



Photon Energy N.V.

Consolidated and Entity Financial Reports

Q1 2021

For the period from 1 January to 31 March 2021

11 May 2021 | Amsterdam, The Netherlands

1. Selected financial results

1.1 Selected financial results for Photon Energy Group, for the period of 1 January to 31 March 2021

in Thousands	EUR		PLN		CZK	
	Q1 2020	Q1 2021	Q1 2020	Q1 2021	Q1 2020	Q1 2021
Total revenues	5,316	4,571	22,986	20,777	136,255	119,154
EBITDA	1,404	222	6,073	1,009	35,997	5,788
EBIT	-82	-1,475	-353	-6,707	-2,093	-38,463
Profit / loss before taxation	-1,846	-3,051	-7,984	-13,867	-47,325	-79,529
Profit / loss from continuing operations	-1,710	-3,169	-7,392	-14,407	-43,818	-82,624
Total comprehensive income	-4,325	1,791	-18,702	8,143	-110,861	46,700
Operating cash flow	-1,175	-2,848	-5,082	-12,945	-30,123	-74,239
Investment cash flow	-2,210	-4,055	-9,558	-18,434	-56,655	-105,720
Financial cash flow	-1,993	11,573	-8,618	52,609	-51,085	301,711
Net change in cash	-5,379	4,670	-23,258	21,230	-137,864	121,751
	31.12.2020	31.03.2021	31.12.2020	31.03.2021	31.12.2020	31.03.2021
Non-current assets	135,053	139,705	615,895	649,695	3,544,479	3,652,587
Current assets	23,851	32,050	108,769	149,047	625,963	837,942
Of which Liquid assets	14,290	20,222	65,168	94,042	375,041	528,706
Total assets	158,904	171,754	724,664	798,738	4,170,442	4,490,503
Total equity	40,075	43,762	182,756	203,514	1,051,761	1,144,158
Current liabilities	15,205	12,038	69,340	55,980	399,052	314,722
Non-current liabilities	103,624	115,953	472,566	539,239	2,719,618	3,031,600
EUR exchange rate – low	-	-	4.222	4.476	24.795	25.680
EUR exchange rate – average	-	-	4.324	4.546	25.631	26.070
EUR exchange rate – end of period	-	-	4.550	4.650	27.325	26.145
EUR exchange rate – high	-	-	4.614	4.658	27.810	26.420

Notes: Exchange rates provided by the European Central Bank.

All balance sheet data as of 31.12.2020 have been extracted from audited figures for FY 2020.

The P&L and Cash-flow data presented are based on published quarterly reports, with Q1 2020 figures adjusted to be consistent with the annual audited figures made available after the publication of this quarter.

Financial highlights:

- ▶ Unaudited consolidated revenues of EUR 4.571 million in the first quarter, representing a decline of 14.0% YoY.
- ▶ EBITDA decreased from EUR 1.404 million in Q1 2020 to EUR 0.222 million in Q1 2021.
- ▶ EBIT of EUR -1.475 million in Q1 2021 compared to EUR -0.082 million in Q1 2020.
- ▶ Total comprehensive income of EUR 1.791 million compared to EUR -4.325 million a year earlier and increased equity to EUR 43.762 million at the end of Q1 2021, compared to EUR 40.074 million at the end of 2020.
- ▶ The adjusted equity ratio (defined as total equity divided by total capital, being the sum of interest-bearing debt and equity) remained at a sound level of 28.4%.

Other highlights:

- ▶ Long-term financing secured for additional 14.1 MWp in Hungary.
- ▶ Photon Energy shares admitted to trading on the regulated markets of the Warsaw and Prague Stock Exchanges and on the Quotation Board of the Frankfurt Stock Exchange.
- ▶ First reporting on Sustainability published.
- ▶ Project pipeline expansion to 357 MWp in Hungary, Poland and Romania (approximately 160 MWp added since December 2020).

After the reporting period:

- ▶ Photon Energy Increased its Share in Maryvale Solar Farm through an Asset Swap with Canadian Solar.
- ▶ Photon Energy Group Participated in RayGen Resources Capital Increase.

1.2 Standalone financial results for Photon Energy N.V., for the period of 1 January to 31 March 2021

in Thousands	EUR		PLN		CZK	
	Q1 2020	Q1 2021	Q1 2020	Q1 2021	Q1 2020	Q1 2021
Net turnover	683	789	3,151	3,675	18,993	20,843
Total operating income	683	1,880	3,151	8,756	18,993	49,669
Results before tax	-759	-495	-3,503	-2,307	-21,115	-13,084
Net result after tax	-759	-495	-3,503	-2,307	-21,115	-13,084
	31.12.2020	31.03.2021	31.12.2020	31.03.2021	31.12.2020	31.03.2021
Fixed assets	59,235	55,034	270,133	255,937	1,554,616	1,438,875
Current assets	56,665	60,226	258,415	280,079	1,487,179	1,574,603
Cash at banks and in hand	114	285	520	1,328	2,992	7,464
Total assets	115,900	115,260	528,548	536,015	3,041,796	3,013,478
Total equity	63,077	62,687	287,653	291,526	1,655,443	1,638,960
Current liabilities	4,020	4,248	18,332	19,755	105,503	111,065
Long-term debt	48,803	48,325	222,561	224,732	1,280,836	1,263,444
EUR exchange rate – low	-	-	4.222	4.476	24.795	25.680
EUR exchange rate – average	-	-	4.324	4.546	25.631	26.070
EUR exchange rate – end of period	-	-	4.550	4.650	27.325	26.145
EUR exchange rate – high	-	-	4.614	4.658	27.810	26.420

Notes:

Exchange rates are provided by the European Central Bank.

All balance sheet data as of 31.12.2020 have been extracted from audited figures for FY 2020.

All data quoted in this report refer to the current reporting period i.e. from 1 January until 31 March 2021, unless specified otherwise.

All references to growth rate percentages compare the results of the reporting period to those of the prior year comparable period.

Total Comprehensive Income (TCI) is the sum of the profit after taxes plus Other Comprehensive income (OCI). According to IAS 16, Other comprehensive income includes revaluation of PPE in a proprietary portfolio to their fair values, share on OCI of associates and joint ventures and foreign currency translation differences.

In line with 2020 audit requirements, the Group has corrected classification and presentation of several items within consolidated statement of financial position, consolidated statement of profit and loss and other comprehensive income and consolidated cash flow statement. In order to provide comparable information for Q1 2021, the Group presents Q1 2020 figures in the same structure as presented in the annual audited financial statements. More information can be found in the published audited annual financial statements for 2020.

EPC stands for Engineering, Procurement and Construction and refers to services related to project design, engineering, procurement and construction of solar power plants.

Throughout this report Photon Energy Group is referred to as the "Group", the "Company", the "Issuer" and/or "Photon Energy".

2. Management discussion and analysis

2.1 A note from the Management Board

During the first quarter of 2021, our business development showed remarkable strength in many areas despite a challenging quarter, marked by a delay (from Q1 to Q2 2021) in the commissioning process of our 14.6 MWp utility-scale power plants in Australia. We remained focused on our strategic goal to develop, design and construct new projects for our proprietary portfolio with a clear focus on Australia, Hungary, Poland and Romania, where we have made significant progress and embarked on a path of dynamic growth. In Poland, Romania and Hungary alone, we were able to grow our project pipeline by nearly 160 MWp during this quarter. On the financing front, we completed a long-term agreement on a non-recourse project-level basis in Hungary for our PV power plants with a combined capacity of 14.1 MWp, which were recently constructed in Püspökladány. In Australia, as of February 2021, our subsidiary Photon Energy SGA Pty Ltd was accepted by the Australian Energy Market Operator as a Small Generation Aggregator and can now aggregate small generators up to 5 MWp (in some cases up to 30 MWp) and sell energy directly into the National Energy Market (NEM), without contracting an energy retailer. This creates opportunities for innovative business models, including the oversizing of rooftop power plants that sell electricity into the NEM, reinforcing Photon Energy's 'build, own and operate' model as an independent power producer, as well as the aggregation of multiple generators and batteries into virtual power plants, which also participate in the NEM.

After the reporting period, we also announced a share increase in the Maryvale Solar Farm through an asset swap with Canadian Solar. We are very excited to advance the project to the construction phase, as a connection agreement is expected to be reached within 12 months.

As well as making progress in Australia, we continued to transform our industry, as illustrated by the strategic investment we have recently concluded with RayGen, a company specialising in high-efficiency concentrated PV generation with thermal absorption and storage.

Finally, we are proud to have had our shares listed on the regulated markets of the Warsaw and Prague Stock Exchanges, as well as on the Quotation Board of the Frankfurt Stock Exchange and to have published our first sustainability report, formally expressing our commitment to delivering sustainable outcomes.

Financial Results

Our financial results reflect a challenging Q1 2021. Revenues were EUR 4.571 million for the first quarter of 2021, 14.0% lower than the first quarter of 2020. This development was the result of unfavourable weather conditions (however this could be compensated by the growing capacity of our proprietary portfolio of PV power plants), lower EPC revenues, and other revenues streams remaining essentially unchanged compared to the same quarter last year. Revenues were also impacted by the delay experienced in the commissioning process of our two utility-scale projects in Leeton, Australia. As mentioned above, we anticipate the electricity generation – and the booking of the corresponding positive revaluation difference of our portfolio – to occur during Q2 2021.

Unaudited consolidated EBITDA decreased sharply from EUR 1.404 million in Q1 2020 to EUR 0.222 million in the reporting

period, resulting from lower revenues and from the expansion of our project development activities in new markets such as Poland and Romania, mainly expressed in a growing headcount, which is crucial for the development of our existing business lines as well as our new business activities. These investments will lead to a rise in our income-generating asset base in the medium- and long-term, driving future growth in electricity-generation revenues, other comprehensive income generated upon plant commissioning according to IAS 16, and capital gains related to project development for resale.

Depreciation increased as a result of the new power plants connected in Hungary over the past 12 months (17.6 MWp), leading to a quarterly EBIT of EUR -1.475 million in Q1 2021 compared to EUR -0.082 million one year ago.

Overall net financial expenses decreased by 10.7% to EUR -1.575 million in Q1 2021, hiding higher interest costs related to the refinancing of our Hungarian portfolio and Australian projects, increased coupon payments associated with an additional placement of our EUR Bond in the second half of 2020, which were offset by a positive revaluation of derivatives.

Logically, net profit remained in the red with a net loss of EUR -3.169 million in Q1 2021 compared to a loss of EUR -1.709 million a year ago.

The exchange rate headwinds experienced in 2020 are gradually receding, as we benefited from a positive EUR 0.813 million FX revaluation in Q1 2021. As a result of RayGen's capital increase, a positive revaluation of our investment of EUR 3.454 million could be also recorded in Other Comprehensive Income (OCI).

Ultimately, Photon Energy Group managed to post a positive Total Comprehensive Income (TCI) of EUR 1.791 million compared to negative EUR -4.325 million a year earlier.

The adjusted equity ratio remained at a sound level of 28.4%.

Other key highlights for the first quarter of 2021 up to the reporting date are detailed below:

Long-term Financing Secured for Additional 14.1 MWp in Hungary

During the reporting period, a second long-term non-recourse project financing agreement was closed with the Hungarian CIB Bank for ten proprietary photovoltaic (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 second financing agreement with CIB Bank we have secured the long-term project refinancing of our remaining power plants in Hungary. Now all of our Hungarian projects have 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.

Project Pipeline Expansion in Hungary, Poland and Romania

Project development is a crucial part of Photon Energy's business model and vision for the future. The progress in our project development efforts in Hungary, Romania and Poland speaks for itself with nearly 160 MWp of new capacity added since the beginning of the year. Thanks to the understanding of these markets provided by our local teams, in combination with the company's global expertise, we were able to build a combined project pipeline of 357 MWp in these countries as of the reporting date. Photon Energy's project development teams have used different strategies in their respective markets to find successes in growing the project pipeline. The Romanian team acquired abandoned projects from 2014 when the government's subsidy program for renewable power plants ended. Reviving these projects that had been left with appropriate zoning permits and issued capacity has allowed the team to substantially increase the pipeline. In the demanding Polish market the team has targeted plots of land in areas with significant potential and added land to the Company's bank through strong back-office support and land scouts. In Hungary, the teams look to continue leveraging previous successes through 2021 by pushing market-leading technologies like trackers and bi-facial modules. This greenfield development strategy allows us to be independent in controlling development costs and technology to be deployed. By owning the permitting process, we can make technology-neutral decisions for the greatest final product flexibility. On the EPC front, we have just signed a contract to install a 1 MWp rooftop PV power plant for an established logistics company in Romania.

First Reporting on Sustainability

The pandemic has reminded us how the biggest crises demand an ambitious, global response. It has driven us to confront the threat of climate change more forcefully and to consider how, much like the COVID-19, it will inevitably alter our lives. In 2020, the foundations were laid for strategic management, controlling and reporting that are fully geared to sustainability. Our first sustainability report was released at the end of March 2021, formally expressing our commitment to delivering sustainable outcomes. Providing an overview of our efforts to integrate ESG into our organization, the report will provide clarity and guidance on sustainably integrated procedures and an overall embedded sustainable way of thinking.

We take our commitment to our employees, business partners, customers, bond- and shareholders very seriously and look to 2021 and beyond with the utmost confidence in our ability to meet or exceed those commitments.

Photon Energy Group Made Its Debut on the Regulated Markets of the Warsaw and Prague Stock Exchanges

The admission to listing and trading of the Company's shares on the regulated markets of the Warsaw Stock Exchange and Prague Stock Exchange followed the approval of the Company's securities prospectus by the Dutch regulator, Autoriteit Financiële Markten (the AFM), allowing for the transfer of shares from the unregulated stock markets New Connect (WSE) and Free Market. The trading of the shares commenced on 5 January 2021 under the ISIN code NL0010391108; the listings did not involve any issuance of new shares.

Admission to Listing and Trading of the Company's Shares on the Quotation Board of the Frankfurt Stock Exchange

Following a successful application submitted by Baader Bank, trading of the Company's shares commenced on the Quotation Board of the Open Market of the Frankfurt Stock Exchange (FSX) under the identification number 'A1T9KW' and ISIN code NL0010391108 on 11 January 2021.

The listing on the Frankfurt Stock Exchange enables investors from the Eurozone to trade the Company's shares without currency risk. The listing did not involve any issuance of new shares.

Photon Energy Group Increases its Share in Maryvale Solar Farm Through an Asset Swap with Canadian Solar

In Australia, we have just announced an exchange of project rights with our development partner Canadian Solar. As a result, we will continue developing the 160 MWp Maryvale Solar Farm with an increased 65% stake in the project, while further development of Gunning Solar Farm and Suntop2 Solar Farm will be handled by Canadian Solar. As part of the transaction, the original local co-development partner will continue its work on the project. Of the three projects, Maryvale is in the furthest stage of development and we are very excited to undertake preliminary design and grid connection studies. The Company expects this to take approximately six months, followed by a Connection Agreement which is expected to be reached within 12 months. 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.

Photon Energy Group Participates in RayGen Resources Capital Increase

After the reporting period, the Group announced that it is participating in the capital increase in the Melbourne-based technology company RayGen Resources Pty Ltd (RayGen). Photon Energy Group is among a group of investors that participated in a recent equity investment in RayGen. The Company entered a strategic partnership with and announced its initial investment in RayGen in April 2020.

RayGen technology tackles head-on the problem of the intermittency of solar energy, by combining high-efficiency concentrated PV generation with thermal absorption and storage, providing the highest energy density of any solar technology available today. The interest of highly reputable investors and the increased valuation of the company validates our initial investment, and we are convinced that our second investment into RayGen will lead to advances in both optimizing EPC outcomes and on developing utility-scale projects globally.

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

2.2 Strategy and its execution

The Group's focus for future growth lays on the established Australian and Hungarian markets and the newly added Polish and Romanian markets for the expansion of PV generation capacity. Further markets in Central Europe, Central and South America, the Middle East, and Africa remain under the Group's investigation.

The Group also intends to continue to disrupt and transform the PV industry. This is illustrated by the recent strategic investments concluded with RayGen, a company specialized in high efficiency concentrated PV generation with thermal absorption and storage, and with Lerta at the end of the reporting period, developing Virtual Power Plant technologies and energy market services.

In addition, the Group's focus remains on expansion of operations & maintenance (O&M) solutions in Central Europe and Australia and selective entry to new markets following its customers, and development of various water treatment technologies and preparation for its commercialization.

The Group's strategic goals include:

- ▶ An increase in the production of clean energy by expanding the Group's global electricity generation capacity of the proprietary portfolio of photovoltaic power plants;
- ▶ the acquisition of new PV projects to develop, design and construct them for the proprietary portfolio supporting the growth of recurring revenue stream from clean electricity generation with a clear focus on Australia, Hungary, Poland and Romania;
- ▶ the expansion of the PPA-business and construction of commercial "behind-the-meter" PV projects for industrial customers and off-takers in Australia and in Europe;
- ▶ the Group intends to compete for PV projects, which aim to address the needs for provision of clean energy in locations which require tailor-made approach to design complete energy systems, which would combine generation of clean energy with energy storage solutions; such PV projects require an integrated approach in application of PV technology;
- ▶ the provision of O&M services allowing PV power plants to run smoothly at high generation levels and increasing revenues while reducing risks for the Group's customers;
- ▶ the procurement and trading of PV components through cooperation with PV technology manufacturers; and
- ▶ the remediation of contaminated sites and ground water pollution deploying water treatment technology with a focus on PFAS nano-remediation solutions.

2.3 Proprietary portfolio, generation results and O&M services

Proprietary portfolio

The table below presents the portfolio of operating power plants owned directly or indirectly by Photon Energy N.V. at the end of the reporting period i.e. as of 31 March 2021, consisting of 84 power plants in the Czech Republic, Slovakia, Hungary and

Australia with a total installed capacity of 74.7 MWp. More information on the Group structure can be found in chapter 10. Group structure.

Table 1. The proprietary portfolio of Photon Energy N.V. as of 31 March 2021

Nr	Proprietary portfolio	Legal entity	Country	Cap. (kWp)	Share	Cap. Pro-rata (kWp)	Completed
1	Komorovice	Exit 90 s.r.o.	CZ	2,354	100%	2,354	Dec.10
2	Zvíkov I	Photon SPV8 s.r.o.	CZ	2,031	100%	2,031	Nov.10
3	Dolní Dvořiště	Photon SPV10 s.r.o.	CZ	1,645	100%	1,645	Dec.10
4	Svatoslav	Photon SPV4 s.r.o.	CZ	1,231	100%	1,231	Dec.10
5	Slavkov	Photon SPV6 s.r.o.	CZ	1,159	100%	1,159	Dec.10
6	Mostkovice SPV 1	Photon SPV1 s.r.o.	CZ	210	100%	210	Dec.10
7	Mostkovice SPV 3 ¹	Photon SPV3 s.r.o.	CZ	926	100%	926	Dec.09
8	Zdice I	Onyx Energy I s.r.o.	CZ	1,499	100%	1,499	Dec.10
9	Zdice II	Onyx Energy projekt II s.r.o.	CZ	1,499	100%	1,499	Dec.10
10	Radvanice	Photon SPV11 s.r.o.	CZ	2,305	100%	2,305	Dec.10
11	Břeclav rooftop	Photon SPV1 s.r.o.	CZ	137	100%	137	Dec.10
12	Babiná II	Sun4Energy ZVB s.r.o.	SK	999	100%	999	Dec.10
13	Babina III	Sun4Energy ZVC s.r.o.	SK	999	100%	999	Dec.10
14	Prša I.	Fotonika s.r.o.	SK	999	100%	999	Dec.10
15	Blatna	ATS Energy s.r.o.	SK	700	100%	700	Dec.10
16	Mokra Luka 1	EcoPlan 2 s.r.o.	SK	963	100%	963	Jun.11
17	Mokra Luka 2	EcoPlan 3 s.r.o.	SK	963	100%	963	Jun.11
18	Jovice 1	Photon SK SPV2 s.r.o.	SK	979	100%	979	Jun.11
19	Jovice 2	Photon SK SPV3 s.r.o.	SK	979	100%	979	Jun.11
20	Brestovec	Photon SK SPV1 s.r.o.	SK	850	50%	425	Jun.11
21	Polianka	Solarpark Polianka s.r.o.	SK	999	50%	500	Jun.11
22	Myjava	Solarpark Myjava s.r.o.	SK	999	50%	500	Jun.11
23	Symonston	Photon Energy AUS SPV 1 Pty. Ltd.	AUS	144	100%	144	Feb.13
24	Tizsakécske 1	Ekopanel Befektetési Kft.	HU	689	100%	689	Dec-18
25	Tizsakécske 2	Onyx-sun Kft.	HU	689	100%	689	Dec-18
26	Tizsakécske 3	Solarkit Befektetesi Kft.	HU	689	100%	689	Dec-18
27	Tizsakécske 4	Energy499 Invest Kft.	HU	689	100%	689	Dec-18
28	Tizsakécske 5	Green-symbol Invest Kft.	HU	689	100%	689	Dec-18
29	Tizsakécske 6	Montagem Befektetési Kft.	HU	689	100%	689	Dec-18
30	Tizsakécske 7	SunCollector Kft.	HU	689	100%	689	Dec-18
31	Tizsakécske 8	Future Solar Energy Kft.	HU	689	100%	689	Dec-18
32	Almásfüzitő 1	Ráció Master Kft.	HU	695	100%	695	Mar-19
33	Almásfüzitő 2	Ráció Master Kft.	HU	695	100%	695	Mar-19
34	Almásfüzitő 3	Ráció Master Kft.	HU	695	100%	695	Mar-19
35	Almásfüzitő 4	Ráció Master Kft.	HU	695	100%	695	Mar-19
36	Almásfüzitő 5	Ráció Master Kft.	HU	695	100%	695	Mar-19
37	Almásfüzitő 6	Ráció Master Kft.	HU	660	100%	660	Mar-19
38	Almásfüzitő 7	Ráció Master Kft.	HU	691	100%	691	Mar-19
39	Almásfüzitő 8	Ráció Master Kft.	HU	668	100%	668	Mar-19
40	Nagyecsed 1	Photon Energy Solutions HU Kf	HU	689	100%	689	Jul-19
41	Nagyecsed 2	Photon Energy Solutions HU Kf	HU	689	100%	689	Jul-19
42	Nagyecsed 3	Photon Energy Solutions HU Kf	HU	689	100%	689	Jul-19
43	Fertőd I No 1	Fertőd Napenergia-Termelő Kft.	HU	528	100%	528	Mar 18
44	Fertőd II No 2	Photon Energy HU SPV 1 Kft	HU	699	100%	699	Nov-19
45	Fertőd II No 3	Photon Energy HU SPV 1 Kft.	HU	699	100%	699	Nov-19

Nr	Proprietary portfolio	Legal entity	Country	Cap. (kWp)	Share	Cap. Pro-rata (kWp)	Completed
46	Fertőd II No 4	Alfemo Alpha Kft.	HU	699	100%	699	Nov-19
47	Fertőd II No 5	Ráció Master Kft.	HU	691	100%	691	Nov-19
48	Fertőd II No 6	Photon Energy HU SPV 1 Kft.	HU	699	100%	699	Nov-19
49	Kunszentmárton I No 1	Ventiterra Kft.	HU	697	100%	697	Nov-19
50	Kunszentmárton I No 2	Ventiterra Kft.	HU	697	100%	697	Nov-19
51	Kunszentmárton II No 1	Ventiterra Alpha Kft.	HU	693	100%	693	May-20
52	Kunszentmárton II No 2	Ventiterra Beta Kft.	HU	693	100%	693	May-20
53	Taszár 1	Optisolar Kft.	HU	701	100%	701	Dec-19
54	Taszár 2	Optisolar Kft.	HU	701	100%	701	Dec-19
55	Taszár 3	Optisolar Kft.	HU	701	100%	701	Dec-19
56	Monor 1	Photon Energy HU SPV 1 Kft.	HU	688	100%	688	Oct-19
57	Monor 2	Photon Energy HU SPV 1 Kft.	HU	696	100%	696	Oct-19
58	Monor 3	Photon Energy HU SPV 1 Kft.	HU	696	100%	696	Oct-19
59	Monor 4	Photon Energy HU SPV 1 Kft.	HU	696	100%	696	Oct-19
60	Monor 5	Photon Energy HU SPV 1 Kft.	HU	688	100%	688	Oct-19
61	Monor 6	Photon Energy HU SPV 1 Kft.	HU	696	100%	696	Oct-19
62	Monor 7	Photon Energy HU SPV 1 Kft.	HU	696	100%	696	Oct-19
63	Monor 8	Photon Energy HU SPV 1 Kft.	HU	696	100%	696	Oct-19
64	Tata 1	Tataimmo Kft.	HU	672	100%	696	Mar-20
65	Tata 2	ALFEMO Beta Kft.	HU	676	100%	696	Mar-20
66	Tata 3	ALFEMO Gamma Kft.	HU	667	100%	696	Feb-20
67	Tata 4	Tataimmo Kft.	HU	672	100%	696	Mar-20
68	Tata 5	Öreghal Kft.	HU	672	100%	696	Mar-20
69	Tata 6	Tataimmo Kft.	HU	672	100%	696	Feb-20
70	Tata 7	European Sport Contact Kft.	HU	672	100%	696	Feb-20
71	Tata 8	Tataimmo Kft.	HU	672	100%	696	Mar-20
72	Malyi 1	Zuggo - Dulo Kft.	HU	695	100%	695	May-20
73	Malyi 2	Egespart Kft.	HU	695	100%	695	May-20
74	Malyi 3	Zemplenimpex Kft.	HU	695	100%	695	May-20
75	Püspökladány1	Ladány Solar Alpha Kft.	HU	1,406	100%	1,406	Nov-20
76	Püspökladány 2	Ladány Solar Alpha Kft.	HU	1,420	100%	1,420	Oct-20
77	Püspökladány 3	Ladány Solar Alpha Kft.	HU	1,420	100%	1,420	Oct-20
78	Püspökladány 4	Ladány Solar Beta Kft.	HU	1,406	100%	1,406	Oct-20
79	Püspökladány 5	Ladány Solar Beta Kft.	HU	1,420	100%	1,420	Oct-20
80	Püspökladány 6	Ladány Solar Beta Kft.	HU	1,394	100%	1,394	Oct-20
81	Püspökladány 7	Ladány Solar Gamma Kft.	HU	1,406	100%	1,406	Nov-20
82	Püspökladány 8	Ladány Solar Gamma Kft.	HU	1,420	100%	1,420	Oct-20
83	Püspökladány 9	Ladány Solar Delta Kft.	HU	1,406	100%	1,406	Oct-20
84	Püspökladány 10	Ladány Solar Delta Kft.	HU	1,420	100%	1,420	Oct-20
Total				74,667			

¹ Photon SPV 3 owns two power plants: Mostkovice SPV 3 (795 kWp) and Mostkovice SPV3R (131 kWp).

Generation results

The cumulative generation results of the power plants in the portfolio connected and feeding electricity to the grid in Q1 2021 amounted to 15.1 GWh, which was 28.4% higher YOY and in line with energy forecasts (+0.5%). This represents an avoidance of

5,890 tons of CO₂ emissions for the first three month in 2021, compared to 5,110 tons a year ago. Detailed generation results for each power plant are published on a monthly basis in our monthly reports.

Table 2. Generation results versus projections between 1 January and 31 March 2021

Project name	Capacity	Feed-in-Tariff	Prod. Q1 2021	Proj. Q1 2021	Perf.	YTD YoY
Unit	kWp	per MWh, in 2021	kWh	kWh	%	kWh
Komorovice	2,354	CZK 15,117	330,354	394,188	-16.2%	-26.5%
Zvíkov I	2,031	CZK 15,117	333,757	395,174	-15.5%	-24.2%
Dolní Dvořiště	1,645	CZK 15,117	246,866	264,775	-6.8%	-18.6%
Svatoslav	1,231	CZK 15,117	160,033	178,218	-10.2%	-22.5%
Slavkov	1,159	CZK 15,117	207,342	216,051	-4.0%	-17.1%
Mostkovice SPV 1	210	CZK 15,117	30,556	35,093	-12.9%	-24.3%
Mostkovice SPV 3*	926	CZK 16,240	139,975	151,953	-7.9%	-20.6%
Zdice I	1,499	CZK 15,117	251,667	274,002	-8.2%	-17.2%
Zdice II	1,499	CZK 15,117	264,449	278,084	-4.9%	-15.7%
Radvanice	2,305	CZK 15,117	344,119	385,323	-10.7%	-21.6%
Břeclav rooftop	137	CZK 15,117	24,578	26,741	-8.1%	-17.6%
Total Czech PP	14,996		2,333,696	2,599,602	-10.2%	-21.0%
Babiná II	999	EUR 425.12	146,857	140,218	4.7%	-5.2%
Babina III	999	EUR 425.12	151,283	144,729	4.5%	-6.0%
Prša I.	999	EUR 425.12	156,851	158,241	-0.9%	-3.6%
Blatna	700	EUR 425.12	105,229	104,741	0.5%	-9.5%
Mokra Luka 1	963	EUR 382.61	207,762	205,643	1.0%	-8.1%
Mokra Luka 2	963	EUR 382.61	216,173	213,150	1.4%	-7.6%
Jovice 1	979	EUR 382.61	122,221	132,142	-7.5%	-15.1%
Jovice 2	979	EUR 382.61	120,686	130,468	-7.5%	-15.7%
Brestovec	850	EUR 382.61	159,753	169,073	-5.5%	-18.6%
Polianka	999	EUR 382.61	123,503	140,551	-12.1%	-24.2%
Myjava	999	EUR 382.61	157,639	172,107	-8.4%	-23.3%
Total Slovak PP	10,429		1,667,956	1,711,062	-2.5%	-12.5%
Tiszakécske 1	689	HUF 34,140	155,546	152,046	2.3%	-4.1%
Tiszakécske 2	689	HUF 34,140	157,209	154,280	1.9%	-4.2%
Tiszakécske 3	689	HUF 34,140	147,081	145,413	1.1%	-4.2%
Tiszakécske 4	689	HUF 34,140	158,169	154,280	2.5%	-4.2%
Tiszakécske 5	689	HUF 34,140	149,514	152,046	-1.7%	-7.9%
Tiszakécske 6	689	HUF 34,140	156,536	154,280	1.5%	-4.2%
Tiszakécske 7	689	HUF 34,140	156,931	151,887	3.3%	-3.6%
Tiszakécske 8	689	HUF 34,140	154,525	150,872	2.4%	-4.2%
Almásfűzitő 1	695	HUF 34,140	154,530	152,198	1.5%	-1.3%
Almásfűzitő 2	695	HUF 34,140	149,931	152,026	-1.4%	-1.7%
Almásfűzitő 3	695	HUF 34,140	152,110	150,520	1.1%	3.8%
Almásfűzitő 4	695	HUF 34,140	154,970	152,755	1.4%	-2.8%
Almásfűzitő 5	695	HUF 34,140	160,311	151,004	6.2%	-3.0%
Almásfűzitő 6	660	HUF 34,140	158,061	145,288	8.8%	-3.0%
Almásfűzitő 7	691	HUF 34,140	157,064	150,059	4.7%	-3.2%
Almásfűzitő 8	668	HUF 34,140	155,902	147,311	5.8%	-2.8%
Nagyecsed 1	689	HUF 34,140	148,057	146,595	1.0%	-3.3%
Nagyecsed 2	689	HUF 34,140	146,938	146,595	0.2%	-5.3%
Nagyecsed 3	689	HUF 34,140	148,112	146,396	1.2%	-5.3%
Fertod I	528	HUF 34,140	119,904	110,586	8.4%	-6.5%
Fertod II No 2	699	HUF 34,140	157,155	150,339	4.5%	-5.6%
Fertod II No 3	699	HUF 34,140	158,335	150,339	5.3%	-4.6%
Fertod II No 4	699	HUF 34,140	163,302	150,339	8.6%	-2.0%

Project name	Capacity	Feed-in-Tariff	Prod. Q1 2021	Proj. Q1 2021	Perf.	YTD Prod.
Unit	kWp	per MWh, in 2021	kWh	kWh	%	kWh
Fertod II No 5	691	HUF 34,140	156,973	152,698	2.8%	-5.3%
Fertod II No 6	699	HUF 34,140	157,564	150,339	4.8%	-4.6%
Kunszentmárton I No 1	697	HUF 34,140	167,434	157,630	6.2%	-1.7%
Kunszentmárton I No 2	697	HUF 34,140	164,393	157,675	4.3%	-1.6%
Kunszentmárton II No 1	693	HUF 34,140	171,878	137,211	25.3%	na
Kunszentmárton II No 2	693	HUF 34,140	171,685	137,509	24.9%	na
Taszár 1	701	HUF 34,140	171,835	162,962	5.4%	-2.8%
Taszár 2	701	HUF 34,140	172,421	162,962	5.8%	-2.7%
Taszár 3	701	HUF 34,140	172,288	162,962	5.7%	-3.1%
Monor 1	688	HUF 34,140	165,279	150,885	9.5%	0.8%
Monor 2	696	HUF 34,140	165,178	155,691	6.1%	-0.2%
Monor 3	696	HUF 34,140	162,154	155,691	4.2%	-0.4%
Monor 4	696	HUF 34,140	164,672	155,691	5.8%	-0.1%
Monor 5	688	HUF 34,140	165,418	152,209	8.7%	-0.2%
Monor 6	696	HUF 34,140	163,448	155,691	5.0%	-1.5%
Monor 7	696	HUF 34,140	164,580	155,691	5.7%	-0.4%
Monor 8	696	HUF 34,140	163,212	155,691	4.8%	-0.6%
Tata 1	672	HUF 34,140	148,904	141,116	5.5%	77.7%
Tata 2	676	HUF 34,140	154,218	149,214	3.4%	81.9%
Tata 3	667	HUF 34,140	153,585	144,097	6.6%	45.5%
Tata 4	672	HUF 34,140	150,081	145,213	3.4%	81.5%
Tata 5	672	HUF 34,140	143,851	145,821	-1.4%	66.4%
Tata 6	672	HUF 34,140	151,404	143,078	5.8%	51.9%
Tata 7	672	HUF 34,140	151,649	141,232	7.4%	57.6%
Tata 8	672	HUF 34,140	154,204	143,830	7.2%	89.6%
Malyi 1	695	HUF 34,140	144,886	143,397	1.0%	na
Malyi 2	695	HUF 34,140	145,162	143,655	1.0%	na
Malyi 3	695	HUF 34,140	145,351	143,655	1.2%	na
Püspökladány 1	1,406	HUF 34,140	315,903	320,344	-1.4%	na
Püspökladány 2	1,420	HUF 34,140	320,375	305,131	5.0%	na
Püspökladány 3	1,420	HUF 34,140	312,681	296,561	5.4%	na
Püspökladány 4	1,406	HUF 34,140	315,337	318,137	-0.9%	na
Püspökladány 5	1,420	HUF 34,140	321,075	304,759	5.4%	na
Püspökladány 6	1,394	HUF 34,140	306,300	312,091	-1.9%	na
Püspökladány 7	1,406	HUF 34,140	311,623	318,036	-2.0%	na
Püspökladány 8	1,420	HUF 34,140	312,340	297,825	4.9%	na
Püspökladány 9	1,406	HUF 34,140	284,029	317,942	-10.7%	na
Püspökladány 10	1,420	HUF 34,140	311,248	296,413	5.0%	na
Total Hungarian PP	49,098		11,094,809	10,708,190	3.6%	61.0%
Symonston	144	AUD 301.60	52,200	56,633	-7.8%	10.0%
Total Australian PP	144		52,200	56,633	-7.8%	10.0%
Total	74,667		15,148,661	15,075,486	0.5%	28.4%

Notes: * Total result for Mostkovice SPV 3 and Mostkovice SPV 3R, as the same company "SPV3" owns both power plants.

Chart 1.a Total production of the Czech portfolio

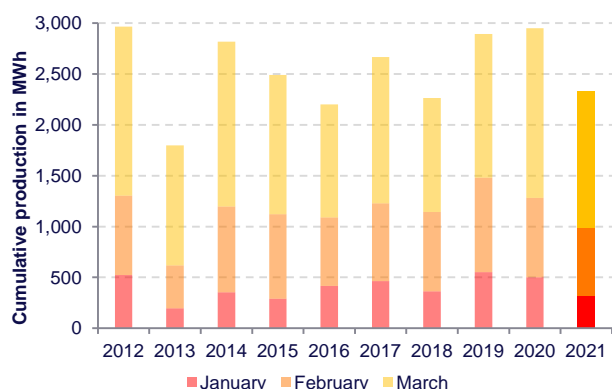


Chart 1.b Total production of the Slovak portfolio

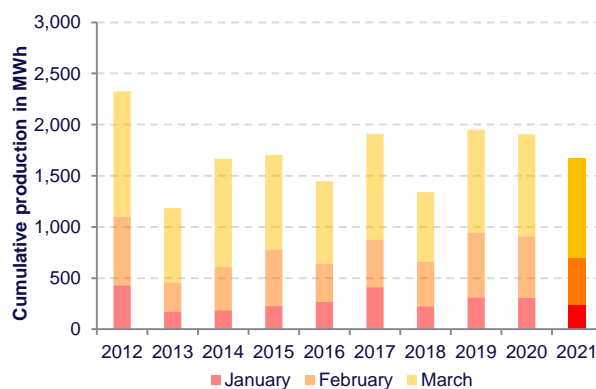
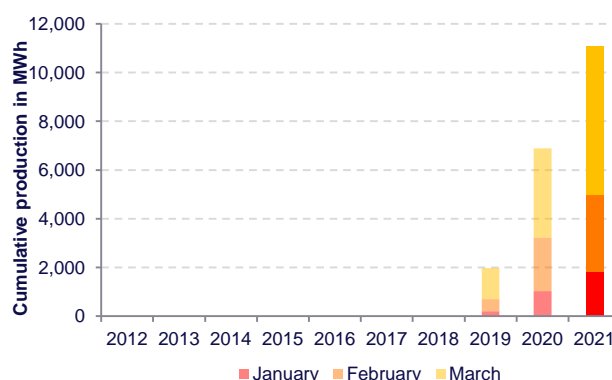


Chart 1.c Total production of Hungarian portfolio



O&M services

Photon Energy remained focused on further expanding its Operations & Maintenance business in Europe. As of the end of Q1 2021, full O&M services contracts amounted to approximately 247.1 MWp, down by 0.8% YOY. This can be broken down geographically into 135.3 MWp operated in the Czech Republic, 77.1 MWp in Hungary, 15.3 MWp in Slovakia, 15.0 MWp in Romania and 4.5 MWp in Australia. The O&M portfolio divides into 172.5 MWp serviced for external clients and 74.7 MWp of PV capacity from the proprietary portfolio.





As far as the “Inverter Cardio” services contracts are concerned, the Group is servicing 62.2 MWp of central inverters (+3.3% compared to last year). In detail, at the end of Q1 2021, the total capacity of central inverters serviced can be divided regionally into 21.3 MWp in France, 14.0 MWp in Italy, 10.2 MWp in Belgium, 7.5 MWp in the Czech Republic, 5.5 MWp in Slovakia, 2.0 MWp in Slovenia and 1.8 MWp in Germany. In some countries like France or Germany the Group is holding a leading market position while in Belgium in particular, the Group is servicing all of the Satcon inverters ever installed.

2.5 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 (67.5 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	92.7	97.4	-		-	190.1
 Poland	44.9	22.6	-		-	67.5
Total in MWp	208.3	147.3	161.4		14.6	531.5

*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
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").

Shortly after the reporting period, 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 Suintop 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, Suintop 1 with 189MW and Gunnedah with 146MW, have been successfully developed and sold in the scope of this agreement):

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 Suintop2 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.
NSW Department for Planning and Environment (DP&E)	NSW DP&E is a government agency in charge of planning and development of New South Wales, to ensure the balance between the commercial business development and the needs of local communities. Each project submitted to DP&E must include environmental impact studies (EIS) and once it is reviewed by DP&E, the project is published and available for the public opinion to submit their comments. If the project is rejected by more than 25 people it is moved to Independent Planning Committee (IPC) for review. If there is no public opposition, the project is approved and DP&E issues the project Development Approval (DA)
Independent Planning Committee (IPC)	In case more than 25 public petitions against the project are submitted, IPC needs to investigate further into social and environmental impact of the project. IPC might make some recommendations to be made to the project plan to secure the issuance of DA.
Essential Energy	Essential Energy is Distribution Network Service Provider, which operates and manages low voltage electricity network in NSW. The process to secure the grid connection with Essential Energy includes GPS and AEMO's license.
Transgrid	Transgrid is a Distribution Network Service Provider (DNSP), which operates and manages the NSW high voltage transmission network. Transgrid, in co-operation with Australian Energy Market Operator (AEMO, see description below), is in charge of grid connection approval. To issue its decision Transgrid requires Generation Protection Studies (GPS). GPS is a complete analysis and tests of the impact that a potential power plant would have on the grid. Each power plant is tested under different assumptions (extreme weather conditions, demand/supply changes etc.) and its performance/impact on the grid's stability is thoroughly analysed. Once GPS are completed and accepted, Transgrid is issuing grid connection terms. Those terms are part of the agreement signed with Transgrid, which together with AEMO license secures and finalizes the grid connection process.
Australian Energy Market Operator (AEMO)	AEMO is responsible for operating Australia's largest gas and electricity markets and power systems. AEMO is overlooking all energy producers in NSW and is involved in the process of grid connection approval. AEMO reviews the grid connection terms and GPS studies and issues the license to feed electricity to the grid. AEMO also controls the on-going power generation to make sure that grid stability is maintained.

Hungary

Below is a short summary of projects in the pipeline 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 15 projects with a total planned capacity of 99.3 MWp.

2.6 Enterprise value & Share price performance

2.6.1 Main market of the Warsaw Stock Exchange

On 31 March 2021 the Company's shares (ISIN NL0010391108) closed at a price of PLN 13.00 (+2.4% compared to last quarter), corresponding to a price to book ratio of 3.61. The Company also reports an average monthly trading volume of 220,382 shares in Q1 2021, compared to an average monthly trading volume of 364,072 shares in Q4 2020 and to an average of 839,328 in 2020.

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 2. Total monthly volumes vs. daily closing stock prices



Chart 3. Enterprise value vs. trailing 12 months (TTM) EBITDA

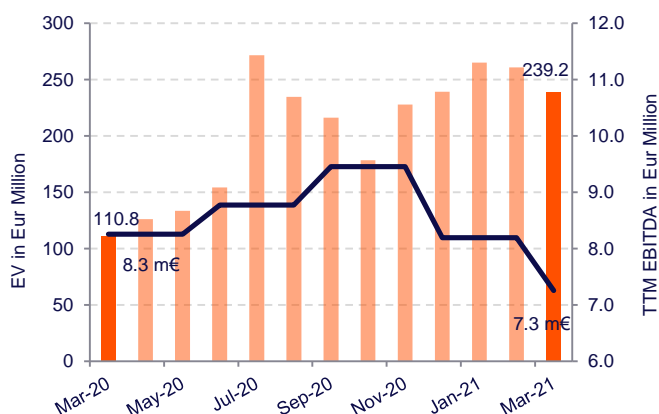
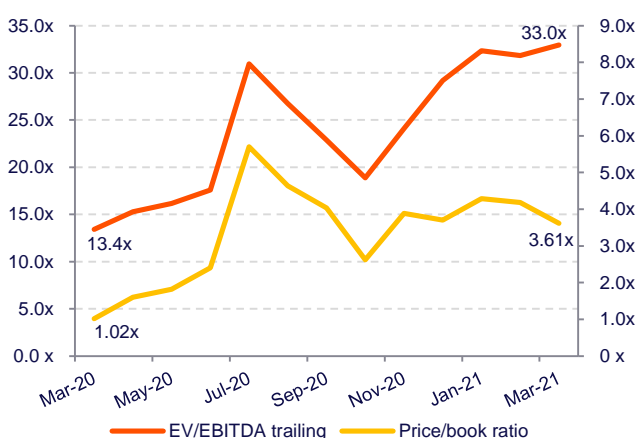


Chart 4. Enterprise value / trailing 12 months EBITDA and price to book ratio



Notes:

EV – Enterprise value is calculated as the market capitalisation as of the end of the reporting month, plus net debt, defined as Non-current liabilities, plus Current liabilities, minus Current assets.

The trailing 12 month EBITDA was adjusted to EUR 8.2 million, the sum of EBITDA reported in the last four quarterly reports including this reporting period, ie. 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 last quarterly report.

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

2.6.2 Main market of the Prague Stock Exchange

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.

On 31 March 2021 the share price (ISIN NL0010391108) closed at a level of CZK 80.50 (+0.6% compared to last quarter), corresponding to a price to book ratio of 3.98. The Company reports an average monthly trading volume of 61,985 shares in Q1 2021 compared to 34,456 shares in Q4 2020 and to an average of 42,209 in 2020.

2.6.3 Quotation Board of the Frankfurt Stock Exchange

On 31 March 2021 the share price (FSX: A1T9KW) closed at a level of EUR 2.80, corresponding to a price to book ratio of 3.62x.

The Company reports a monthly trading volume of 23,310 shares in Q1 2021.

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.

2.7 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.

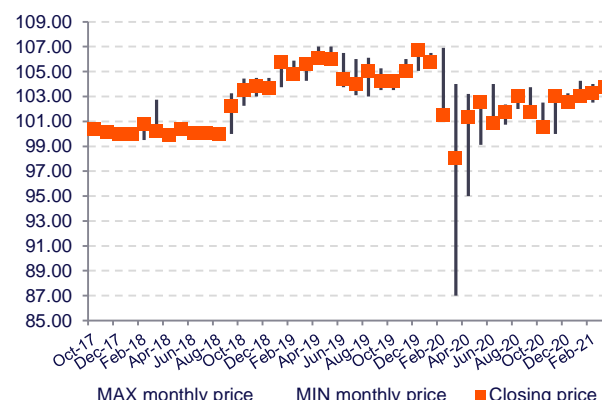
2.7.1 EUR Bond 2017-22 trading performance

Chart 5. The Company's EUR bond 2017-2022 trading on the Frankfurt Stock Exchange in Germany



In the trading period from 25 October 2017 until 31 March 2021, the trading volume amounted to EUR 49.552 million (nominal value, including the volume traded in Berlin, Munich & Stuttgart) with an opening price of 100.00 and a closing price of 103.70 in Frankfurt. During this period the average daily turnover amounted to EUR 57,286.

Chart 6. MIN, MAX and closing monthly prices



In Q1 2021, the trading volume amounted to EUR 899,000 (compared to EUR 2,511,000 during the last quarter), with an opening price of 102.50 and a closing price of 103.70 in Frankfurt. The average daily turnover in Q1 2021 amounted to EUR 14,270.

2.7.2 CZK Bond trading performance in Prague

In the trading period from 12 December 2016 until 31 March 2021 the trading volume amounted to CZK 15.420 million with a closing price of 100.00.

2.8. Financial statement analysis

Profit and Loss statement

Our financial results reflect a challenging Q1 2021. Revenues were EUR 4.571 million for the first quarter of 2021, 14.0% lower than the first quarter of 2020. This development was the result of unfavourable weather conditions (however this could be compensated by the growing capacity of our proprietary portfolio of PV power plants), lower EPC revenues, and other revenues streams remaining essentially unchanged compared to the same quarter last year. Revenues were also impacted by the delay experienced in the commissioning process of our two utility-scale projects in Leeton, Australia. As mentioned above, we anticipate the electricity generation – and the booking of the corresponding positive revaluation difference of our portfolio – to occur during Q2 2021.

Unaudited consolidated EBITDA decreased sharply from EUR 1.404 million in Q1 2020 to EUR 0.222 million in the reporting period, resulting from lower revenues and from the expansion of our project development activities in new markets such as Poland and Romania, mainly expressed in a growing headcount, which is crucial for the development of our existing business lines as well as our new business activities. These investments show only an increase of our development project pipeline in the short-term, but will lead to a rise in our income-generating asset base in the medium- and long-term, driving future growth in electricity-generation revenues, other comprehensive income generated upon plant commissioning according to IAS 16, and capital gains related to project development for resale.

Depreciation increased as a result of the new power plants connected in Hungary over the past 12 months (17.6 MWp), leading to a quarterly EBIT of EUR -1.475 million in Q1 2021 compared to EUR -0.082 million one year ago.

Overall net financial expenses decreased by 10.7% to EUR -1.575 million in Q1 2021, hiding higher interest costs related to the refinancing of our Hungarian portfolio and Australian projects, increased coupon payments associated with an additional placement of our EUR Bond in the second half of 2020, which were offset by a positive revaluation of derivatives.

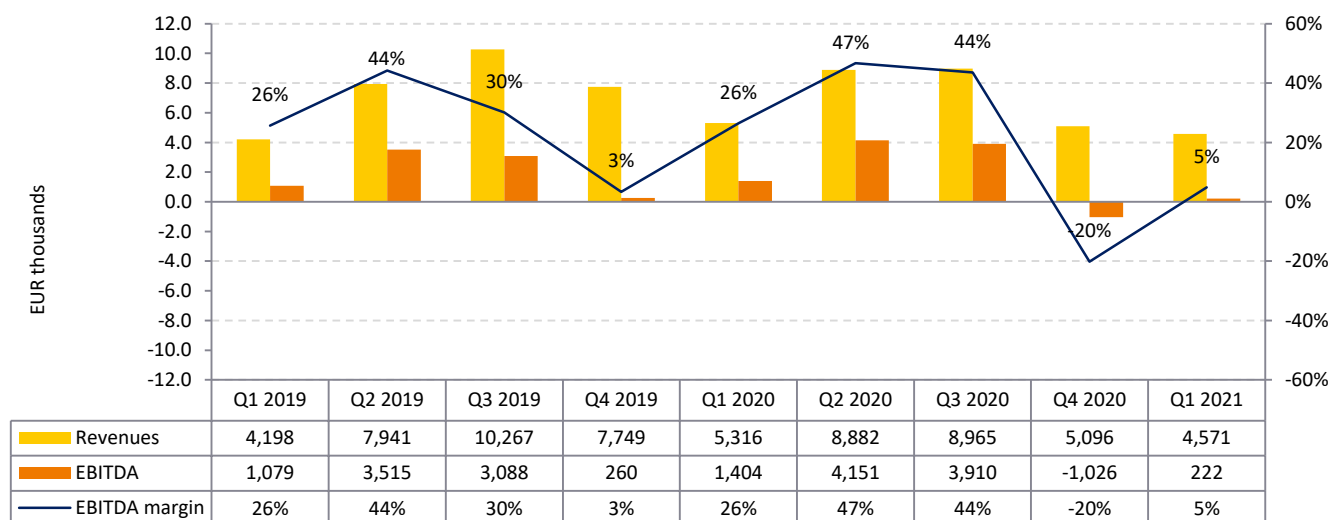
Logically, net profit remained in the red with a net loss of EUR -3.169 million in Q1 2021 compared to a loss of EUR -1.709 million a year ago.

The exchange rate headwinds experienced in 2020 are gradually receding, as we benefited from a positive EUR 0.813 million FX revaluation in Q1 2021. As a result of RayGen’s capital increase, a positive revaluation of our investment of EUR 3.454 million could be also recorded in Other Comprehensive Income (OCI).

Ultimately, Photon Energy Group managed to post a positive Total Comprehensive Income (TCI) of EUR 1.791 million compared to negative EUR -4.325 million a year earlier.

The adjusted equity ratio remained at a sound level of 28.4%.

Chart 7. Revenues, EBITDA and EBITDA margin



The data presented above are based on published quarterly reports, with figures adjusted to be consistent with the annual audited figures for 2020 made available after the publication of the 4th quarter.

Balance Sheet

Switching to the balance sheet, Total fixed assets amounted to EUR 139.705 million at the end of Q1 2021, representing an increase of 3.4% compared to the end of 2020. This development is mainly connected to a revaluation of our equity investment in Raygen resulting from the company’s capital increase announced after the reporting period.

Current assets increased by 34.4% compared to the end of 2020 to EUR 32.050 million as of the end of Q1 2021, resulting primarily

from an increase in receivables and to an increase in Liquid assets in accordance with our project finance draw-down schedule.

Long term liabilities increased by 11.9% compared to the end of 2020 to EUR 115.953 million at the end of Q1 2021, due to an increase in bank loans related to the refinancing drawdowns for our power plants in Hungary in accordance with financing plans. As a reminder, our business model involves a large part of bank

financing at the project level, where debt/equity ratios reach up to 80/20. Non-recourse financing is aligned with the life cycle of the power plants and is very long term, up to 15 years. Thus a higher level of debt is a specific of our industry.

Current liabilities amounted to EUR 12.038 million at the end of Q1 2021, corresponding to a -20.8% decrease compared to the

end of 2020, mainly due to an increase in bank loans, offset by a decrease in trade payables.

Chart 8. Net current assets

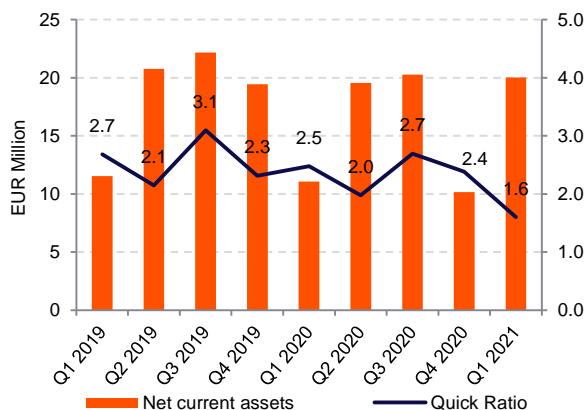
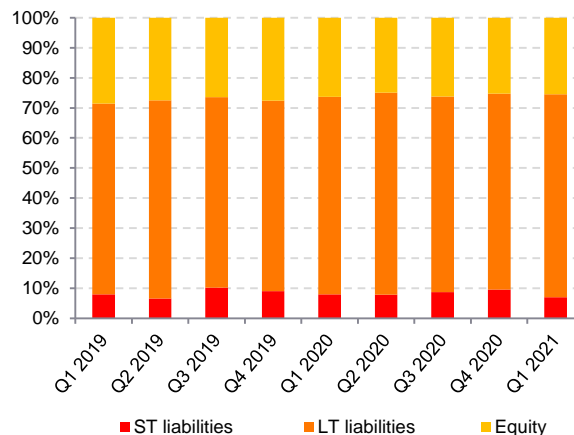


Chart 9. Break down of liabilities and equity



Changes in equity

Equity increased by 9.2% compared to the end of 2020 and amounted to EUR 43.762 million at the end of Q1 2021, reflecting the Total Comprehensive Income for the period. The adjusted equity ratio remained at a sound level of 28.4%.

Cash Flow

In Q1 2021, the Group posted a negative operating cash flow, which amounted to EUR -2,848 million, compared to EUR -1.175 million in Q1 2020, driven by a lower profit before taxation and by adjustments in the net working capital.

Financial cash flow increased by EUR 13.566 million YoY to EUR 11.573 million in Q1 2021 due to the refinancing drawdowns for our power plants in Hungary in accordance with the financing plan in place and planned repayments of bank loans.

Investment cash flow was negative and equalled to EUR -4.055 million in the reporting period, compared to EUR -2.210 million in Q1 2020, mainly related to the investment made in Australia.

Overall, the cash position improved to EUR 14.563 million at the end of Q1 2021 compared to EUR 9.893 million the end of 2020.

2.9 Financial forecasts

The Company does not publish financial forecasts.

3. General information about the Issuer

The table below presents general information about Photon Energy NV, hereinafter referred to as the "PENV", "Issuer", "the Group" and/or the "Company".

Company name:	Photon Energy N.V.
Registered office:	Barbara Strozziilaan 201, 1083 HN, Amsterdam, the Netherlands
Registration:	Dutch Chamber of Commerce (Kamer van Koophandel)
Company number:	51447126
Tax-ID:	NL850020827B01
Ticker:	PEN
Web:	www.photonenergy.com

4. Share capital of the Issuer

The Company's share capital is EUR 600,000 divided into 60,000,000 shares with a nominal value of EUR 0.01 each. The share capital is fully paid-up.

Share capital as of 31 March 2021

Series / issue	Type of shares	Type of preference	Limitation of right to shares	Number of shares	Nominal value of series/issue (EUR)	Capital covered with
A	bearer	-	-	60.000.000	600.000	cash
Total number of shares				60,000,000		
Total share capital					600,000	
Nominal value per share = EUR 0.01						

In the reporting period there were no changes to the share capital.

5. Shareholder structure

As of the publishing date, to the knowledge of the Board of Directors of Photon Energy N.V., the shareholder structure was as follows:

Shareholdership as of 31.03.2021	No. of shares	% of capital	No. of votes at the Shareholders Meeting	% of votes at the Shareholders Meeting
Solar Future Cooperatief U.A.	21,775,116	36.29%	21,775,116	42.50%
Solar Power to the People Cooperatief U.A.	20,843,375	34.74%	20,843,375	40.68%
Photon Energy N.V.	8,765,665	14.61%	0	0.00%
Free float	8,615,844	14.36%	8,615,844	16.82%
Total	60,000,000	100.00%	51,234,335	100.00%

The free float includes shares allocated to the employee incentive programme. The disposition rights to these shares are limited and employees can dispose of these shares only under specific conditions.

6. Statutory bodies of the Issuer

Board of Directors as of 31 March 2021

The Board of Directors is responsible for the day-to-day operations of the Company. The Issuer's Board of Directors has the following members:

Name	Position	Date of birth	Start of function
Georg Hotar	Director (<i>Bestuurder</i>)	21. 04. 1975	4 December 2020*
Michael Gartner	Director (<i>Bestuurder</i>)	29. 06. 1968	4 December 2020*

Mr Hotar and Mr Gartner have been the Company's managing directors since 9 December 2010, however, new term of their office (previously unlimited and currently term of four years) has started on 4 December 2020, due to the changes in the Company's corporate structure.

Supervisory Board

During the reporting period, on 4 December 2020, the shareholders of Photon Energy established in an extraordinary general meeting a two-tier board structure comprised of the existing management board and a new supervisory board.

The supervisory board provides guidance and oversight to the management board on the general affairs of the company. They also serve as audit committee.

The supervisory board and audit committee is comprised of two members, Mrs. Boguslawa Skowronski and Mr. Marek Skreta, appointed for a four-year term of office.

These changes to the corporate structure of Photon Energy are connected to the transfer of the Company share listings from the

alternative NewConnect and Free Market to the regulated (parallel) market of the Warsaw Stock Exchange and the standard market of the Prague Stock Exchange. The Company has implemented these changes in order to be in full compliance with the laws and regulations imposed on public companies as well as the best practices of the regulated markets.

As of today, the provisions in Dutch law, which are commonly referred to as the "large company regime" (*structuurregime*), do not apply to the Company. The Company does not intend to voluntarily apply to the "large company regime."

7. Description of the Issuer's business

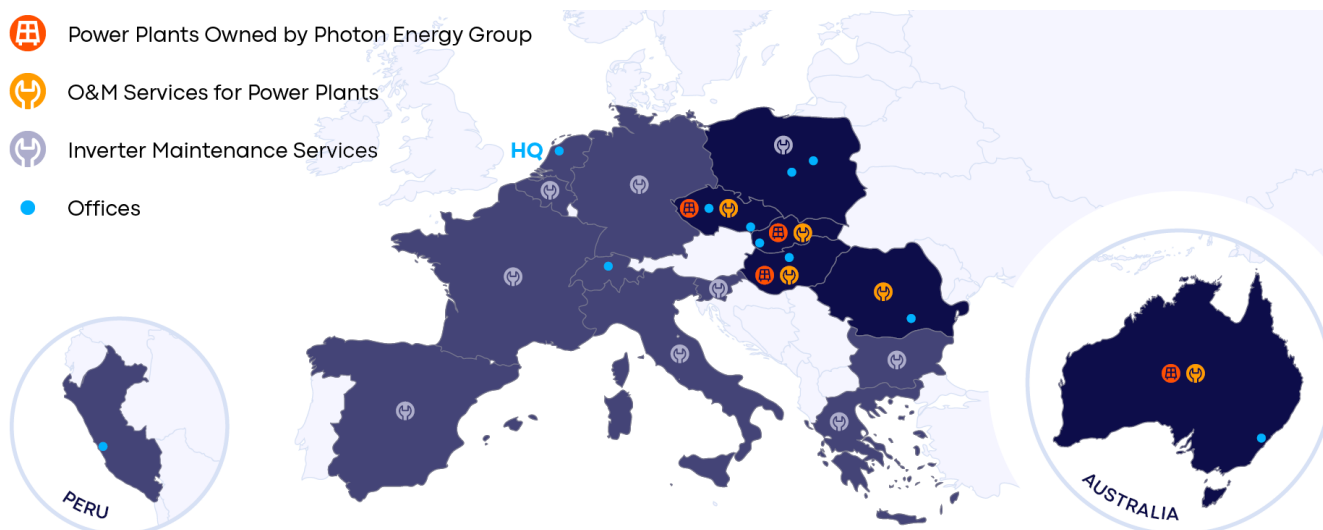
Photon Energy NV is the holding company of the Photon Energy Group and was incorporated under the laws of the Netherlands on 9 December 2010. The Photon Energy Group ("Group") offers comprehensive solutions and maintenance services for photovoltaic systems that cover their entire lifecycle globally.

The Group is vertically integrated in the downstream segment of the photovoltaic industry. The company focuses on life-cycle services and delivers:

- ▶ **Projects:** Project development for rooftop and green-field installations from 300 kW to 300 MW.
- ▶ **Solutions:** Design and construction of on-grid and off-grid installations, including battery storage solutions,

- ▶ **Technology:** Trading of PV-components (modules and inverters).
- ▶ **Investments:** Investments in PV power plants and sustainable production and sale of electricity.
- ▶ **Operations:** Operations and maintenance of PV power plants, including a proprietary control room and monitoring platform.

In addition, the company launched a new service line **Water** which offers comprehensive services in the fields of contaminated land and ground water remediation and water purification.



Country-specific references

Currently Photon Energy is active with 139 professionals in nine countries across three continents (headquartered in Amsterdam), with a track record of building more than 100 MWp of grid-

connected PV plants across five countries, a proprietary portfolio of 74.7 MWp of PV plants and more than 300 MWp of PV power plants under O&M management across two continents.

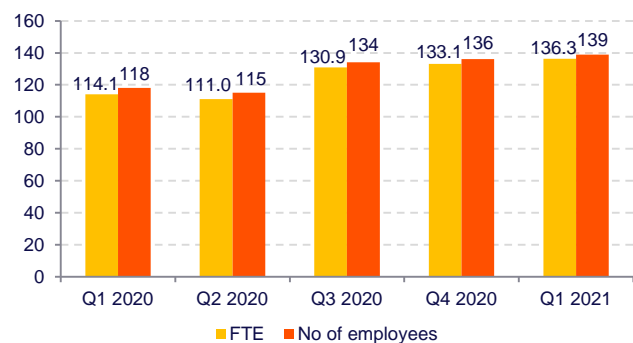
8. Implementation of innovative activities in the Company

None during the reporting period.

9. Employees

As of the end of Q1 2021, Photon Energy had 139 employees (compared to 118 employees at the end of Q1 2020) translating into 136.3 FTE (compared to 114.1 FTE as of the end of Q1 2020).

Chart 11. Total number of employees and full time equivalent employees per quarter



Full-time equivalent (FTE) is a unit that indicates the workload of an person in a way that makes workloads comparable across various contexts. An FTE of 1.0 means that the person is equivalent to a full-time employee, while an FTE of 0.5 signals that the employee is only half-time.

Employee Share Purchase Programme

The management of the Company recognises the significant contribution of the team members to the future development of the Group. Therefore, it operates an Employee Share Purchase Programme as a part of its motivation system. Under the terms of the programme, the Group periodically purchases shares for employees equal to 10% of their gross compensation.

The disposition rights to these shares are limited and employees can dispose of these shares only under specific conditions.

10. Group structure

The following table presents the Group's structure (subsidiaries and joint-ventures) and the holding company's stake in the entities comprising the Group as of the reporting date.

Name	% of share capital held by the holding company	Country of registration	Consolid. method	Legal Owner
1 Photon Energy N.V. (PENV)	Holding	NL	Full Cons.	-
2 Photon Energy Operations NL B.V. (PEONL, former Photon Directors B.V.)	100%	NL	Full Cons.	PEONV
3 Photon Energy Engineering B.V. (PEEBV)	100%	NL	Full Cons.	PENV
4 Photon Energy Operations N.V. (PEONV)	100%	NL	Full Cons.	PENV
5 Photon Remediation Technology N.V. (PRTNV)	100%	NL	Full Cons.	KORADOL
6 Photon Energy Australia Pty Ltd.	100%	AU	Full Cons.	PENV
7 Photon Energy AUS SPV 1 Pty. Ltd.	100%	AU	Full Cons.	PENV
8 Leeton Solar Farm Pty Ltd (former Photon Energy AUS SPV 2 Pty. Ltd.)	100%	AU	Full Cons.	PENV
9 Fivebough Solar Farm Pty Ltd. (former Photon Energy AUS SPV 3 Pty. Ltd.)	100%	AU	Full Cons.	PENV
10 Photon Energy AUS SPV 4 Pty. Ltd.	100%	AU	Full Cons.	PENV
11 Photon Energy AUS SPV 6 Pty. Ltd.	51%	AU	Equity	PENV
12 Maryvale Solar Farm Pty. Ltd. (former Photon Energy AUS SPV 10 Pty. Ltd.)	65%	AU	Equity	PENV
13 Photon Energy Operations Australia Pty.Ltd.	100%	AU	Full Cons.	PEONV
14 Photon Energy Engineering Australia Pty Ltd	100%	AU	Full Cons.	PEEBV
15 Photon Remediation Technology Australia Pty Ltd.	100%	AU	Full Cons.	PRTNV
16 Photon Energy SGA Pty. Ltd.	100%	AU	Full Cons.	PENV
17 Photon Water Australia Pty. Ltd.	100%	AU	Full Cons.	PENV
18 Global Investment Protection AG (GIP)	100%	CH	Full Cons.	PENV
19 ALFEMO AG (ALFEMO)	100%	CH	Full Cons.	PENV
20 KORADOL AG (KORADOL)	100%	CH	Full Cons.	PENV
21 Photon Energy Corporate Services CZ s.r.o.	100%	CZ	Full Cons.	PENV
22 Photon SPV 1 s.r.o.	100%	CZ	Full Cons.	KORADOL
23 Photon SPV 11 s.r.o.	100%	CZ	Full Cons.	KORADOL
24 Photon Energy Operations CZ s.r.o. (PEOCZ) ¹	100%	CZ	Full Cons.	PEONV
25 Photon Energy Control s.r.o.	100%	CZ	Full Cons.	PEOCZ
26 Photon Energy Technology CEE s.r.o.	100%	CZ	Full Cons.	PEEBV
27 Photon Water Technology s.r.o.	65%	CZ	Full Cons.	PENV
28 Photon Remediation Technology Europe s.r.o. (former Charles Bridge s.r.o.)	100%	CZ	Full Cons.	PE NV
29 Photon Energy Solutions s.r.o. (PES CZ)	100%	CZ	Full Cons.	PENV
30 Photon Energy Projects s.r.o. (PEP)	100%	CZ	Full Cons.	PENV
31 Photon Energy Cardio s.r.o.	100%	CZ	Full Cons.	PEOCZ
32 Photon Maintenance s.r.o. (former The Special One s.r.o.)	100%	CZ	Full Cons.	PENV
33 Photon Energy Technology EU GmbH	100%	DE	Full Cons.	PENV
34 Photon Energy Corporate Services DE GmbH	100%	DE	Full Cons.	PENV
35 Photon Energy Engineering Europe GmbH	100%	DE	Full Cons.	PEEBV
36 EcoPlan 2 s.r.o.	100%	SK	Full Cons.	PENV
37 EcoPlan 3 s.r.o.	100%	SK	Full Cons.	PENV
38 Fotonika s.r.o.	100%	SK	Full Cons.	PENV
39 Photon SK SPV 1 s.r.o.	50%	SK	Equity	PENV
40 Photon SK SPV 2 s.r.o.	100%	SK	Full Cons.	PENV
41 Photon SK SPV 3 s.r.o.	100%	SK	Full Cons.	PENV
42 Solarpark Myjava s.r.o.	50%	SK	Equity	PENV
43 Solarpark Polianka s.r.o.	50%	SK	Equity	PENV
44 SUN4ENERGY ZVB s.r.o.	100%	SK	Full Cons.	PENV
45 SUN4ENERGY ZVC s.r.o.	100%	SK	Full Cons.	PENV
46 ATS Energy, s.r.o.	100%	SK	Full Cons.	PENV
47 Photon Energy Operations SK s.r.o.	100%	SK	Full Cons.	PEONV
48 Photon Energy HU SPV 1 Kft. b.a	100%	HU	Full Cons.	ALFEMO
49 Fertod Napenergia-Termelo Kft.	100%	HU	Full Cons.	ALFEMO
50 Photon Energy Operations HU Kft.	100%	HU	Full Cons.	PEONV
51 Photon Energy Solutions HU Kft.	100%	HU	Full Cons.	PENV
52 Future Solar Energy Kft	100%	HU	Full Cons.	ALFEMO
53 Montagem Befektetési Kft.	100%	HU	Full Cons.	ALFEMO
54 Solarkit Befektetesi Kft.	100%	HU	Full Cons.	ALFEMO
55 Energy499 Invest Kft.	100%	HU	Full Cons.	ALFEMO
56 SunCollector Kft.	100%	HU	Full Cons.	ALFEMO

Name	% of share capital held by the holding company	Country of registration	Consolid. Method	Legal Owner
57 Green-symbol Invest Kft.	100%	HU	Full Cons.	ALFEMO
58 Ekopanel Befektetési és Szolgáltató Kft.	100%	HU	Full Cons.	ALFEMO
59 Onyx-sun Kft.	100%	HU	Full Cons.	ALFEMO
60 Tataimmo Kft	100%	HU	Full Cons.	ALFEMO
61 Óreghal Kft.	100%	HU	Full Cons.	ALFEMO
62 European Sport Contact Kft.	100%	HU	Full Cons.	ALFEMO
63 ALFEMO Alpha Kft.	100%	HU	Full Cons.	ALFEMO
64 ALFEMO Beta Kft.	100%	HU	Full Cons.	ALFEMO
65 ALFEMO Gamma Kft.	100%	HU	Full Cons.	ALFEMO
66 Archway Solar Kft.	100%	HU	Full Cons.	PENV
67 Barbican Solar Kft.	100%	HU	Full Cons.	ALFEMO
68 Belsize Solar Kft.	100%	HU	Full Cons.	ALFEMO
69 Blackhorse Solar Kft.	100%	HU	Full Cons.	ALFEMO
70 Caledonian Solar Kft	100%	HU	Full Cons.	ALFEMO
71 Camden Solar Kft	100%	HU	Full Cons.	ALFEMO
72 Hampstead Solar Kft.	100%	HU	Full Cons.	ALFEMO
73 Ráció Master Oktatási	100%	HU	Full Cons.	ALFEMO
74 Aligoté Kereskedelmi és Szolgáltató Kft.	100%	HU	Full Cons.	ALFEMO
75 MEDIÁTOR Ingatlanközvetítő és Hirdető Kft.	100%	HU	Full Cons.	ALFEMO
76 PROMA Mátra Ingatlanfejlesztési Kft.	100%	HU	Full Cons.	ALFEMO
77 Optisolar Kft.	100%	HU	Full Cons.	ALFEMO
78 Ladány Solar Alpha Kft.	100%	HU	Full Cons.	ALFEMO
79 Ladány Solar Beta Kft.	100%	HU	Full Cons.	ALFEMO
80 Ladány Solar Gamma Kft.	100%	HU	Full Cons.	ALFEMO
81 Ladány Solar Delta Kft.	100%	HU	Full Cons.	ALFEMO
82 ÉGÉSPART Energiatermelő és Szolgáltató Kft	100%	HU	Full Cons.	ALFEMO
83 ZEMPLÉNIMPEX Kereskedelmi és Szolgáltató Kft	100%	HU	Full Cons.	ALFEMO
84 ZUGGÓ-DÜLŐ Energiatermelő és Szolgáltató Kft	100%	HU	Full Cons.	ALFEMO
85 Ventiterra Környezetgazdálkodási és Szolgáltató Kft.	100%	HU	Full Cons.	ALFEMO
86 VENTITERRA ALFA Kft.	100%	HU	Full Cons.	ALFEMO
87 VENTITERRA BETA Kft.	100%	HU	Full Cons.	ALFEMO
88 Hendon Solar Kft.	100%	HU	Full Cons.	ALFEMO
89 Mayfair Solar Kft.	100%	HU	Full Cons.	ALFEMO
90 Holborn Solar Kft.	100%	HU	Full Cons.	ALFEMO
91 Photon Energy Project Development XXK	99%	MN	Full Cons.	PEP
92 Photon Energy Peru S.C.A.	100%	PE	Full Cons.	GIP & PENV
93 Solar Age Polska S.A. (former Ektalion Investments S.A.)	100%	PL	Full Cons.	PENV
94 Photon Energy Polska Sp. Z o.o. (former Holbee Investments Sp. z o.o.)	100%	PL	Full cons.	PENV
95 Photon Energy Operations PL Sp. z o.o. (former Timassile Investments Sp. z o.o.)	100%	PL	Full cons.	PEONV
96 Stanford Solar Srl.	100%	RO	Full cons.	PEP & PES CZ
97 Halton Solar Srl.	100%	RO	Full cons.	PEP & PES CZ
98 Aldgate Solar Srl	100%	RO	Full cons.	PEP & PES CZ
99 Holloway Solar Srl.	100%	RO	Full cons.	PEP & PES CZ
100 Moorgate Solar Srl.	100%	RO	Full cons.	PEP & PES CZ
101 Redbridge Solar Srl.	100%	RO	Full cons.	PEP & PES CZ
102 Watford Solar Srl	100%	RO	Full cons.	PEP & PES CZ
103 Becontree Solar Srl.	100%	RO	Full cons.	PEP & PES CZ
104 Greenford Solar Srl.	100%	RO	Full cons.	PEP & PES CZ
105 Chesham Solar Srl.	100%	RO	Full cons.	PEP & PES CZ
106 Photon Energy Romania SRL	100%	RO	Full cons.	PENV & PEONL
107 PE Solar Technology Ltd.	100%	UK	Full Cons.	PENV

Notes:**Country of registration:**

AU – Australia

DE – Germany

MN – Mongolia

RO – Romania

CH – Switzerland

HU – Hungary

PL – Poland

SK – Slovakia

CZ – Czech Republic

NL – Netherlands

PE – Peru

UK – United Kingdom

Consolidation method:

Full Cons. – Full Consolidation

Not Cons. – Not Consolidated

Equity – Equity Method

Photon Energy Operations CZ s.r.o. established a branch office in Romania.

PEP & PES CZ – Photon Energy Projects s.r.o. owns 95% and Photon Energy Solution s.r.o. owns 5%

In addition to the above subsidiaries, for the purposes of IFRS reporting, the Company consolidates the following entities:

Name	% of Consolidated share	% of Ownership share	Country of registration	Consolidation method	Legal Owner
1 Photon SPV 3 s.r.o. (Mostkovice SPV3)	100%	0%	CZ	Full Cons.	RL
2 Photon SPV 8 s.r.o. (Zvikov I)	100%	0%	CZ	Full Cons.	RL
3 Exit 90 SPV s.r.o. (Komorovice)	100%	0%	CZ	Full Cons.	RL
4 Photon SPV 4 s.r.o. (Svatoslav)	100%	0%	CZ	Full Cons.	RL
5 Photon SPV 6 s.r.o. (Slavkov)	100%	0%	CZ	Full Cons.	RL
6 Onyx Energy s.r.o. (Zdice I)	100%	0%	CZ	Full Cons.	RL
7 Onyx Energy projekt II s.r.o. (Zdice II)	100%	0%	CZ	Full Cons.	RL
8 Photon SPV 10 s.r.o. (Dolní Dvořiště)	100%	0%	CZ	Full Cons.	RL
9 Kaliopé Property, s.r.o.	100%	0%	CZ	Full Cons.	RL

Notes: RL - Raiffeisen - Leasing, s.r.o.

In the reporting period, the following changes to the Group structure took place:

- ▶ On 5 February 2021, Photon Energy N.V. became 100% shareholder of Photon Water Australia Pty. Ltd.
- ▶ On 11 February 2021, Photon Energy N.V. became 12.01% shareholder of Lerta S.A. (not presented in the above table which is showing subsidiaries and joint-ventures only).
- ▶ On 8 March 2021, Photon Energy N.V. acquired (via a share swap) an additional 40.01% stake of Maryvale Solar Farm Pty. Ltd. and currently holds 65% of the shares.
- ▶ On 8 March 2021, Photon Energy N.V. gave up (via a share swap) its 49.00% stake of Gunning Solar Farm Pty. Ltd.
- ▶ On 8 March 2021, Photon Energy N.V. gave up (via a share swap) its 24.99% stake of Suntop 2 Stage 2 Solar Farm Pty. Ltd.
- ▶ On 22 March 2021, Photon Energy N.V. became 99% shareholder of Photon Energy Project Development XXK.

After the reporting period, the following events occurred from the beginning of April 2021

- ▶ None.

11. Report on the key events material for the Group's operations

11.1 Summary of the key events from 1 January until 31 March 2021

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

- ▶ **None.**

In the period covered by this report the following current reports were published in the ESPI (Electronic Information Transmission System) system of 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.
- ▶ **ESPI Report 6** - 11.02.2021 - Quarterly Report for Q4 2020.
- ▶ **ESPI Report 7** - 15.02.2021 - Monthly Report for January 2021.
- ▶ **ESPI Report 8** - 17.02.2021 - Change in Substantial Block of Shares.
- ▶ **ESPI Report 9** - 19.02.2021 - Insider Trading Notification.
- ▶ **ESPI Report 10** - 11.03.2021 - Monthly Report for February 2021.
- ▶ **ESPI Report 11** - 25.03.2021 - Publication Date of the 2020 Annual Report.
- ▶ **ESPI Report 12** - 31.03.2021 - Sustainability Report 2020.

11.2 Summary of the key events after 31 March 2021

After the period covered by this report, the following current reports were published in the EBI (Electronic Database Information) system of Warsaw Stock Exchange:

- ▶ **None.**

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

- ▶ **ESPI Report 13** - 13.04.2021 - Photon Energy increases its share in Maryvale Solar Farm through an asset swap with Canadian Solar.
- ▶ **ESPI Report 14** - 14.04.2021 - Photon Energy Group participates in RayGen Resources capital increase.
- ▶ **ESPI Report 15** - 14.04.2021 - Monthly report for March 2021.
- ▶ **ESPI Report 16** - 19.04.2021 - Annual report 2020.
- ▶ **ESPI Report 17** - 20.04.2021 - AGM 2021 Convocation notice.

These reports have also been provided to the Prague stock exchange

12. Detailed consolidated financial results for Q1 2021

The tables below present the consolidated and unaudited financial statements of Photon Energy N.V. for the period starting on 1 January 2021 and ending on 31 March 2021 and the correspond-

ing period of the previous year. The reported data is presented in accordance with International Financial and Reporting Standards (IFRS).

Statement of Comprehensive Income

in Thousands	EUR		PLN		CZK	
	Q1 2020	Q1 2021	Q1 2020	Q1 2021	Q1 2020	Q1 2021
Total revenues	5,316	4,571	22,986	20,777	136,255	119,154
<i>Out of that: Revenues from electricity generation</i>	2,928	2,942	12,661	13,376	75,048	76,710
<i>Out of that: Other revenues</i>	2,388	1,628	10,326	7,401	61,207	42,444
Other income	17	15	72	67	426	387
Raw materials and consumables used	-1,132	-507	-4,897	-2,303	-29,025	-13,206
Solar levy	-161	-128	-696	-582	-4,128	-3,339
Personnel expenses	-1,282	-1,578	-5,544	-7,174	-32,864	-41,141
Other expenses	-1,353	-2,151	-5,848	-9,777	-34,667	-56,068
Earnings before interest, taxes, depreciation & amortisation (EBITDA)	1,404	222	6,073	1,009	35,997	5,788
Depreciation	-1,278	-1,646	-5,527	-7,484	-32,765	-42,920
Impairment charges	-42	0	-182	1	-1,077	8
Gain (loss) on disposal of investments	0	-79	0	-359	0	-2,057
Share of profit equity accounted investments (net of tax)	-167	28	-721	125	-4,274	717
Result from operating activities (EBIT)	-82	-1,475	-353	-6,707	-2,093	-38,463
Financial income	17	13	73	57	435	327
Financial expenses	-1,320	-1,647	-5,707	-7,489	-33,831	-42,947
Revaluation of derivatives	-461	60	-1,992	271	-11,810	1,555
Profit/loss before taxations (EBT)	-1,846	-3,051	-7,984	-13,867	-47,325	-79,529
Income tax due/deferred	137	-119	592	-540	3,507	-3,095
Profit/loss from continuing operations	-1,710	-3,169	-7,392	-14,407	-43,818	-82,624
Profit/loss	-1,710	-3,169	-7,392	-14,407	-43,818	-82,624
Other comprehensive income						
Items that will not be reclassified subsequently to profit of loss						
Revaluation of property, plant and equipment	2,086	0	9,020	0	53,470	0
Items that will be reclassified subsequently to profit of loss						
Foreign currency translation diff. - foreign operations	-4,709	813	-20,361	3,696	-120,693	21,195
Derivatives (hedging)	6	673	26	3,061	154	17,555
Revaluation of Other investments	0	3,454	0	15,700	0	90,037
Items that will be reclassified subsequently to profit of loss - related to JV						
Derivatives (hedging)	1	21	4	94	26	538
Other comprehensive income for the period	-2,616	4,961	-11,310	22,550	-67,044	129,324
Total comprehensive income for the period	-4,325	1,791	-18,702	8,143	-110,861	46,700
Profit attributable to:						
<i>Attributable to the equity holders</i>	-1,688	-3,131	-7,297	-14,231	-43,254	-81,614
<i>Attributable to non-controlling interest</i>	-22	-39	-95	-176	-564	-1,009
Profit for the year	-1,710	-3,169	-7,392	-14,407	-43,818	-82,624
Total comprehensive income attributable to:						
<i>Attributable to the equity holders</i>	-4,303	1,830	-18,607	8,319	-110,298	47,710
<i>Attributable to non-controlling interest</i>	-22	-39	-95	-176	-564	-1,009
Total comprehensive income for the year	-4,325	1,791	-18,702	8,143	-110,861	46,700
Average no. of shares outstanding (in thousand)	51,176	51,225	51,150	51,225	51,150	51,225
Earnings per share outstanding	-0.033	-0.061	-0.143	-0.278	-0.846	-1.593
Comprehensive income per share outstanding	-0.085	0.035	-0.368	0.159	-2.179	0.912
<i>EUR exchange rate – low</i>			4.222	4.476	24.795	25.680
<i>EUR exchange rate – average</i>			4.324	4.546	25.631	26.070
<i>EUR exchange rate – high</i>			4.614	4.658	27.810	26.420

Statement of Financial Position

in Thousands	EUR		PLN		CZK	
	31.12.2020	31.03.2021	31.12.2020	31.03.2021	31.12.2020	31.03.2021
Intangibles	1,260	1,116	5,747	5,192	33,076	29,191
Property, plant and equipment	126,330	128,106	576,113	595,757	3,315,531	3,349,343
<i>PPE – Lands</i>	4,473	4,775	20,399	22,206	117,398	124,843
<i>PPE – Photovoltaic power plants</i>	111,265	110,111	507,412	512,067	2,920,153	2,878,842
<i>PPE - Equipment</i>	895	941	4,081	4,374	23,485	24,593
<i>PPE – Assets in progress</i>	9,697	12,280	44,222	57,109	254,495	321,065
Right of use -leased asset	2,274	2,184	10,370	10,155	59,678	57,089
Other receivables - non current	506	511	2,308	2,375	13,280	13,355
Investments in associates /joint ventures	2,641	2,292	12,045	10,659	69,320	59,925
Other investments	2,042	5,496	9,312	25,557	53,593	143,684
Non-current assets	135,053	139,705	615,895	649,695	3,544,479	3,652,587
Inventories – Goods	1,010	1,187	4,607	5,521	26,512	31,040
Trade receivables	4,662	5,201	21,259	24,186	122,348	135,973
Other receivables	1,467	2,303	6,691	10,708	38,505	60,200
Loans to related parties	1,137	1,150	5,184	5,349	29,836	30,071
Contract asset/WIP	1,025	1,440	4,673	6,699	26,896	37,660
Current income tax receivables	0	140	0	650	0	3,655
Prepaid expenses	260	407	1,186	1,892	6,826	10,638
Liquid assets	14,290	20,222	65,168	94,042	375,041	528,706
<i>Cash and cash equivalents</i>	9,893	14,563	45,116	67,726	259,642	380,756
<i>Liquid assets with restriction on disposition</i>	4,109	4,115	18,739	19,139	107,841	107,598
<i>Other S-T financial assets</i>	288	1,543	1,313	7,178	7,559	40,352
Current assets	23,851	32,050	108,769	149,047	625,963	837,942
Total assets	158,904	171,754	724,664	798,738	4,170,442	4,490,503
Issued share capital	600	600	2,736	2,790	15,747	15,687
Share premium	23,946	24,048	109,204	111,836	628,469	628,741
Legal reserve fund	13	13	61	62	350	349
Reserves	37,774	43,307	172,266	201,400	991,391	1,132,268
Retained earnings	-22,138	-24,047	-100,958	-111,829	-581,012	-628,702
Treasury shares reserve/retained earnings	87	82	397	381	2,283	2,144
Treasury shares held	-87	-82	-397	-381	-2,283	-2,144
Equity attributable to owners of the Company	40,196	43,922	183,309	204,259	1,054,946	1,148,343
Non-controlling interests	-121	-160	-553	-744	-3,185	-4,185
Total equity	40,075	43,762	182,756	203,514	1,051,761	1,144,158
Bank Loan	44,143	56,542	201,309	262,946	1,158,533	1,478,284
Bond liability	46,739	46,852	213,149	217,884	1,226,671	1,224,945
Non-current provision	520	522	2,370	2,426	13,640	13,639
Other long term liability	401	317	1,829	1,472	10,528	8,275
Lease liability	1,936	1,920	8,828	8,928	50,804	50,193
Deferred tax liabilities	9,885	9,802	45,081	45,582	259,442	256,264
Non-current liabilities	103,624	115,953	472,566	539,239	2,719,618	3,031,600
Bank Loans	6,008	6,684	27,399	31,085	157,682	174,762
Trade payables	3,669	2,938	16,731	13,664	96,286	76,818
Other payables	3,593	1,215	16,385	5,650	94,295	31,762
Contracted liabilities	836	762	3,812	3,546	21,941	19,935
Lease liability- ST	469	438	2,137	2,036	12,296	11,444
Current tax liabilities (income tax)	630	0	2,872	0	16,527	0
Current liabilities	15,205	12,038	69,340	55,980	399,052	314,722
Total Liabilities	118,829	127,991	541,906	595,219	3,118,670	3,346,322
TOTAL Equity & Liabilities	158,904	171,754	724,662	798,738	4,170,431	4,490,505
<i>No. of shares outstanding in thousand</i>	<i>51,216</i>	<i>51,234</i>	<i>51,166</i>	<i>51,234</i>	<i>51,166</i>	<i>51,234</i>
<i>Book value per share outstanding</i>	<i>0.774</i>	<i>0.854</i>	<i>3.572</i>	<i>3.972</i>	<i>20.556</i>	<i>22.332</i>

Statement of Changes in Equity

in Thousand EUR	Share capital	Share premium	Legal reserve Fund	Revaluation reserve	Currency translation reserve	Hedging reserve	Treasury shares reserve	Own treasury shares	Retained earnings	TOTAL	Non-controlling interests	TOTAL EQUITY
BALANCE at 31.12.2020	600	23,946	13	40,679	-2,579	-325	87	-87	-22,138	40,196	-121	40,075
Loss/profit for the period 1.1.2021– 31.3.2021									-3,169	-3,169	-39	-3,208
Revaluation of PPE				3,455						3,455		3,455
Share on revaluation of PPE of associates, JV										0		0
Foreign currency translation differences					813					813		813
Derivatives						694				694		694
Acquisition of JV										0		0
Total comprehensive income for the year	0	0	0	3,455	813	694	0	0	-3,169	1,792	-39	1,754
new shares		102					-5	5		102		102
other movements					1,832					1,832		1,832
acquired retained earnings										0		0
Move from revaluation reserve				-1,260					1,260	0		0
Hedging reserve reclass to RE										0		0
Legal reserve fund release										0		0
Move of RE due to entity disposal/change of cons. method										0		0
BALANCE at 31.03.2021	600	24,048	13	42,873	65	369	82	-82	-24,047	43,922	-160	43,761

Cash Flow Statement

in Thousands	EUR		PLN		CZK	
	Q1 2020	Q1 2021	Q1 2020	Q1 2021	Q1 2020	Q1 2021
Cash flows from operating activities						
Loss/profit for the year before tax	-1,846	-3,051	-7,984	-13,867	-47,325	-79,529
Adjustments for:						
Depreciation	1,278	1,646	5,527	7,484	32,765	42,920
Other changes in fixed assets	0	0	0	0	0	0
Share of profit of equity-accounted investments	167	-28	721	-125	4,274	-717
Profit /Loss on sale of property, plant and equipment	0	0	0	0	0	0
Other non-cash items	-440	117	-1,903	532	-11,278	3,050
Gain on disposal of financial investments	0	79	0	359	0	2,057
Net finance costs	1,792	1,575	7,750	7,161	45,937	41,065
Changes in:						
Trade and other receivables	364	-403	1,576	-1,831	9,341	-10,498
Precious metals	0	0	0	0	0	0
Gross amount due from customers for contract work	256	-416	1,106	-1,889	6,557	-10,836
Prepaid expenses	-83	-147	-360	-667	-2,132	-3,826
Inventories	-29	-177	-125	-805	-740	-4,616
Trade and other payables	-2,509	-1,852	-10,851	-8,419	-64,318	-48,284
Other liabilities	-125	-193	-541	-876	-3,205	-5,024
Net cash from operating activities	-1,175	-2,848	-5,082	-12,945	-30,123	-74,239
Cash flows from investing activities						
Acquisition of property, plant and equipment	-2,164	-2,374	-9,359	-10,792	-55,477	-61,891
Acquisition of subsidiaries, associates, JV	-23	0	-99	0	-586	0
Acquisition of other financial asset	0	-1,255	0	-5,706	0	-32,724
Acquisition of other investments	-23	-426	-100	-1,937	-591	-11,106
Proceeds from sale of investments	0	0	0	0	0	0
Proceeds from sale of property, plant and equipment	0	0	0	0	0	0
Interests received	0	0	0	0	0	0
Net cash from investing activities	-2,210	-4,055	-9,558	-18,434	-56,655	-105,720
Cash flows from financing activities						
Proceeds from issuance of ordinary shares	0	102	0	464	0	2,659
Change of consolidation method (acquisition of JV)	0	0	0	0	0	0
Proceeds from borrowings	0	15,416	0	70,077	0	401,885
Transfer to/from restricted cash account	0	-91	0	-415	0	-2,382
Repayment of borrowings	-921	-2,341	-3,982	-10,640	-23,606	-61,021
Repayment of principal element of lease liability	0	-47	0	-213	0	-1,220
Proceeds from issuing bonds	112	13	484	58	2,871	331
Repayment of long term liabilities/bonds	0	0	0	0	0	0
Interest payments	-1,184	-1,478	-5,120	-6,720	-30,350	-38,541
Net cash from financing activities	-1,993	11,573	-8,618	52,609	-51,085	301,711
Net decrease/increase in cash and cash equivalents	-5,379	4,670	-23,258	21,230	-137,864	121,751
Cash and cash equivalents at the beginning of the period	15,104	9,893	65,309	44,972	387,126	257,912
Cash and cash equivalents at the end of the period	9,725	14,563	42,051	66,202	249,263	379,663
<i>EUR exchange rate - low</i>			4.222	4.476	24.795	25.680
<i>EUR exchange rate - average</i>			4.324	4.546	25.631	26.070
<i>EUR exchange rate - high</i>			4.614	4.658	27.810	26.420

13. Detailed entity financial results for Q1 2021

The tables below present the **unaudited entity** financial statements of Photon Energy N.V. for the three-month period starting on 1 January 2021 and ending on 31 March 2021 and the

corresponding period of the previous year. The reported data is presented in accordance with **Dutch Accounting Standards**.

Income Statement

in Thousands (except EPS)	EUR		PLN		CZK	
	Q1 2020	Q1 2021	Q1 2020	Q1 2021	Q1 2020	Q1 2021
Net turnover	683	789	3,151	3,675	18,993	20,843
Other operating income	0	1,091	0	5,082	0	28,825
Total operating income	683	1,880	3,151	8,756	18,993	49,669
Costs of raw materials and consumables	0	0	0	0	0	0
Wages and salaries	-17	-19	-77	-89	-466	-505
Amortisation of intangible fixed assets and depreciation of tangible fixed assets	2	0	7	0	45	-2
Impairment of current assets	-42	0	-192	0	-1,160	0
Other operating expenses	-668	-1,940	-3,082	-9,035	-18,578	-51,247
Total operating expenses	-725	-1,959	-3,345	-9,124	-20,159	-51,754
Other interest income and similar income	302	655	1,394	3,051	8,402	17,308
Interest expense and similar expenses	-1,019	-1,071	-4,704	-4,990	-28,350	-28,306
Results before tax	-759	-495	-3,503	-2,307	-21,115	-13,084
Taxes	0	0	0	0	0	0
Share in profit/loss of participations	0	0	0	0	0	0
Net result after tax	-759	-495	-3,503	-2,307	-21,115	-13,084

Balance Sheet

in Thousands	EUR		PLN		CZK	
	31.12.2020	31.03.2021	31.12.2020	31.03.2021	31.12.2020	31.03.2021
Fixed assets	59,235	55,034	270,133	255,937	1,554,616	1,438,875
Intangible fixed assets	30	37	137	174	787	980
Concessions, licences and intellectual property	30	37	137	174	787	980
Financial fixed assets	59,205	54,997	269,996	255,762	1,553,829	1,437,895
Interests in group companies	32,685	28,840	149,055	134,121	857,810	754,030
Accounts receivable from group companies	26,520	26,157	120,942	121,641	696,020	683,864
Current assets	56,665	60,226	258,415	280,079	1,487,179	1,574,603
Inventories	0	0	0	0	0	0
Accounts receivable	56,551	59,940	257,895	278,751	1,484,187	1,567,139
Trade debtors	8,110	7,390	36,985	34,368	212,847	193,217
From group companies	47,169	49,982	215,111	232,440	1,237,963	1,306,777
Other accounts receivable	1,181	2,473	5,386	11,502	30,995	64,662
Prepayments and accrued income	91	95	414	442	2,382	2,482
Cash at banks and in hand	114	285	520	1,328	2,992	7,464
Assets	115,900	115,260	528,548	536,015	3,041,796	3,013,478
Equity	63,077	62,687	287,653	291,526	1,655,443	1,638,960
Called-up share capital	600	600	2,736	2,790	15,747	15,687
Share premium	37,057	37,160	168,994	172,810	972,561	971,538
Revaluation reserve	15,644	15,644	71,343	72,753	410,580	409,016
Legal and statutory reserves	87	83	397	386	2,283	2,170
Other reserves	-184	-184	-839	-854	-4,829	-4,801
Retained earnings	6,320	9,962	28,822	46,330	165,868	260,469
Profit for the year	3,639	-495	16,597	-2,303	95,516	-12,948
Treasury shares	-87	-83	-397	-386	-2,283	-2,170
Long-term debt	48,803	48,325	222,561	224,732	1,280,836	1,263,444
Other bonds and private loans	46,739	46,250	213,149	215,086	1,226,670	1,209,216
Accounts payable to group companies	2,064	2,074	9,412	9,646	54,166	54,228
Current liabilities	4,020	4,248	18,332	19,755	105,503	111,065
Trade creditors	237	168	1,079	783	6,208	4,403
Accounts payable to group companies	3,098	3,166	14,129	14,723	81,311	82,771
Other liabilities	402	3	1,832	14	10,542	76
Accruals and deferred income	283	911	1,288	4,236	7,415	23,816
Equity and liabilities	115,900	115,260	528,550	536,014	3,041,808	3,013,469
<i>No. of shares outstanding in thousand</i>	<i>51,216</i>	<i>51,234</i>	<i>51,166</i>	<i>51,234</i>	<i>51,166</i>	<i>51,234</i>
<i>Book value per share outstanding</i>	<i>0.774</i>	<i>0.854</i>	<i>3.233</i>	<i>3.972</i>	<i>19.301</i>	<i>22.332</i>

14. Financial results per operating segments

The tables below present the **consolidated** and **un-audited** financial results per operating segment of Photon Energy N.V. for the period starting on 1 January 2021 and ending on 31 March

2021 and the corresponding period of the previous year. The reported data are presented in accordance with **International Financial and Reporting Standards (IFRS)**.

Results of the operating segments for the period from 1 January to 31 March 2021

EUR thousand	Solutions	Technology	Investments	Operations & Maintenance	Others	Total for segments	Elimination	Cons. financial information
External revenues from sale of products, goods & services	597	398	2,942	564	69	4,571	0	4,571
Revenues within segments from sale of products, goods & services	90	31	0	432	1,401	1,955	-1,955	0
Total revenue	688	429	2,942	997	1,470	6,525	-1,955	4,571
Other external income	1	1	0	1	12	15	0	15
Raw materials and consumables used	-71	-356	-4	-75	0	-507	0	-507
Solar levy	0	0	-128	0	0	-128	0	-128
Personnel and other expenses	-1,358	-120	-580	-1,058	-1,778	-4,894	1,166	-3,729
EBITDA	-741	-47	2,231	-136	-296	1,011	-789	222
Depreciation	-10	0	-1,312	-180	-144	-1,646	0	-1,646
Impairment charges	0	0	0	0	0	0	0	0
Gain (loss) on disposal of investments	0	0	0	0	-79	-79	0	-79
Profit/loss share in entities in equivalency	0	0	28	0	0	28	0	28
Results from operating activities (EBIT)	-751	-47	946	-315	-519	-686	-789	-1,475
Financial income	48	2	43	56	537	685	-673	13
Financial expenses	-71	-38	-632	-97	-1,481	-2,320	673	-1,647
Other net financial expense	0	0	0	0	0	0	0	0
Revaluation of derivatives	0	0	60	0	0	60	0	60
Profit/loss before taxation (EBT)	-775	-84	417	-357	-1,463	-2,261	-789	-3,051
Income tax (income and deferred)	0	0	-119	0	0	-119	0	-119
Profit/loss after taxation	-775	-84	298	-357	-1,463	-2,380	-789	-3,169
Other comprehensive income	486	4	554	-20	3,937	4,961	0	4,961
Total comprehensive income	-289	-80	852	-376	2,474	2,581	-789	1,792
Total assets	29,581	5,879	157,369	13,101	123,960	329,890	-158,136	171,754
Total Liabilities	-28,281	-5,923	-115,935	-19,716	-115,485	-285,340	157,349	-127,991

Results of the operating segments for the period from 1 January to 31 March 2020

EUR thousand	Solutions	Technol- ogy	Invest- ments	Operations & Mainte- nance	Others	Total for segments	Elimina- tion	Cons. financial information
External revenues from sale of products, goods & services	1,538	319	2,928	519	13	5,316	0	5,316
Revenues within seg. from sale of products, goods & services	3,598	0	0	387	1,425	5,409	-5,409	0
Cost of sale	-4,147	-255	-303	-605	11	-5,300	3,455	-1,845
Solar levy	0	0	-161	0	0	-161	0	-161
Gross profit	989	64	2,464	300	1,448	5,265	-1,955	3,310
Other external income	0	4	3	8	2	17	0	17
Administrative and other expenses	-476	-45	-157	-539	-1,460	-2,677	741	-1,936
EBITDA	513	22	2,310	-231	-10	2,604	-1,213	1,391
Depreciation	-7	0	-1,146	-61	-64	-1,278	0	-1,278
EBIT	507	22	1,163	-292	-75	1,325	-1,213	113
Interest income	67	2	119	40	473	701	-684	17
Interest expenses	-93	-46	-487	-75	-1,167	-1,868	684	-1,184
Other financial revenues	0	0	-1	1	0	0	0	0
Other financial expenses	-9	-9	-82	-19	-44	-163	0	-163
Revaluation of derivatives	0	0	-460	0	0	-460	0	-460
Net finance expenses	-35	-53	-911	-54	-738	-1,790	0	-1,790
Profit/loss share in entities in equivalency	0	0	-167	0	0	-167	0	-167
Disposal of investments	0	0	0	0	0	0	0	0
Income tax	-138	0	-100	0	0	-237	0	-237
Deferred tax	0	0	375	0	0	375	0	375
Profit/loss from discontinuing operations	0	0	0	0	0	0	0	0
Profit/loss after taxation	333	-31	361	-346	-812	-494	-1,213	-1,710
Revaluation of property, plant and equipment	0	0	2,086	0	0	2,086	0	2,086
Foreign currency translation diff. - foreign operations	113	0	-4,097	-251	-473	-4,709	0	-4,709
Share of revaluation of PPE of associates /joint venture	0	0	0	0	0	0	0	0
Share of currency translation diff. Of associates / JV	0	0	0	0	0	0	0	0
Derivatives (hedging)	0	0	7	0	0	7	0	7
Total comprehensive income	446	-31	-1,643	-597	-1,286	-3,110	-1,213	-4,325
Total Assets	27,340	7,685	117,851	9,237	107,942	270,055	-143,000	126,812
Total Liabilities	-23,853	-7,984	-77,502	-15,946	-111,272	-236,557	142,996	-93,561

15. Summary of significant accounting policies

Basis of preparation

Our accounting policies are based on International Financial Reporting Standards (IFRS) as adopted by the European Union and were authorised for publication by the Board of Directors.

The following main standards are applied by Group:

- ▶ IAS 1 – Presentation of financial information
- ▶ IAS 2 – Inventories
- ▶ IAS 12 – Income Taxes
- ▶ IAS 16 – Property, plant and equipment
- ▶ IAS 18 – Revenues
- ▶ IAS 21 – The effects of changes in foreign exchange rates
- ▶ IAS 23 – Borrowing costs
- ▶ IAS 24 – Related party disclosures
- ▶ IAS 27 - Separate financial information
- ▶ IAS 28 – Investments in Associates and Joint ventures
- ▶ IAS 33 – Earnings per Share
- ▶ IAS 36 – Impairment
- ▶ IAS 37 – Provisions, Contingent liabilities and contingent assets
- ▶ IAS 38 – Intangible Assets
- ▶ IFRS 2 – Share based payments
- ▶ IFRS 3 – Business combinations
- ▶ IFRS 5 – Non-current assets held-for-sale and discontinued operations
- ▶ IFRS 8 – Operating segments
- ▶ IFRS 9 – Financial instruments
- ▶ IFRS 15 – Revenues from contracts with customers
- ▶ IFRS 16 – Leasing

Use of estimates and judgments

In preparing the financial information, the Company's management uses estimates and makes assumptions that affect the application of accounting policies and the amounts of assets, liabilities, income and expenses recognised in the financial information. These estimates and assumptions are based on past experience and various other factors deemed appropriate as at the date of preparation of the financial information and are used where the carrying amounts of assets and liabilities are not readily available from other sources or where uncertainty exists in

applying the individual accounting policies. Actual results may differ from the estimates.

Estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised either in the period in which the estimate is revised, providing that the revision relates only to the current accounting period, or in the revision period and future periods, providing the revision affects both the current and future periods.

Provisions

A provision is recognised, if as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined

by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Presentation of Financial information

Financial information is presented based on historical costs with exemptions when IFRS requires different evaluation methods as described below in accounting policies. The statement of comprehensive income is presented with revenues and expenses classified by nature. The cash flow statement is prepared using an indirect method.

The functional currency is the EURO (EUR) and for the purpose of the reporting, as required by the regulations of the Warsaw Stock Exchange, the balances are retranslated into PLN currency.

Consolidation

(a) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of

the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

Income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(b) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of more than 20% and less than 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The cost of the investment includes transaction costs.

Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's management and directors to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

The Company's Management has assessed the Group's business from the segment reporting perspective and decided that they financial results of Photon Energy Group to be reported per segments from an objective perspective starting 1 January 2010.

As of 1 January 2020, the Management Board decided to adjust the segments reported.

The Management identified the following segments to be reported:

- ▶ **Solutions:** Development, engineering and construction services of turn-key photovoltaic systems' installations for external clients and Photon Energy),
- ▶ **Technology:** Wholesale, import and export of FVE components,

Foreign currency translation

(a) Functional and presentation currency

Items included in the consolidated financial information of each of the Group's entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial information is presented in EUR, which is the company's functional and the Group's presentation currency.

The consolidated financial information is presented in EUR, however, for presentation purposes the financial information is

The Group's share of its associates' post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment.

When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of that interest, including any long-term investments, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

Unrealised gains on transactions between the group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

- ▶ **Investments:** Investment into photovoltaic power plants and creation of OCI of the Group flowing from the revaluation of the PV plants according to IAS 16 and production of electricity (this segment includes SPE that finished building of photovoltaic power plants and those that are connected to the distribution network and produce electricity)
- ▶ **Operations & Maintenance:** Operations, maintenance and PVPP supervision. This segment also includes the services of Inverter Cardio and Monitoring and Control.
- ▶ **Others:** Other, not related to any of the above mentioned segments.

Others include project development, financing and insurance solutions for PV investors, water technology and remediation services and other less significant activities. None of these operations meets any of the quantitative thresholds for determining reportable segments in 2019 up to date.

Segment results that are reported include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Segment capital expenditure is the total cost incurred during the reporting period to acquire property, plant and equipment, and intangible assets other than goodwill.

translated into PLN and CZK as presentation currencies. Effects from these translations are presented in the Currency translation reserve.

Exchange rates as shown in table below were applied. All exchange rates were provided by the European Central Bank. The statement of financial position applicable exchange rate represents the exchange rate as of the last day of the reporting date as according to IAS 21. The statement of comprehensive income exchange rate represents the average of daily exchange rates effective within the relevant period.

	PLN		CZK	
	Q1 2020	Q1 2021	Q1 2020	Q1 2021
EUR exchange rate – low	4.222	4.476	24.795	25.680
EUR exchange rate – high	4.614	4.658	27.810	26.420
EUR exchange rate – average	4.324	4.546	25.631	26.070
EUR exchange rate – end of period	4.550	4.650	27.325	26.145

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

Property, plant and equipment

Property, plant and equipment are carried at their fair values, with the exemption of fixed assets under construction which are carried at cost.

Fair value assessment of all connected and revalued power plants is done by the Company each quarter as of the reporting date. All the key inputs used in the DCF models used for revaluation are reviewed as of this date and if there is any change in those, update in DCF model is done. Cash flows were calculated for the period equal to the duration of the Feed-in-Tariff (period with guaranteed sales prices), which are 20 years in Czech Republic, 15 years in Slovak Republic and up to 25 years in Hungary, and expected production output based on independent external technical advisors evaluations for an individual power plant in a given country. Running cost are planned based on contracted services, generally adjusted by expected inflation rates. Subsequently, the impact of the potential change in the value is assessed by the management of the Company and based on its materiality, it is decided whether the power plant will be revalued or not. The valuation methodology for the revaluation

Inventories

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Revenue recognition

The Group recognises revenues from the following activities: Revenue from electricity generation, Revenue from engineering, procurement and construction (EPC), Revenue from sale of goods (solar panels, inverters and related technologies), and Revenue from sale of services (e.g. maintenance, technical-administrative; installation).

Revenue is recognised in the amount of transaction price. Transaction price is the amount of consideration to which the Group expects to be entitled in exchange for transferring control over promised goods or services to a customer, excluding the amounts collected on behalf of third parties.

(c) Group companies

In case of entities, whose functional currency is CZK, CHF, AUD, HUF, PLN or PEN, the financial statements are retranslated during consolidation into EUR using year-end rates for the balance sheet and average rates for profit/loss items.

of the power plants is based on the Levered Free Cash Flow to Equity (FCFE) basis of the power plants (this is the Cash Flow after repayment of bank loans, interest and tax). The discount rates are based on the Capital Asset Pricing Model adjusted by the Miller-Modigliani formula ("CAPMMM"). The CAPMMM is used to determine the appropriate required rate of return of an asset, if that asset is to be added to an already well-diversified portfolio, given that assets non-diversifiable risk.

Since the power plants in the Czech Republic and Slovakia are connected for almost 10 years and have a proven track record of actual production data and cost incurred, management decided to use instead of the original external technical advisors evaluations the average production data and actual operating cost of the last five years of operation as a basis for the prediction of future revenues and operating cost of the power plants as of the end of the reporting date. For the newer Hungarian portfolio with limited history the external technical advisors evaluations remain in place.

The cost of inventories is based on the weighted average principle, and includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

Revenue is recognised net of discounts, value added taxes, export duties and similar mandatory payment.

Revenues from sale of electricity are recognised only when the electricity is delivered to the distribution net in the volume reviewed and accepted by the distributors.

Revenue from sale of goods are recognised when the control over the goods has transferred to the customer. This transfer of control is clearly defined in the contractual conditions. Group as a supplier does not provide in major of the cases any other separate performance as part of the delivery. No element of financing is deemed present as the sales are made with credit terms of 30-60 days, which is consistent with market practice. In most cases,

the Company requires advance payments (partial or 100%) for the sales of goods. Advances received are recognised as contract liability.

Revenues from sale of services (e.g. maintenance, technical-administrative; installation) are recognised on regular and recurring basis for a fixed fee agreed in the contract, additionally to this ad-hoc interventions are invoiced based on the actual usage of the on call service intervention.

Revenues from engineering, procurement and construction (EPC) represent one single performance obligation as EPC services are distinct to a customer and cannot be separated from each other. No long-term extraordinary guarantees that could be considered as a separate obligation under IFRS 15 are provided. Revenues from EPC are recognised over the time and include the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments.

Trade receivables

Trade receivables are recognised at nominal value, less provision for impairment.

The Group applies the IFRS 9 simplified approach to measuring expected credit losses which uses a lifetime expected loss allowance for all trade receivables, other receivables, and receivables from related parties. To measure the expected credit losses, receivables have been grouped based on shared credit risk characteristics and the days past due.

The expected loss rates are based on the payment profiles of customers/counterparty over a period of 36 month before each

Cash and cash equivalents/Liquid assets

Cash and cash equivalents include cash in hand, deposits held at call with banks, and other short-term highly liquid investments with original maturities of three months or less.

Restricted balances, including the debt service and project reserve accounts, are excluded from cash and cash equivalents

Financial assets

Financial assets, other than those designated and effective as hedging instruments, are classified into the following categories: amortised cost, fair value through profit or loss (FVTPL) and fair value through other comprehensive income (FVOCI).

All income and expenses relating to financial assets that are recognised in profit or loss are presented within finance costs, finance income or other financial items, except for impairment of trade receivables which is presented within Impairment charges.

Derivative financial instruments, including interest rates swaps, are carried at their fair value. All derivative instruments are carried as assets when fair value is positive and as liabilities when fair value is negative. Changes in the fair value of derivatives that do

Share capital

Ordinary shares are classified in equity as Issued share capital. Consideration received above the nominal value of the ordinary shares is classified in equity as Share premium.

For each performance obligation satisfied over time, the Group recognised revenue by measuring the progress towards complete satisfaction of that performance obligation using the input method. The Group is entitled to invoice the customers when defined milestones are achieved. The Group recognises contract assets for construction work delivered. Invoiced amount of contract assets is reclassified to trade receivable upon its invoicing. In case the payment for the milestones exceed the amount of costs recognised based on the input method, the Group recognises a contract liability. No significant financing component is deemed in EPC contracts, as the time period between revenue recognition based on input method and the milestone payment is always shorter than one year, in most cases with credit terms from 30 to 90 days.

balance sheet date and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking information on macroeconomic factors affecting the ability of the customers to settle the receivables. The Group has identified the GDP and the unemployment rate of the countries in which it sells its goods and services to be the most relevant factors, and accordingly adjusts the historical loss rates based on expected changes in these factors. When a trade receivable becomes uncollectible it is written off.

as they serve as collateral for the lending banks and can only be used with the approval of the lending banks.

Gold ingots purchased by the Group that are classified as Precious metals, are initially recognised at costs and subsequently measured at fair value through profit or loss.

not meet the requirements for application of hedge accounting are included in profit or loss for the year.

The Group decided to apply hedge accounting in accordance with IFRS 9. The Group designates certain derivatives prospectively as either a hedge of the fair value of a recognised asset or liability (fair value hedge), or a hedge of future cash flows attributable to a recognised asset or liability or a forecasted transaction (cash-flow hedge).

Changes in the fair value of derivatives that qualify as effective cash-flow hedges are recorded as revaluation reserve from assets and liabilities in equity and are transferred to the income statement and classified as an income or expense in the period during which the hedged item affects the income statement.

Treasury shares purchased by the Company, including any directly attributable incremental costs, net of income taxes, are deducted from the equity attributable to the Company's owners

until the equity instruments are reissued, disposed of or cancelled.

Trade payables

Trade payables are recognised at nominal value.

Loans and Borrowings

Loan and Borrowings are classified as short-term liabilities (due within 12 months after the reporting date) or long-term liabilities (due more than 12 months after the reporting date).

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their

intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

All other borrowing costs are recognized in profit or loss in the period in which they are incurred.

Current and deferred income tax

The tax expense for the period comprises current and deferred tax.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date in the countries where the Company's subsidiaries and associates operate and generate taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial information. Deferred income tax asset is recognised by the Group in case the Management anticipates the future profits will offset the current income tax asset.

Right-of-use Assets and Lease Liability

The group leases land, various offices and vehicles. Assets arising from a lease are initially measured on a present value basis. Right of use assets are measured at cost comprising the following: the amount of the initial measurement of lease liability, any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs, and cost to restore the asset to the conditions required by lease agreements. Right-of-use assets are generally depreciated over the shorter of the asset's useful life and the lease term on a straight-line basis.

Liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of fixed

payments (including in-substance fixed payments), less any lease incentives receivable. The lease payments are discounted using the interest rate implicit in the lease. Lease payments are allocated between principal and finance costs. The finance costs are charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period.

Payments associated with short-term leases of equipment and vehicles and all leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss.

16. Management Board declaration

We hereby confirm that according to our best knowledge the information about Photon Energy Group contained in this report is correct as of the publication of this document and that it fairly reflects the Company's financial situation and business activities.

17. Investor Relations Contact

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Amsterdam, 11 May 2021



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