



Photon Energy Reports 11.9% Revenue Growth in Q2 2020

- ! *YoY revenues up by 11.9% to EUR 8.882 million in Q2 2020 due to outstanding power production, O&M services in Europe and EPC business in Australia, boosting EBITDA by 14.8% to EUR 4.035 million*
- ! *The Company has passed the 60 MWp mark for its proprietary portfolio and started construction on projects with a combined capacity of 28.7 MWp in Australia and Hungary*
- ! *After the reporting period, the Company submitted the prospectus to the Dutch financial market regulator (AFM) in order to move the listing of its shares to the regulated markets of the Warsaw and Prague Stock Exchanges*

Amsterdam – 12 August 2020 – Photon Energy N.V. (WSE: PEN, the 'Group' or 'Company') today announced financial results for the second fiscal quarter, ending 30 June 2020, posting consolidated revenues of EUR 8.882 million, up by 11.9% YoY, and EBITDA of EUR 4.035 million, up by 14.8% YoY.

'Even though the second quarter was not without challenges due to the ongoing COVID-19 pandemic, we are proud to have delivered a strong operational performance in all of our businesses and to report the best second quarter in terms of revenues and profitability in the Company's history,' commented Georg Hotar, CEO of Photon Energy N.V.

In Q2 2020, the Company commissioned five power plants with a combined capacity of 3.5 MWp in Mályi and Kunszentmárton, expanding the Group's installed base in Hungary to 35.0 MWp and its total proprietary portfolio of power plants to 60.6 MWp. It also started construction on plants with a combined capacity of 14.6 MWp and 14.1 MWp in Australia and Hungary, respectively, and won a tender to deliver a 3 MWp power plant in Wodonga, Australia.

In the reporting period, Photon Energy – as an independent power producer – also saw outstanding figures in electricity generation from its growing portfolio of power plants, increasing to 25.2 GWh, up by 73.7% YoY, and made a strategic investment in the Melbourne-based technology company RayGen Resources.

Consolidated revenues increased by 11.9% YoY to EUR 8.882 million. An all-time record for the second quarter, this growth was partly attributable to a strong electricity generation output (+73.7% YOY) as a result of the expansion of our proprietary portfolio in Hungary (+23.5 MWp over the past 12 months) and by a solid generation output from existing power plants in the Czech Republic and Slovakia. A steady growth in revenues from O&M services in Europe and the Company's engineering (EPC) activities in Australia also contributed to this increase.

As a result, this strong business performance led to a record EBITDA of EUR 4.035 million in Q2 2020 (+ 14.8% YoY). Depreciation increased as a result of the newly connected power plants in Hungary, yet the Company still reached a record quarterly EBIT of EUR 1.613 million in Q2 2020 (+5.9% YoY).

Overall, net financial expenses increased by 63.3% to EUR -1.591 million in Q2 2020 as a result of the business expansion in Hungary, which included the refinancing of the Group's portfolio, and an additional EUR 7.5 million placement of Photon Energy EUR Bond in the third quarter of 2019.

Thanks to the grid-connection of new power plants in Mályi and Kunszentmárton, the Company recorded a positive revaluation of EUR 0.641 million in Other Comprehensive Income (OCI) according to IAS 16. The EUR -4.709 million foreign currency difference related to turbulence in the financial markets which significantly impacted our bottom line in Q1 was partially offset this



quarter, with a positive EUR 1.534 million currency translation effect recorded at the end of Q2 2020 (both effects not realised, with no cash impact). As a result, Photon Energy ended the second quarter of 2020 with a Total Comprehensive Income (TCI) of EUR 1.183 million compared to EUR 0.664 million a year earlier.

Looking at the first half year 2020, the Company's revenues increased by 17.0% to EUR 14.198 million, while EBITDA rose 18.1% to EUR 5.426 million and EBIT increased by 6.8% to EUR 1.726 million. The Company recorded a net loss of EUR -2.678 million compared to EUR -1.070 million in H1 2019. TCI amounted to EUR -3.142 million compared to a positive EUR 1.839 million in H1 2019. Excluding the unrealized currency translation impact connected to the high volatility in the currency market brought by the Coronavirus crisis, Total Comprehensive Income amounted to EUR 0.033 million in H1 2020. In addition, increased business development costs impacted the Company's bottom line, yet allowed it to handle a larger business volume. Given the growth of its proprietary portfolio, Photon Energy expects further growth in its profitability going forward.

After the reporting period, the Company increased its outstanding 7.75% Bond 2017/2022 to EUR 43.0 million and submitted the prospectus to the Dutch financial market regulator (AFM) in order to move the listing of its shares to the regulated markets of the Warsaw and Prague Stock Exchanges.

The company will present the results, followed by a Q&A session via a live webcast, on 14 August at 11:00 am CEST. Participants are invited to ask questions through the webcast chat box, or can email them in advance to ir@photonenergy.com.

Webcast: <https://tailorsgroup.clickmeeting.com/photon-energy-q2-2020-results-presentation>

ABOUT PHOTON ENERGY

Photon Energy N.V. is a global solar energy solutions and services company covering the entire lifecycle of solar energy systems. Since its foundation in 2008, Photon Energy has built and commissioned over 80 MWp of solar power plants across two continents and 60.6 MWp as part of our own portfolio. Current project development includes a project pipeline of 738 MWp in Australia (580 MWp in partnership with Canadian Solar) and 42.6 MWp in Hungary. The O&M division provides operations and maintenance services for 310 MWp worldwide. Additionally, its subsidiary Photon Water Technology (PWT), focuses on developing and providing water purification, remediation and treatment systems for worldwide deployment. Photon Energy is headquartered in Amsterdam and listed at the Warsaw Stock Exchange under the ticker symbol 'PEN'. The company has offices in Europe, Australia, and South America. For more information, please visit www.photonenergy.com.

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