of its portfolio in Hungary to up to 75 MWp until year-end 2021.

4. Enterprise value & Share price performance

4.1 Main market of the Warsaw Stock Exchange

On 31 January 2021 the Company's shares (ISIN NL0010391108) closed at a price of PLN 14.90 (+17.3% MoM), corresponding to a price to book ratio of 4.29. The monthly trading volume amounted to 378,976 shares (vs. an average monthly volume of 820,268 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 has been extracted from the trading activity on NewConnect.

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

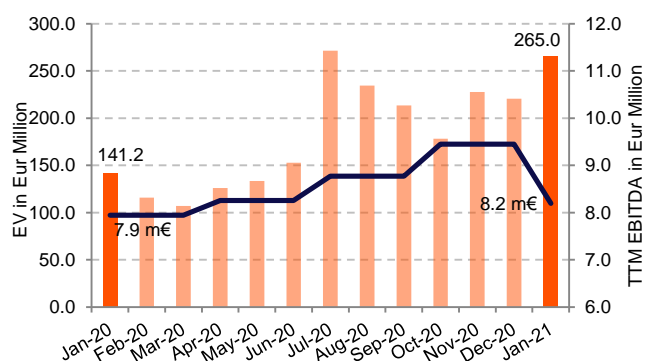
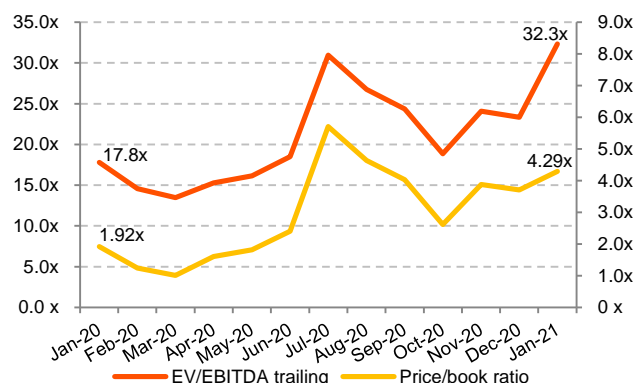


Chart 5. Enterprise value / trailing 12 months EBITDA and price to book ratio



Notes:

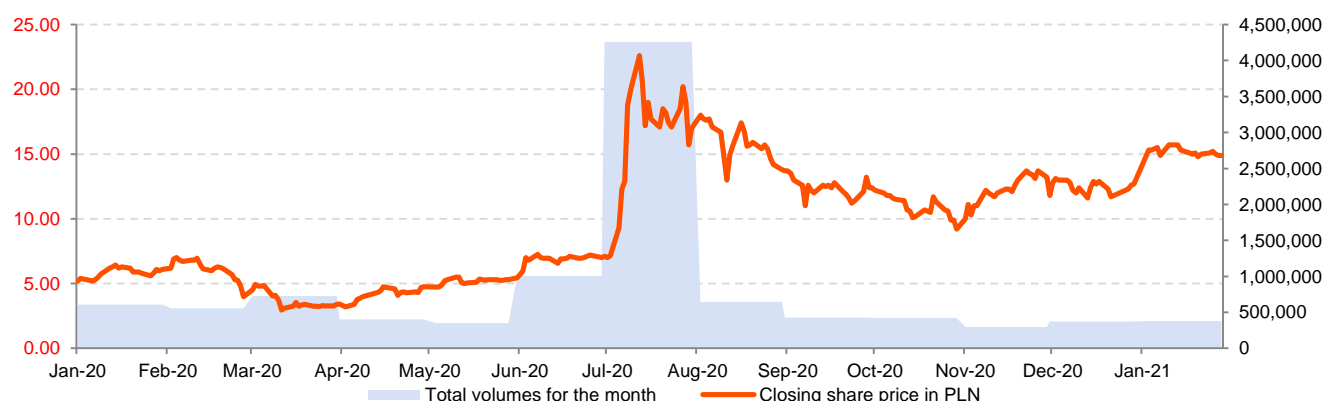
EV – Enterprise value is calculated as the market capitalisation as of the end of the reporting month, plus debt, plus minority interest, minus cash. All the balance sheet data are taken from the last quarterly report.

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 Q1 2020, Q2 2020, Q3 2020, and Q4 2020.

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 January 2021 the share price (ISIN NL0010391108) closed at a level of CZK 92.00 (+15.0% MoM), corresponding to a price to book ratio of 4.61x. The Company reports a monthly trading volume of 87,351 shares in January, compared to an average monthly trading volume of 46,290 in 2020.

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 January 2021 the share price (FSX: A1T9KW) closed at a level of EUR 3.26 compared to the opening price of EUR 3.10 on 11 January 2021, corresponding to a price to book ratio of 4.25x.

The Company reports a monthly trading volume of 48,630 shares since the admission to listing and trading of the Company's shares on the Quotation Board of the Frankfurt Stock Exchange on 11 January 2021.

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

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

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 January 2021, the trading volume amounted to EUR 48.951 million (nominal value, including the volume traded in Berlin, Munich & Stuttgart) with an opening price of 100.00 and a closing price of 103.00 in Frankfurt. During this period the average daily turnover amounted to EUR 59,551.

EUR Bond 2017/22 trading performance in January 2021

In January 2021 the trading volume amounted to EUR 298,000 with an opening price of 102.50 and a closing price of 103.00 in Frankfurt. The average daily turnover amounted to EUR 14,900.

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

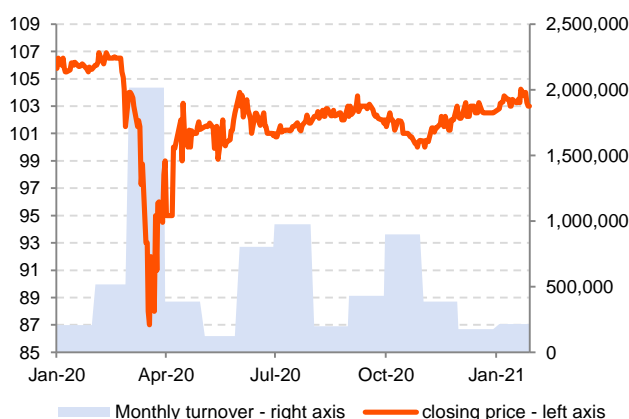
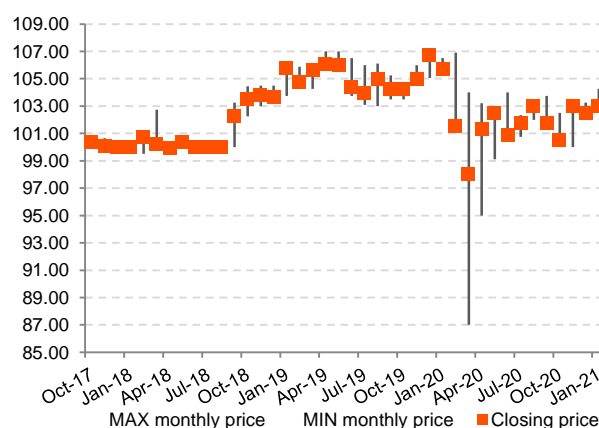


Chart 8. MIN, MAX and closing monthly prices



5.2 CZK Bond 2016/23 trading performance in Prague

In the trading period from 12 December 2016 until 31 January 2021, the trading volume amounted to CZK 15.240 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 1** – 04.01. 2021 - Admission of securities to trading on the regulated market of the Stock Exchange in Prague and exclusion of shares from trading on Free Market.
- ▶ **ESPI report 2** – 11.01.2021 - Shares of Photon Energy are listed on the Quotation Board of Frankfurt Stock Exchange.

- ▶ **ESPI report 3** – 11.01. 2021 - Photon Energy receives an access to Electronic Information Transfer System.
- ▶ **ESPI report 4** – 14.01.2021 - Monthly report for December 2020.
- ▶ **ESPI report 5** - 25.01.2021 - Photon Energy secures long-term financing for additional 14.1 MWp in Hungary.

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

- ▶ **ESPI report 6** - 11.02.2021 – Quarterly report for Q4 2020.

7. Investors' calendar

- ▶ 15 February 2021: Online presentation of Photon Energy Group's Q4 2020 results
- ▶ 11 March 2021: Monthly report for February 2021
- ▶ 14 April 2021: Monthly report for March 2021
- ▶ 11 May 2021: Entity and consolidated quarterly reports for Q1 2021
- ▶ 12 May 2021: Online presentation of Photon Energy Group's Q1 2021 results
- ▶ 13 May 2021: Monthly report for April 2021
- ▶ 17-19 May 2021: Frühjahrskonferenz (Spring Conference) 2021 Frankfurt/online
- ▶ 10 June 2021: Monthly report for May 2021
- ▶ 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, 15 February 2021



Georg Hotar, Member of the Board of Directors



Michael Gartner, Member of the Board of Directors