

PHOTON ENERGY N.V. Consolidated And Entity Financial Reports

Q4 2019

for the period from 1 October to 31 December 2019

CONSOLIDATED AND ENTITY FINANCIAL REPORTS

1. Selected financial results

1.1. Selected financial results for Photon Energy Group, for the period of 1 October to 31 December 2019

in Thousands	EUR		PLN		CZK	
	Q4 2018	Q4 2019	Q4 2018	Q4 2019	Q4 2018	Q4 2019
Total revenues	3,615	7,749	15,544	33,225	93,500	198,216
Gross profit	2,054	2,243	8,832	9,615	53,127	57,365
EBITDA	547	-42	2,352	-182	14,145	-1,086
EBIT	-384	-1,176	-1,653	-5,043	-9,943	-30,087
Profit / loss before taxation	-1,818	-2,021	-7,818	-8,665	-47,025	-51,697
Profit / loss from continuing operations	-2,345	-2,596	-10,084	-11,129	-60,657	-66,394
Total comprehensive income	182	1,478	783	6,337	4,710	37,808
Non-current assets	83,867	105,561	360,781	449,298	2,157,472	2,682,311
Current assets	21,530	31,832	92,620	135,484	553,868	808,840
Cash and cash equivalents	12,575	15,104	54,097	64,286	323,497	383,786
Total assets	105,397	137,393	453,401	584,782	2,711,340	3,491,151
Total equity	29,873	36,242	128,509	154,258	768,485	920,919
Current liabilities	7,414	12,394	31,894	52,752	190,726	314,932
Non-current liabilities	68,110	88,756	292,997	377,769	1,752,123	2,255,281
Operating cash flow	3,381	1,403	14,539	6,017	87,452	35,900
Investment cash flow	-8,453	-3,378	-36,345	-14,485	-218,619	-86,415
Financial cash flow	-2,008	357	-8,635	1,529	-51,943	9,124
Net change in cash	-7,080	-1,618	-30,442	-6,938	-183,109	-41,391
<i>EUR exchange rate – low</i>			4.279	4.253	25.725	25.410
<i>EUR exchange rate – average</i>			4.300	4.288	25.862	25.580
<i>EUR exchange rate – end of period</i>			4.302	4.256	25.725	25.410
<i>EUR exchange rate – high</i>			4.340	4.378	26.030	25.890

Note: Exchange rates provided by the European Central Bank

1.2. Selected financial results for Photon Energy Group, for the period of 1 January to 31 December 2019

in Thousands	EUR		PLN		CZK	
	Q1-Q4 2018	Q1-Q4 2019	Q1-Q4 2018	Q1-Q4 2019	Q1-Q4 2018	Q1-Q4 2019
Total revenues	20,256	30,154	86,297	129,605	519,421	774,118
Gross profit	13,840	15,438	58,964	66,354	354,901	396,326
EBITDA	8,239	7,640	35,100	32,837	211,267	196,134
EBIT	2,637	1,174	11,235	5,046	67,623	30,142
Profit / loss before taxation	1,934	1,014	8,238	4,359	49,584	26,037
Profit / loss from continuing operations	603	-700	2,569	-3,007	15,463	-17,961
Total comprehensive income	2,625	6,506	11,182	27,964	67,301	167,025
Non-current assets	83,867	105,561	360,781	449,298	2,157,472	2,682,311
Current assets	21,530	31,832	92,620	135,484	553,868	808,840
Cash and cash equivalents	12,575	15,104	54,097	64,286	323,497	383,786
Total assets	105,397	137,393	453,401	584,782	2,711,340	3,491,151
Total equity	29,873	36,242	128,509	154,258	768,485	920,919
Current liabilities	7,414	12,394	31,894	52,752	190,726	314,932
Non-current liabilities	68,110	88,756	292,997	377,769	1,752,123	2,255,281
Operating cash flow	7,889	6,535	33,612	28,089	202,311	167,775
Investment cash flow	-9,415	-14,410	-40,111	-61,936	-241,429	-369,940
Financial cash flow	6,767	10,641	28,832	45,738	173,538	273,187
Net change in cash	5,242	2,766	22,333	11,891	134,421	71,021
<i>EUR exchange rate - low</i>			4.142	4.242	25.190	25.410
<i>EUR exchange rate - average</i>			4.260	4.298	25.643	25.672
<i>EUR exchange rate - end of period</i>			4.302	4.256	25.725	25.410
<i>EUR exchange rate - high</i>			4.391	4.390	26.075	25.920

Financial highlights:

- Unaudited consolidated revenues increased from EUR 20.256 million in 2018 to EUR 30.154 million in 2019, up by 48.9% YOY. In Q4 2019 unaudited consolidated revenues increased by 114.3% YOY to EUR 7.749 million.
- Gross profit increased from EUR 13.840 million in 2018 to EUR 15.438 million in 2019, up by 11.5% YOY. In Q4 2019 gross profit increased to EUR 2.243 million, up by 9.2% YOY.
- Consolidated EBITDA contracted slightly due to higher expansion-driven overheads and amounted to EUR 7.640 million in 2019 compared to EUR 8.239 million a year earlier, down by 6.2%. In Q4 2019 consolidated EBITDA amounted to a loss of EUR -0.042 million compared to a profit of EUR 0.547 million a year earlier.
- Consolidated EBIT declined from EUR 2.637 million in 2018 to EUR 1.174 million in 2019. In Q4 2019 consolidated EBIT declined to EUR -1.176 million from EUR -0.384 million in Q4 2018
- The Group recorded a net loss of EUR -0.700 million in 2019 compared to net profit of EUR 0.603 million a year earlier. In Q4 2019 the Group recorded a net loss of EUR -2.596 million.
- Total comprehensive income for year 2019 amounted to EUR 6.506 million and boosted consolidated equity to EUR 36.242 million compared to EUR 29.819 million 2018. In Q4 2019 Total comprehensive income amounted to EUR 1.478 million.
- The adjusted equity ratio¹ remained stable at 30.8%.

¹ Adjusted equity ratio is defined as total equity divided by total capital, being the sum of interest-bearing debt and equity.

Other highlights:

- Electricity generation of the proprietary portfolio of PV power plants hit a record of 43.8 GWh, which was 8.2% above energy forecast and 54.4% higher YOY. Only in Q4 2019 the Group generated 6.9 GWh of electricity, which exceeded energy forecast by 16.2%. This outstanding growth was driven primarily by the addition of 20.1 MWp of new PV capacities in Hungary as well as the solid performance of power plants in the Czech and Slovak Republics.
- In Q4 2019 Photon Energy constructed and grid-connected 18 power plants with a total capacity of 12.6 MWp located in Taszár, Fertőd, Kunszentmárton and Monor, Hungary. This latest additions expanded the Group's global proprietary portfolio of PV power plants to 51.7 MWp versus 31.6 MWp a year earlier (+63.6% YOY).
- In Q4 2019 Photon Energy and K&H bank signed another long-term, non-recourse project financing agreement for an additional 20.0 MWp of our proprietary PV portfolio in Hungary, which allows the Group to free up significant liquidity to be reinvested in new projects in the course of 2020.
- In Q4 2019 Photon Energy won a tender to design and build an integrated solar (1.2 MWp) and battery storage (3.2 MWp) system on the pristine Lord Howe Island, New South Wales, Australia and is in the final stage of preparation works before commencing the construction works on the site.
- In Q4 2019 Photon Energy, in consortium with its Polish partner RenCraft Sp. z o.o., won a public tender to design and build a 950 kWp PV power plant next to a sewage treatment

plant in the location of Jamno, Northern Poland, marking a first step on the Polish solar market.

- In Q4 2019 Photon Energy sold its 51% stake in the project company holding all project rights for the Brewongle Solar

Farm. This exit has been executed at a relatively early stage of the project development. Hence, the corresponding capital gain was not material and was booked as a Disposal of Investments below the operating line.

1.3. Standalone financial results for Photon Energy N.V., for the period of 1 October to 31 December 2019

in Thousands	EUR		PLN		CZK	
	Q4 2018	Q4 2019	Q4 2018	Q4 2019	Q4 2018	Q4 2019
Revenues	536	544	2,305	2,331	13,864	13,908
EBITDA	-55	96	-234	410	-1,410	2,444
EBIT	-55	96	-234	410	-1,410	2,444
Profit / loss before taxation	6,612	-2,101	28,429	-9,010	171,001	-53,751
Total comprehensive income	6,612	-2,101	28,429	-9,010	171,001	-53,751
Non-current assets	46,587	17,294	200,410	73,607	1,198,451	439,436
Current assets	30,883	67,280	132,854	286,361	794,465	1,709,572
Cash and cash equivalents	5,377	5,831	23,131	24,820	138,323	148,174
Total assets	77,470	84,573	333,264	359,968	1,992,916	2,149,008
Total equity	38,362	38,865	165,027	165,421	986,862	987,565
Current liabilities	5,483	4,314	23,587	18,362	141,050	109,623
Non-current liabilities	33,625	41,394	144,649	176,184	865,003	1,051,819
<i>EUR exchange rate – low</i>			4.279	4.253	25.725	25.410
<i>EUR exchange rate – average</i>			4.300	4.288	25.862	25.580
<i>EUR exchange rate - end of period</i>			4.302	4.256	25.725	25.410
<i>EUR exchange rate – high</i>			4.340	4.378	26.030	25.890

Notes:

Exchange rates are provided by the European Central Bank.

All data quoted in this report refer to the current reporting period i.e. from 1 October until 31 December 2019, 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.

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

Q4 2019 has been a period of focussing our efforts on completing the projects undertaken at the beginning of the last year and on preparing the ground for new opportunities upcoming in 2020. On one hand we have completed and grid-connected 12.6 MWp of PV power plants under construction, which proves the dedication of our team to take projects successfully from inception to completion in a timely manner. At the same time we have refinanced those assets with long-term project financing, which not only frees up significant liquidity for further growth but also re-confirms the trust of financial institutions in the quality of our work. Last but not least, we have successfully sold our 51% stake in another utility-scale project, Brewongle in Australia, which was still in a relatively early stage of development. The financial impact of this exit has so far not been material, but has enabled us to de-risk our Australian project portfolio, while maintaining reasonable upside potential in case of the successful completion of the development phase.

On the other hand, in 2019 we have started laying the ground for new opportunities to be explored further in the course of the year 2020. Those include our participation in the first Hungarian PV auction as well as preparatory work on market entry in Poland. In Hungary, Photon Energy has participated in the first auction announced by the Hungarian Energy and Public Utility Regulatory Authority (HEPURA) on 12 December 2019. HEPURA will award feed-in premium payments - on top of the wholesale electricity price - for a 15-year period for two types of projects i.e. PV installations with a generation capacity of 0.3 to 1.0 MW and those with 1-20 MWp. The results are expected to be published at the end of Q1 2020. The Polish market is strategically very important for us, both for its dynamic growth and because of our long-term presence on the Polish capital markets. The recent spike in electricity prices in Poland are setting the stage for PV power plants becoming a competitive source of energy generation in due course, both within and outside the country's renewable auction system. We intend to provide our investors with more details on our Investment strategy in both countries in due course.

Focus on maintaining growth and long-term value creation

The Q4 2019 financial results re-confirm the dynamic growth of our business, most visibly at the top line with consolidated revenues more than doubling year-on-year (up by 114.3%). With a major portion of this growth generated by our technology trading and EPC segments, gross profit growth has not kept pace with top line growth. Q4 2019 has declined by EUR 0.496 million year-on-year due to one-off cost items as well as our continuing capacity expansion mainly expressed in a growing head count, which is crucial for executing our business expansion across all our existing business lines as well as new business activities. It is important to bear in mind that for our business Q4 and Q1 are the weakest quarters of the year due to seasonally low electricity generation. The PV power plants added to our portfolio in Q4 2019 and due to

be connected shortly in Q1 2020, with an installed capacity of some 20.2 MWp, will be adding close to EUR 2.5 million in electricity generation revenues and expand our gross profitability to the full-year 2020 income statement. Considering our business mix consisting of operating businesses, project development for sale in Australia (generating capital gains) and our substantial investment activity in new PV power plants (generating Other comprehensive income), our value creation must be viewed in its entirety and is best expressed by our true bottom line, Total Comprehensive Income. In Q4 2019 our consolidated Total Comprehensive Income reached EUR 1.478 million (compared to EUR 0.182 million a year ago), boosting our consolidated equity to a record EUR 36.242 million.

Q4 2019 results marked by: 114.3% revenue growth, Total Comprehensive Income of EUR 1.5 million and sound operating cash-flow generation

In Q4 2019 the Group recorded unaudited consolidated revenues of EUR 7.749 million, up from EUR 3.615 million a year earlier. We recorded a strong increase in revenues from electricity generation (+20.3% YOY), driven primarily by the expansion of our proprietary portfolio in Hungary (+20.1 MWp grid-connected since the beginning of 2019) as well as sound generation output from the remaining power plants in the Czech Republic and Slovakia. Additionally, revenues from the engineering business (EPC), technology trading and Operations & Maintenance services contributed materially to our growth.

EBITDA contracted by EUR 0.496 million year-on-year and slipped to a negative EUR -0.042 million, compared to a profit of EUR 0.453 million a year earlier. This development is the direct result of our investment into a growing team and projects, which will lead to a rise in our income-generating asset base in the medium- and long-term, driving future growth in electricity generation revenues, capital gains and other comprehensive income (OCI).

EBIT declined from EUR -0.478 million in Q4 2018 to EUR -1.176 million in Q4 2019 as a result of increased depreciation linked to our growing electricity generation asset base.

Due to the sale of our participation in the Brewongle project in Australia we recorded a capital gain on the disposal of investments in the amount of EUR 0.209 million.

Reflecting the seasonal characteristics of our business, in Q4 2019 the Group recorded a consolidated net loss of EUR -2.596 million, compared to EUR -2.439 million a year earlier.

Other comprehensive income amounting to EUR 4.074 million, related to the revaluation according to IAS 16 of the 18 power plants in Hungary successfully connected in Q4 2019. Total comprehensive income for the period reached EUR 1.478 million compared to EUR 0.182 million a year earlier.

12.6 MWp built and connected to the grid in Hungary

In the reporting period Photon Energy grid-connected 18 photovoltaic power plants with a total installed capacity of 12.6 MWp located in the Hungarian municipalities of Monor, Fertőd, Kuzsentszántó and Taszár. These power plants will generate approximately 15.6 GWh of electricity annually and are expected to contribute ca. EUR 1.5 million to consolidated revenues on an annual basis.

The above photovoltaic power plants expanded the Group's proprietary portfolio to 51.7 MWp, out of which 26.1 MWp were built and grid-connected in Hungary to date. Our success on the Hungarian market, combined with the existing pipeline of 23.1 MWp under development or under-construction shall soon translate into further significant growth of our business both at the top and bottom lines.

Securing refinancing agreement for 20 MWp of PV power plants in Hungary

In the reporting period Photon Energy closed another long-term non-recourse project financing agreement for an additional 20 MWp of its proprietary PV portfolio in Hungary. The portfolio is comprised of 29 individual KÁT-licensed PV power plants in the locations of Monor, Fertőd, Kuzsentszántó, Taszár, Mályi and Tata. The project debt financing amounting up to 5.93 billion HUF (17.5 million EUR) is being provided by K&H Bank, the Hungarian subsidiary of Belgian KBC Group N.V.

After the successful refinancing of our first group of 17 PV power plants earlier in 2019, this transaction marks another milestone in our expansion strategy in Hungary. We have built and pre-financed the power plants with the proceeds of our EUR bond placement. The successful refinancing of the second grid-connected group of 29 PV plants with K&H Bank is a major step forward in our strategy for the Hungarian market to build at least 75 MWp of PV power plants for our portfolio by the end of 2021. This step allows us to free up significant liquidity and to build further projects in Hungary next year.

Preparation works for hybrid solar and storage system on Lord Howe Island are undergoing

In the reporting period the Group's subsidiary Photon Energy Engineering Australia won a tender to install a hybrid solar and battery storage system on Lord Howe Island, New South Wales, Australia. The proposed solar battery solution will reduce the local community's reliance on diesel-generated power on the island and what is even more important will lessen the carbon footprint globally. For more details about this project please see our report ESPI 24/2019.

Working closely with the Lord Howe Island Board, Photon Energy is currently in the last stage of preparation works before the construction works commence. Our Australian team is performing engineering works to design the solar - battery system which will include ground mounted solar infrastructure of 1.2 MWp and battery storage with over 3.2 MWh capacity to be integrated into the existing power generation system on the island. At the same time we are ensuring that all relevant resources required for the further stages of this project are in place, including all subcontractors necessary to contribute their expertise to the successful execution of this project.

The Lord Howe Island project, purposely designed for a small and remote location, will be a challenging but exciting opportunity for Photon Energy to demonstrate our expertise and capability in executing complex solar systems addressing the specific needs of their end-users. The construction of the system will commence shortly and is expected to be completed in Q3 2020.

First EPC project acquired through public tender in Northern Poland

On 25 October 2019 Photon Energy Solutions HU Kft, in consortium with RenCraft Sp. z o.o., signed an agreement with Miejskie Wodociągi i Kanalizacja w Koszalinie sp. z o.o. (a water utility company located in the North of Poland) for the construction of a 950 kWp photovoltaic power plant in the location of the sewage treatment plant in Jamno. The total net value of the project is PLN 3.36 million. For more details please refer to our report ESPI 26/2019.

2.2. Strategy and its execution

The objective of our strategy remains the generation of recurring revenue streams while maximizing customer value. Photon Energy's focus remains on:

- Production of electricity from the Group's portfolio of PV plants
- Customised Energy Solutions
- Decentralised Energy Production, Energy Storage Solutions and Water purification systems
- Operations & Maintenance of PV plants and Energy Storage facilities
- PV technology trading.

- Photon Energy's power plant control and monitoring solutions are planned to be offered as a standalone product.
- The Australian and Hungarian markets are our focus for the expansion of PV generation capacity. Other potential markets in Central Europe, Central and South America, the Middle East and Africa remain under investigation.

In order to reduce the dependence on government subsidies in the future, the Group's strategy mainly focuses on the expansion to markets which have already reached Grid Parity, i.e. the cost of PV-generated electricity is competitive with grid-supplied electricity from traditional and other renewable energy sources.

Our next steps are:

- The Photon Energy Operations team focuses on full O&M solutions in Central Europe and expands its Inverter Cardio services to additional inverter technologies covering the whole European market.

2.3. Investment action plan and its implementation

The Company did not publish any investment action plan. As a result no plan has been implemented.

2.4. 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 December 2019, consisting of 61

power plants in the Czech Republic, Slovakia, Hungary & Australia with a total installed capacity of 51.7 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 December 2019

Nr	Proprietary portfolio	Legal entity	Country	Cap. (kWp)	Share	Cap. Pro-rata	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	Tiszakécske 1	Ekopanel Befektetési Kft.	HU	689	100%	689	Dec-18
25	Tiszakécske 2	Onyx-sun Kft.	HU	689	100%	689	Dec-18
26	Tiszakécske 3	Solarkit Befektetési Kft.	HU	689	100%	689	Dec-18
27	Tiszakécske 4	Energy499 Invest Kft.	HU	689	100%	689	Dec-18
28	Tiszakécske 5	Green-symbol Invest Kft.	HU	689	100%	689	Dec-18
29	Tiszakécske 6	Montagem Befektetési Kft.	HU	689	100%	689	Dec-18
30	Tiszakécske 7	SunCollector Kft.	HU	689	100%	689	Dec-18
31	Tiszakécske 8	Future Solar Energy Kft.	HU	689	100%	689	Dec-18
32	Almásfűzitő 1	Ráció Master Kft.	HU	695	100%	695	Mar-19
33	Almásfűzitő 2	Ráció Master Kft.	HU	695	100%	695	Mar-19
34	Almásfűzitő 3	Ráció Master Kft.	HU	695	100%	695	Mar-19
35	Almásfűzitő 4	Ráció Master Kft.	HU	695	100%	695	Mar-19
36	Almásfűzitő 5	Ráció Master Kft.	HU	695	100%	695	Mar-19
37	Almásfűzitő 6	Ráció Master Kft.	HU	660	100%	660	Mar-19
38	Almásfűzitő 7	Ráció Master Kft.	HU	691	100%	691	Mar-19
39	Almásfűzitő 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
46	Fertőd II No 4	Alfemo Alpha Kft.	HU	699	100%	699	Nov-19

Nr	Proprietary portfolio	Legal entity	Country	Cap. (kWp)	Share	Cap. Pro-rata	Completed
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	Taszár 1	Optisolar Kft.	HU	701	100%	701	Dec-19
52	Taszár 2	Optisolar Kft.	HU	701	100%	701	Dec-19
53	Taszár 3	Optisolar Kft.	HU	701	100%	701	Dec-19
54	Monor 1	Photon Energy HU SPV 1 Kft.	HU	688	100%	688	Oct-19
55	Monor 2	Photon Energy HU SPV 1 Kft.	HU	696	100%	696	Oct-19
56	Monor 3	Photon Energy HU SPV 1 Kft.	HU	696	100%	696	Oct-19
57	Monor 4	Photon Energy HU SPV 1 Kft.	HU	696	100%	696	Oct-19
58	Monor 5	Photon Energy HU SPV 1 Kft.	HU	688	100%	688	Oct-19
59	Monor 6	Photon Energy HU SPV 1 Kft.	HU	696	100%	696	Oct-19
60	Monor 7	Photon Energy HU SPV 1 Kft.	HU	696	100%	696	Oct-19
61	Monor 8	Photon Energy HU SPV 1 Kft.	HU	696	100%	696	Oct-19
Total				51,705			

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 Q4 2019 amounted to 6.9 GWh, which was 16.2% above energy forecasts

and 54.4% higher YOY on a cumulative YTD basis. 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 October and 31 December 2019

Project name	Capacity	Feed-in-Tariff	Prod. Q42019	Proj. Q42019	Perf.	YTD Prod.	YTD Proj.	Perf.	YTD YoY
Unit	kWp	per MWh, in 2019	kWh	kWh	%	kWh	kWh	%	%
Komorovice	2,354	CZK 14,530	311,447	204,858	52.0%	2,577,174	2,238,667	15.1%	-0.1%
Zvíkov I	2,031	CZK 14,530	279,186	179,486	55.5%	2,334,151	1,962,084	19.0%	0.9%
Dolní Dvořiště	1,645	CZK 14,530	232,345	149,370	55.5%	1,729,494	1,632,292	6.0%	2.6%
Svatoslav	1,231	CZK 14,530	129,107	110,938	16.4%	1,214,685	1,212,304	0.2%	-4.6%
Slavkov	1,159	CZK 14,530	172,502	105,643	63.3%	1,363,360	1,154,453	18.1%	-1.3%
Mostkovice SPV 1	210	CZK 14,530	28,236	24,752	14.1%	227,319	187,315	21.4%	-0.4%
Mostkovice SPV 3	926	CZK 15,610	118,540	84,399	40.5%	1,004,863	870,974	15.4%	-0.5%
Zdice I	1,499	CZK 14,530	206,325	131,687	56.7%	1,709,774	1,427,722	19.8%	-2.9%
Zdice II	1,499	CZK 14,530	208,973	131,687	58.7%	1,750,959	1,427,722	22.6%	-1.9%
Radvanice	2,305	CZK 14,530	333,307	202,775	64.4%	2,612,024	2,215,892	17.9%	1.2%
Břeclav rooftop	137	CZK 14,530	21,046	17,442	20.7%	129,226	129,533	-0.2%	-19.3%
Total Czech PP	14,996		2,041,013	1,343,039	52.0%	16,653,028	14,458,957	15.2%	-0.6%
Babiná II	999	EUR 425.12	110,016	116,870	-5.9%	939,069	956,246	-1.8%	-3.7%
Babina III	999	EUR 425.12	114,285	116,870	-2.2%	972,484	956,246	1.7%	-1.5%
Prša I.	999	EUR 425.12	123,803	107,773	14.9%	1,048,222	951,220	10.2%	-0.6%
Blatna	700	EUR 425.12	79,662	81,993	-2.8%	711,888	699,583	1.8%	-1.7%
Mokra Luka 1	963	EUR 382.61	156,391	135,075	15.8%	1,170,061	996,646	17.4%	16.0%
Mokra Luka 2	963	EUR 382.61	161,276	135,075	19.4%	1,183,354	996,646	18.7%	2.4%
Jovice 1	979	EUR 382.61	102,005	83,944	21.5%	918,266	918,446	0.0%	3.0%
Jovice 2	979	EUR 382.61	102,289	83,944	21.9%	913,982	918,446	-0.5%	2.5%
Brestovec	850	EUR 382.61	131,862	105,908	24.5%	1,016,184	836,376	21.5%	-2.0%
Polianka	999	EUR 382.61	114,249	85,658	33.4%	967,644	940,098	2.9%	-3.0%
Mýjava	999	EUR 382.61	137,949	119,397	15.5%	1,103,139	997,441	10.6%	-2.6%
Total Slovak PP	10,429		1,333,787	1,172,508	13.8%	10,944,293	10,167,395	7.6%	0.8%
Tiszakécske 1	689	HUF 32,590	123,388	118,017	4.6%	859,499	858,861	0.1%	na
Tiszakécske 2	689	HUF 32,590	124,663	120,470	3.5%	862,490	864,395	-0.2%	na
Tiszakécske 3	689	HUF 32,590	125,779	117,741	6.8%	858,660	858,231	0.0%	na

Project name	Capacity	Feed-in-Tariff	Prod. Q42019	Proj. Q42019	Perf.	YTD Prod.	YTD Proj.	Perf.	YTD YoY
Unit	kWp	per MWh, in 2019	kWh	kWh	%	kWh	kWh	%	%
Tizsakécske 4	689	HUF 32,590	126,131	120,470	4.7%	866,182	864,395	0.2%	na
Tizsakécske 5	689	HUF 32,590	126,954	120,470	5.4%	868,622	864,395	0.5%	na
Tizsakécske 6	689	HUF 32,590	123,915	118,017	5.0%	861,903	858,861	0.4%	na
Tizsakécske 7	689	HUF 32,590	122,622	116,557	5.2%	857,902	855,358	0.3%	na
Tizsakécske 8	689	HUF 32,590	113,491	111,289	2.0%	833,063	840,912	-0.9%	na
Almásfüzitő 1	695	HUF 32,590	118,267	116,529	1.5%	759,705	776,035	-2.1%	na
Almásfüzitő 2	695	HUF 32,590	112,913	116,340	-2.9%	743,461	775,571	-4.1%	na
Almásfüzitő 3	695	HUF 32,590	120,680	114,675	5.2%	746,182	772,772	-3.4%	na
Almásfüzitő 4	695	HUF 32,590	120,163	117,293	2.4%	771,727	777,629	-0.8%	na
Almásfüzitő 5	695	HUF 32,590	127,139	114,979	10.6%	780,831	773,446	1.0%	na
Almásfüzitő 6	660	HUF 32,590	124,380	110,568	12.5%	774,867	743,885	4.2%	na
Almásfüzitő 7	691	HUF 32,590	122,674	114,171	7.4%	774,608	768,983	0.7%	na
Almásfüzitő 8	668	HUF 32,590	120,471	112,431	7.2%	782,973	752,446	4.1%	na
Nagyecsed 1	689	HUF 32,590	127,834	113,495	12.6%	426,156	390,586	9.1%	na
Nagyecsed 2	689	HUF 32,590	128,159	113,495	12.9%	430,386	390,586	10.2%	na
Nagyecsed 3	689	HUF 32,590	126,487	113,073	11.9%	429,017	390,662	9.8%	na
Fertőd I No 1	528	HUF 32,590	85,127	80,071	6.3%	665,114	622,081	6.9%	15.1%
Fertőd II No 2	699	HUF 32,590	52,766	49,753	6.1%	52,766	49,753	6.1%	na
Fertőd II No 3	699	HUF 32,590	52,965	49,753	6.5%	52,965	49,753	6.5%	na
Fertőd II No 4	699	HUF 32,590	51,120	49,753	2.7%	51,120	49,753	2.7%	na
Fertőd II No 5	691	HUF 32,590	52,456	53,095	-1.2%	52,456	53,095	-1.2%	na
Fertőd II No 6	699	HUF 32,590	51,379	49,753	3.3%	51,379	49,753	3.3%	na
Kunszentmárton I No 1	697	HUF 32,590	55,138	56,337	-2.1%	55,138	56,337	-2.1%	na
Kunszentmárton I No 2	697	HUF 32,590	50,745	56,393	-10.0%	50,745	56,393	-10.0%	na
Taszár 1	701	HUF 32,590	24,704	23,683	4.3%	24,704	23,683	4.3%	na
Taszár 2	701	HUF 32,590	25,976	23,683	9.7%	25,976	23,683	9.7%	na
Taszár 3	701	HUF 32,590	26,059	23,683	10.0%	26,059	23,683	10.0%	na
Monor 1	688	HUF 32,590	63,442	79,928	-20.6%	63,442	79,928	-20.6%	na
Monor 2	696	HUF 32,590	82,719	82,059	0.8%	82,719	82,059	0.8%	na
Monor 3	696	HUF 32,590	80,413	82,059	-2.0%	80,413	82,059	-2.0%	na
Monor 4	696	HUF 32,590	81,789	82,059	-0.3%	81,789	82,059	-0.3%	na
Monor 5	688	HUF 32,590	82,471	78,447	5.1%	82,471	78,447	5.1%	na
Monor 6	696	HUF 32,590	77,428	82,059	-5.6%	77,428	82,059	-5.6%	na
Monor 7	696	HUF 32,590	80,139	82,059	-2.3%	80,139	82,059	-2.3%	na
Monor 8	696	HUF 32,590	73,986	82,059	-9.8%	73,986	82,059	-9.8%	na
Total Hungarian PP	26,136		3,486,931	3,366,769	3.6%	16,019,041	15,644,504	2.4%	na
Symonston	144	AUD 301.60	48,614	62,465	-22.2%	159,584	181,061	-11.9%	-5.7%
Total Australian PP	144		48,614	62,465	-22.2%	159,584	181,061	-11.9%	-5.7%
Total	51,705		6,910,345	5,944,782	16.2%	43,775,946	40,451,918	8.2%	54.4%

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

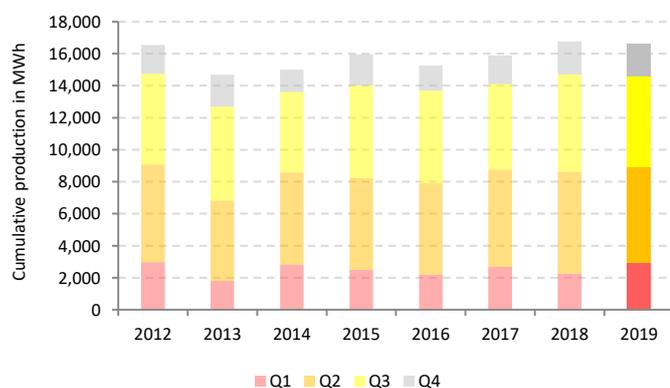
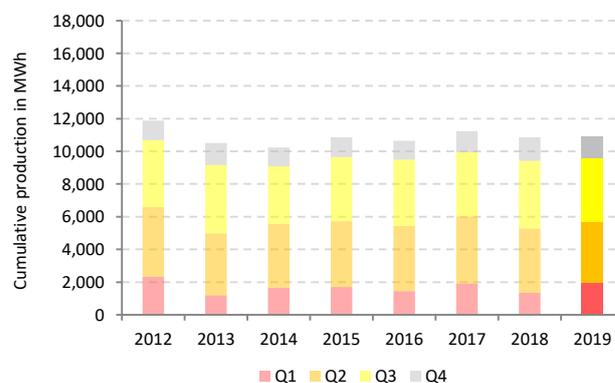


Chart 1.b Total production of the Slovak portfolio



O&M services

Photon Energy remained focused on further expanding its Operations & Maintenance business in Europe. As of the end of Q4 2019, full O&M services contracts amounted to approximately 215.2 MWp, up by 29.6% YOY. This can be broken down geographically into 130.2 MWp operated in the Czech Republic, 47.7 MWp in Hungary, 15.9 MWp in Slovakia, 15.0 MWp in Romania, 4.5 MWp in Australia and 2.0 MWp in Slovenia. In Q4 2019 Photon Energy acquired 14.6 MWp of full O&M contracts in Hungary and 1.7 MWp in the Czech Republic. After the reporting period Photon Energy acquired additional 17.6 MWp, bringing the total O&M portfolio up to 232.8 MWp. The O&M portfolio divides into 51.7 MWp of PV capacity from the proprietary portfolio and 181.2 MWp serviced for

external clients.

As far as the “Inverter Cardio” services contracts are concerned, the Group is servicing 60.3 MWp of central inverters and there were no new additions in the reporting period. In detail, at the end of Q4 2019, the total capacity of central inverters serviced can be divided regionally into France (21.3 MWp), Italy (14.0 MWp), Belgium (10.2 MWp), Czech Republic (7.5 MWp), Slovakia (5.5 MWp) and Germany (1.8 MWp). 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

As of the publishing date of this report, Photon Energy is developing PV projects in Australia (738 MWp) and Hungary (23.2 MWp) and is evaluating further markets for opportunities.

Project development is a crucial activity in Photon Energy’s business model of covering the entire value chain of PV power plants. The main objective of project development activities is to expand the PV proprietary portfolio, which provides recurring revenues and free cash flows to the Group. For financial or strategic reasons Photon Energy may decide to cooperate with third-party investors either on

a joint-venture basis or with a goal of exiting the projects to such investors entirely. Ownership of project rights provides Photon Energy with a high level of control and allows locking in EPC (one-off) and O&M (long-term) services. Hence, project development is a key driver of Photon Energy’s future growth. The Group’s experience in project development and financing in the Czech Republic, Slovakia, Germany and Italy is an important factor in selecting attractive markets and reducing the inherent risks related to project development.

Country	Location	Project function	Share	MWp	Commercial Model	Land	Grid connection	Construction permit	Expected RTB
Hungary	Tata	Own portfolio	100%	5.5	Licensed PPA	Secured	Secured	Secured	Under construction
Hungary	Mályi	Own portfolio	100%	2.1	Licensed PPA	Secured	Secured	Secured	Under construction
Hungary	Püspökladány	Own portfolio	100%	14.2	Contract-for-Difference	Secured	Secured	Secured	2020Q1
Hungary	Kunszentmárton II	Own portfolio	100%	1.4	Contract-for-Difference	Secured	Secured	Secured	2019Q4
Total Own portfolio Hungary				23.2					
Australia	Leeton	Own portfolio	100%	14.0	Retailer PPA	Secured	Secured	Secured	2020Q2
Total Own portfolio Australia				14.0					
Total Own portfolio				37.2					
Australia	Gunning	Developer	49%	220	Co-development & financing agreement with Canadian Solar	Secured	Ongoing	Ongoing	2020Q2
Australia	Maryvale	Developer	25%	160		Secured	Ongoing	Secured	2020Q2
Australia	Suntop 2	Developer	25%	200		Ongoing	Ongoing	Ongoing	2020Q2
Australia	Carrick	Developer	51%	144		All options open	Secured	Ongoing	Ongoing
Total Development Australia				724					

PV projects have two definitions of capacity. The grid connection capacity is expressed as the maximum of kilowatts or megawatts which can be fed into the grid at any point in time. Electricity grids run on alternating current (AC). Solar modules produce direct current (DC), which is transformed into AC by inverters. Heat, cable lines, inverters and transformers lead to energy losses in the system between the solar modules and the grid connection point. Cumulatively system losses typically add up to 15-20%. Therefore,

for a given grid connection capacity a larger module capacity (expressed in Watt peak – Wp) can be installed without exceeding the grid connection limit. At times of extremely high production, inverters can reduce the volume of electricity so that the plant stays within the grid connection limits. Photon Energy will refer to the installed DC capacity of projects expressed in Megawatt peak (MWp) in its reporting, which might fluctuate over the project development process.

Australia

As of the date of publishing this report, Photon Energy has five large scale solar farms at different stages of development in New South Wales ("NSW"). The project pipeline is still among the largest pipelines of Solar projects in NSW representing a total planned capacity of 738 MWp.

In January 2018, as a result of its development partner selection process managed by its financial advisor Pottinger, the company has signed an agreement for the joint development of five utility-scale solar projects in New South Wales, Australia with Canadian Solar, one of the world's largest solar power companies. Canadian Solar has become a co-shareholder in the project companies and is providing development financing to complete the development of these projects. Canadian Solar acquired a 51% shareholding in all five project companies. The equity capital contributed by Canadian Solar is subject to certain development milestones, joint management processes and other terms customary for project co-development and covers the development budgets to bring all five projects to the ready-to-build stage. Post-transaction, Photon Energy NV retains a 49% stake in the Gunning project and 24.99% stakes in the four other projects.

To date, Photon Energy sold stakes in two out of five projects jointly developed with Canadian Solar Inc. i.e.:

- 25% stake in the first co-developed project Suntop 1 with a total planned capacity of 189 MWp, which was sold to Canadian Solar Inc on 30 July 2019. This transaction was concluded and settled in 2019Q3.
- 25% stake in the second co-developed project Gunnedah with a total planned capacity of 146 MWp, which was sold to Canadian Solar Inc. on 30 August 2019. This transaction was concluded in 2019Q3 and settled in 2019Q4.

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

- ▶ **Gunning (220 MWp):** The process of securing construction permit is undergoing. We have redefined and redesigned the project layout to include battery storage. This had an impact on the site assessment and hence feasibility studies and public consultations had to be postponed. We plan to submit the Environmental Impact Studies (EIS) in Q1 2020. In parallel we are in discussions with Transgrid regarding the grid connection specifications. GPS studies will follow.
- ▶ **Maryvale (160 MWp):** The construction permitting process has been finalized and Development Approval was granted on 4

December 2019. The grid connection options are still under review and in discussion with Essential Energy. We are currently completing the electrical connection process, which is continuing. GPS will start upon finalizations of those discussions.

- ▶ **Suntop 2 (200 MWp):** Suntop2 is the replacement of the Mumbil Solar Farm project which development was stopped due to significant issues related to aspects such as soil erosion, aboriginal heritage protection and challenges of waterways in the location of Mumbil. For the Suntop2 project the construction permitting process is still undergoing. Feasibility studies and community consultations have been finalized and EIS were submitted to NSW DP&E in November 2019. We received the first comments and are providing additional information to complete EIS. We plan to resubmit it in March 2020. The grid connection application will start upon completion of EIS.
- ▶ **Brewongle (146 MWp):** On 27 December 2019 Photon Energy sold its 51% stake in the project company which holds all project rights for the Brewongle Solar Farm to an undisclosed buyer. The project was still at the early stage of the development and is expecting the Development Approval to be granted in the course of year 2020. The financial terms were agreed not to be disclosed but the impact of this transaction was booked as Disposal of Investments in Q4 2019 Profit and Loss Statement.

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

- ▶ **Leeton (14 MWp):** In response to tightening the grid connection standards, a revised system size of 2 times 5 MW AC each (7 MWp DC in total) has been re-designed for single axis tracking and is now being proposed to Transgrid. Consequently, the changes had to be incorporated into EIS and submitted to the local council for review and approval, which was granted in February 2019. The grid connection specifications have also been finalized. Currently we are in the process of negotiating with potential parties conditions of Power Purchase Agreements and long-term project financing. Once this is secured we will start construction works.
- ▶ **Carrick (144 MWp):** The construction permitting process is in the preparation phase. EIS are being carried out in a manner of public consultations and feasibility studies. The grid connection specifications are being defined with Essential Energy.

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

Hungary

As of the date of publishing this report, Photon Energy has 23 projects in the pipeline with a total planned capacity of 23.1 MWp. Below is a short summary of projects in the pipeline and the progress achieved in the reporting period.

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

Tata – Work in progress



Construction status:

The land preparation, low voltage electrical works and substructures are finalized. The excavation works are completed and the grid connection line is done. Low voltage electrical works and perimeter grounding are also completed. The modules were mounted on both fixed and tracking

substructures. Middle voltage line is completed and transformer stations are being installed.

All eight power plants shall be completed and grid-connected until the beginning of March 2020.

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

Mályi – Work in progress



Construction status:

The land preparation works, including access road and inner road are finished. Low voltage cable is placed while the middle voltage cables and connections will be finalized within two weeks. Modules are mounted on the substructures. Switching station and transformers are installed. The

connection line is still to be finalized in the course of the upcoming month.

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

- **Püspökladány (14.2 MWp):** In May 2019 Photon Energy NV acquired ten additional PV projects with a total planned installed DC capacity of 14.2 MWp in the municipality of Püspökladány, in the Hajdú-Bihar region in the east of the country. The transaction involves the acquisition of four project companies, owning ten METÁR licenses in total entitling them to a feed-in-tariff (in the form of electricity sales on the energy spot market plus a contract-for-difference) of HUF 32,590 per MWh (approx. EUR 98 per MWh) over a period of 17 years and 11 months for five of the ten projects, with a maximum approved and supported production of 34,913 MWh for each license, and 15 years and 5 months for the remaining five projects, with a maximum approved and supported production of 29,955 MWh for each license.

The acquired PV projects are expected to be ready-to-build in Q1 2020 as we are still waiting for the mid-voltage construction permit, which is in-progress.

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

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

The current project pipeline in Hungary consists of 23 projects with a total planned capacity of 23.1 MWp. Together with our existing portfolio of 26.1 MWp operating PV plants, we have secured a 49.2 MWp portfolio in Hungary. The new target assumes the expansion of our portfolio pipeline in Hungary up to 75MWp until year-end 2021, across the support schemes of KÁT, KÁT-METÁR and METÁR licenses.

2.6. Enterprise Value & Share Price performance

2.6.1. NewConnect (Warsaw Stock Exchange)

On 4 June 2013 Photon Energy NV shares commenced trading on the NewConnect market at a price of PLN 2.00, after a share swap for the minority investors in the Czech predecessor company, originally listed on New Connect in 2008.

On 31 December 2019 the share price (ISIN NL0010391108) closed

at the level of PLN 4.78 (-4.4% MoM, +159.8% YOY), corresponding to a price to book ratio of 1.65x. The Company also reports an average monthly trading volume of 476,966 shares in Q4 2019 compared to an average monthly trading volume of 176,210 shares in Q4 2018.

Chart 2. Total monthly volumes vs. daily closing stock prices



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

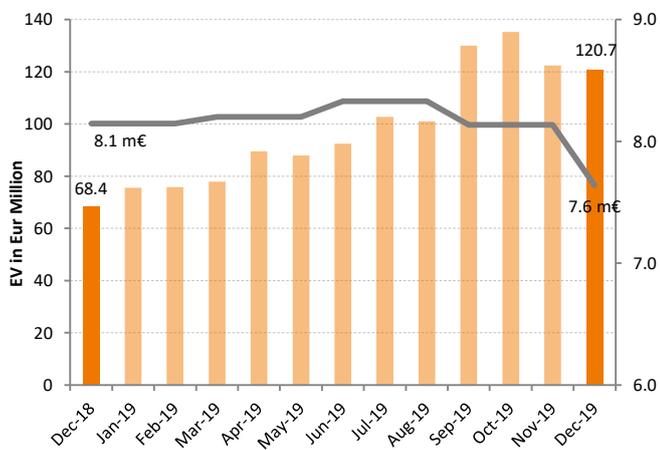
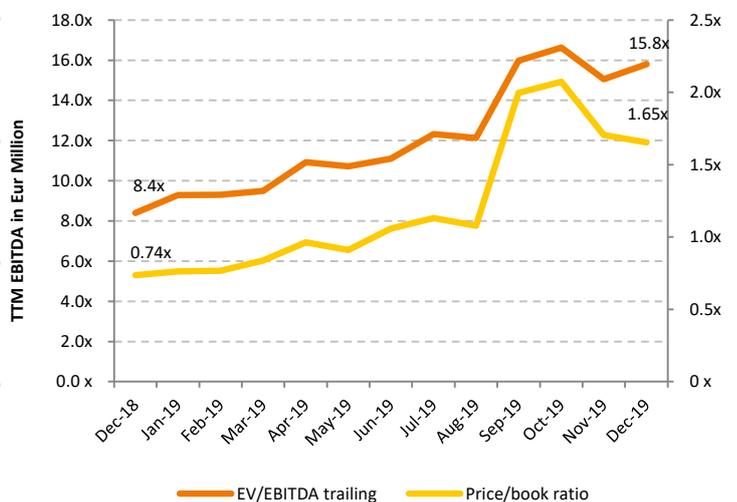


Chart 4. Enterprise value / trailing 12 months EBITDA & price to book ratio



Notes:

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

Trailing 12 month EBITDA – defined as the sum of EBITDA reported in the last four quarterly reports, ie. Q12019, Q22019, Q32019, Q42019,

The trailing 12 month EBITDA was adjusted to EUR 7.6 million, the sum of EBITDA reported in the last four quarterly reports including this reporting period, ie. Q12019, Q22019, Q32019, Q42019.

Price/book ratio – is calculated by dividing the closing price of the stock as of the end of the reporting period by the book value per share reported in the latest quarterly report.

2.6.2. Free Market (Prague Stock Exchange)

Since 17 October 2016, in addition to the listing on the NewConnect segment of the Warsaw Stock Exchange, the Company's shares have also been traded on the Free Market of the Prague Stock Exchange. No additional shares were issued, nor capital raised through this listing.

2.7. Bond trading performance

In December 2016, the Company issued a 7-year corporate CZK bond with a 6% annual coupon and monthly payments. The corporate bond, with a denomination of CZK 30,000 (ISIN CZ0000000815), has been traded on the Free Market of the Prague Stock Exchange since 12 December 2016.

In 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 target volume of EUR 30 million was subscribed to in full on 7 September 2018, before the end

On 31 December 2019 the share price (ISIN NL0010391108) closed at a level of CZK 42.00 (+10.5% compared to last month, +757.1% vs CZK 4.90, the reference price on the first trading day on 17 October 2016), corresponding to a price to book ratio of 2.43x. The Company reports a trading volume of 65,594 shares in Q4 2019 compared to 124,551 shares in Q4 2018.

of the public placement that took place in Germany, Austria and Luxembourg, originally set until 20 September 2018. The corporate bond, with a denomination of EUR 1,000 (ISIN DE000A19MFH4), has been traded on the Open Market of the Frankfurt Stock exchange since 27 October 2017. The bond is also listed on the stock exchanges in Berlin, Hamburg, Hannover, Munich and Stuttgart.

On 5 August 2019 Photon Energy announced that it successfully increased its 5-year, 7.75% coupon corporate EUR bond by additional EUR 7.5 million, up to EUR 37.5 million.

2.7.1. EUR Bond 2017/22 trading performance

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

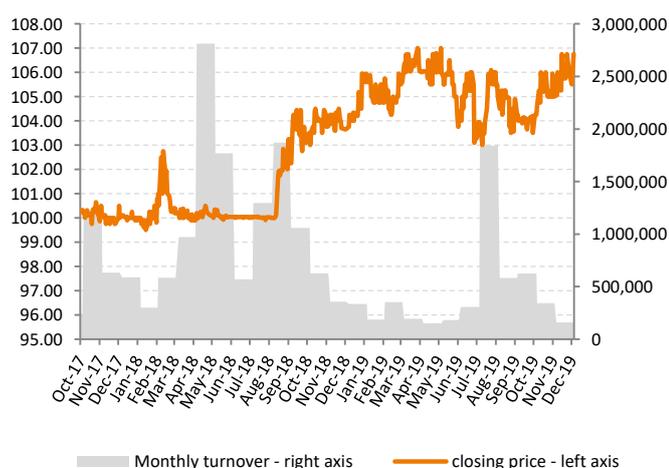
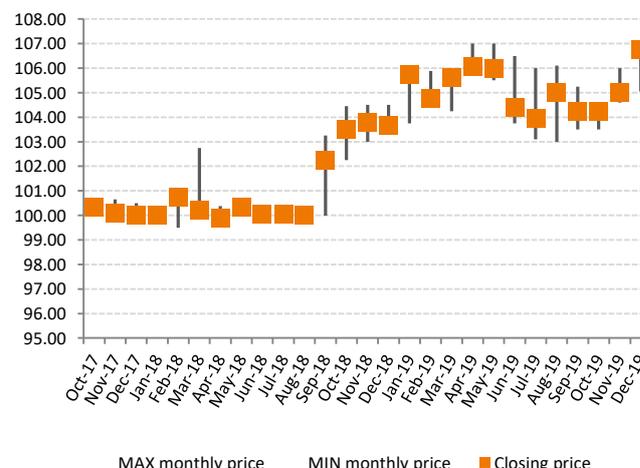


Chart 8. MIN, MAX and closing monthly prices



In the trading period from 25 October 2017 until 31 December 2019, the trading volume amounted to EUR 36.565 million (nominal value, including the volume traded in Berlin, Munich & Stuttgart) with an opening price of 100.00 and a closing price of 106.75 in Frankfurt. During this period the average daily turnover amounted to EUR 66,846.

In Q4 2019, the trading volume amounted to EUR 1,829,000 with an opening price of 104.25 and a closing price of 106.75 in Frankfurt. The average daily turnover in Q4 2019 amounted to EUR 29,500.

2.7.2. CZK Bond trading performance in Prague

In the trading period from 12 December 2016 until 31 December 2019 the trading volume amounted to CZK 10.020 million (nominal value) with a closing price of 100.00.

2.8. Financial statement analysis

Profit and Loss statement

Unaudited consolidated revenues increased by EUR 4.133 million to EUR 7.749 million, up by 114.3% YOY. This robust growth would not be possible without diversification of our revenue streams across various business lines. In Q4 2019, Photon Energy recorded a strong increase of electricity generation (+20.3% YOY) driven primarily by the expansion of its proprietary portfolio in Hungary (+20.1 MWp of new capacities was added in the course of 2019) as well as sound generation output from the existing power plants in the Czech Republic and Slovakia. Additionally, revenues from the engineering business (EPC), technology trading and O&M contributed to that growth, proving that our vertically integrated business model allows us to generate revenue streams from various areas of a photovoltaic project lifespan.

Gross profit amounted to EUR 2.243 million compared to EUR 2.054 million a year earlier, up by 9.2% YOY.

EBITDA contracted to EUR -0.042 million in Q4 2019 compared to EUR 0.453 million a year earlier. This however, shall be looked at in the wider context of our business model and project life-cycle, as we incur growing overhead cost related to project development works in Australia and Hungary as well as build up the resources necessary for further expansion on new markets. As a result of the

same drivers EBIT declined from EUR -0.478 million in Q4 2018 to EUR -1.176 million in Q4 2019, as a result of increased depreciation coming from the growing proprietary portfolio of power plants.

Eventhough interest cost increased in Q4 2019 by EUR 0.267 million compared to Q4 2018, overall net financial expenses shrank from EUR 1.423 million in Q4 2018 to EUR 1.038 million in Q4 2019, due to a positive revaluation of derivative instruments.

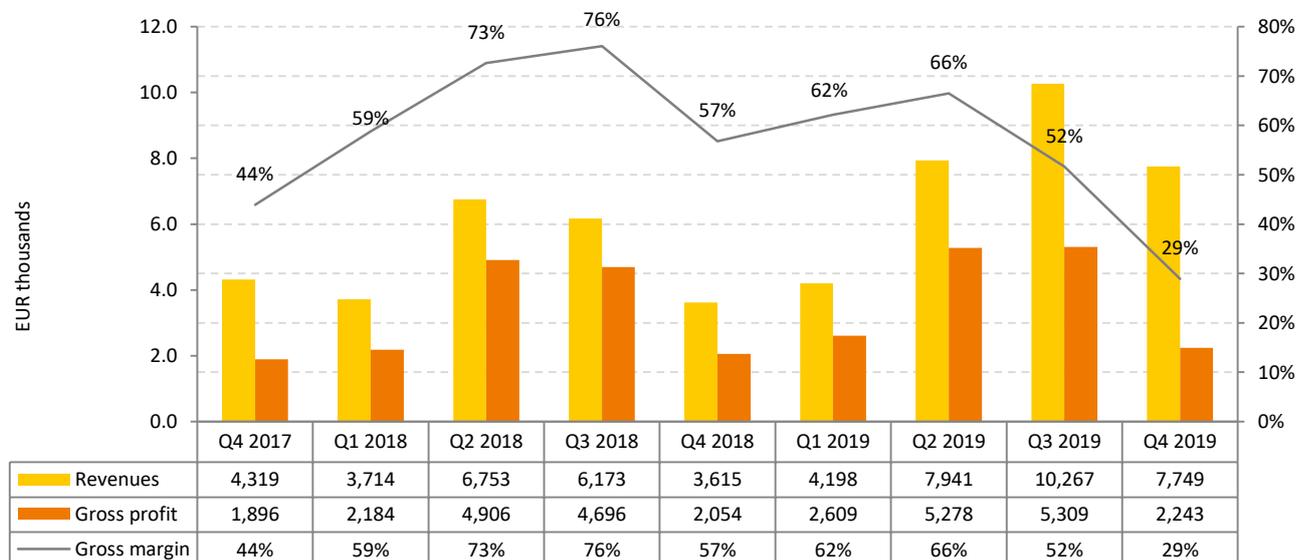
Additionally we recorded a capital gain on the disposal of investments in the amount of EUR 0.209 million, which was driven primarily by the sale of our participation in the Brewongle project in Australia.

Still the Group records a consolidated net loss of EUR-2.596 million compared to EUR-2.439 million a year earlier.

Nevertheless all this could be compensated by Other comprehensive income which was very sound and amounted to EUR 4.074 million mainly as a results of a positive proprietary portfolio revaluation according to IAS 16 related to a succesful connection of 18 power plants in Hungary in Q4 2019. This lead to a Total comprehensive income of EUR 1.478 million compared to EUR 0.088 million a year earlier.

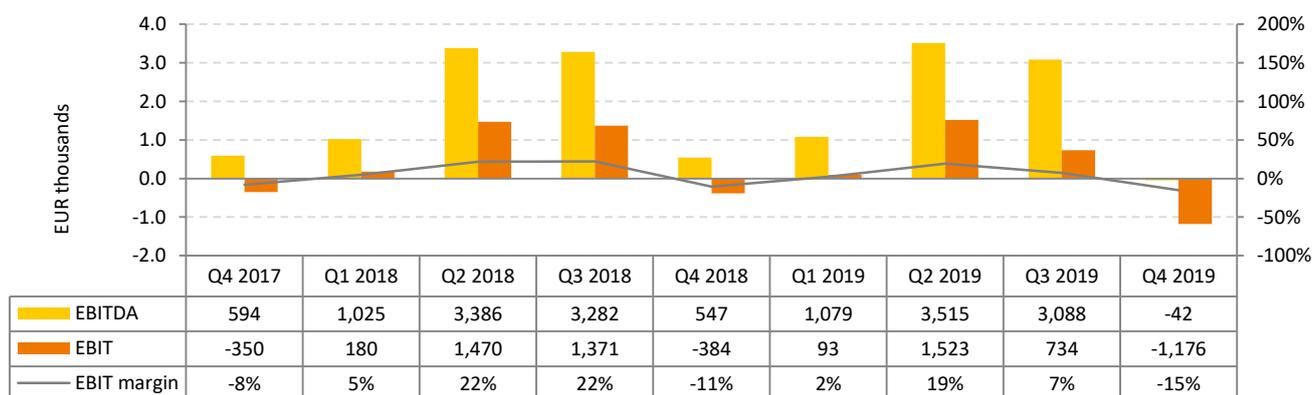
The adjusted equity ratio remained at a sound level of 30.8%.

Chart 9. Revenues, gross profit and gross margin



The numbers presented above are based on published quarterly figures.

Chart 10. EBITDA, EBIT and EBIT margin development



The numbers presented above are based on published quarterly figures.

Balance Sheet

Total fixed assets amounted to EUR 105.561 million at the end of Q4 2019, and increased by EUR 9.678 million compared to Q3 2019, mainly due to the activation of the PV power plants in Monor, Taszár, Fertöd and Kuzsentmárton and ongoing construction in Tata and Mályi.

Current assets decreased by EUR 3.698 million, from EUR 35.530 million in Q3 2019 to EUR 31.832 million as of the end of the reporting period. The decrease was driven primarily by the

reduction of our inventory position, which was related to the completion and grid-connection of projects under construction.

Current liabilities amounted to EUR 12.394 million at the end of Q4 2019 compared to EUR 13.361 million three months earlier, mainly due to decrease of other short-term loans.

Long term liabilities increased by EUR 5.448 million, from EUR 83.308 million in Q3 2019 up to EUR 88.756 million in Q4 2019, which was primarily driven by the additional proceeds from the refinancing secured for the Hungarian portfolio.

Chart 11. Net current assets

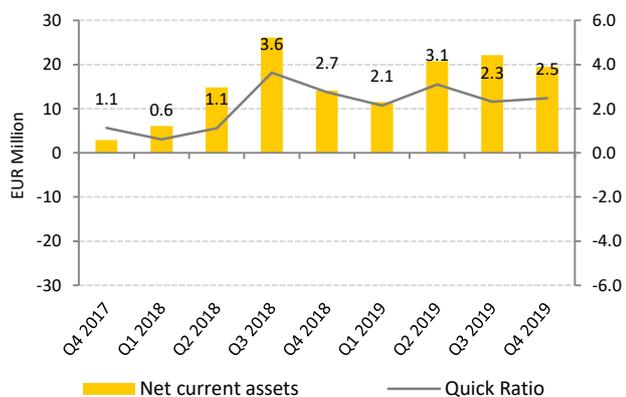
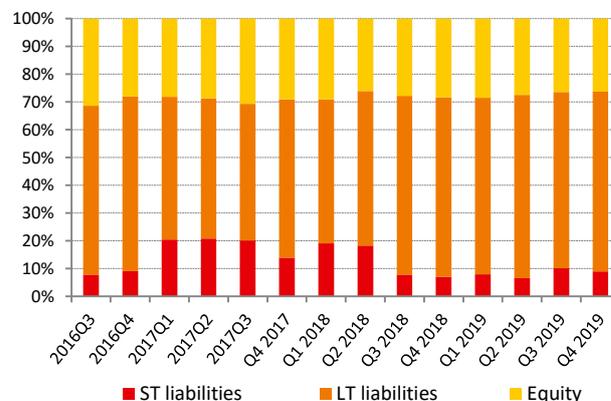


Chart 12. Break down of liabilities and equity



Changes in equity

Equity increased by EUR 1.498 million and amounted to EUR 36.242 million in Q4 2019 compared to EUR 34.744 million in Q3 2019.

Cash Flow

In Q4 2019, the Group posted a positive operating cash flow, which amounted to EUR 1.403 million, driven primarily by the positive change in the net working capital.

Financial cash flow was slightly positive and amounted to EUR 0.357

million, resulting from the two opposing effects of re-financing draw-down as well as repayment of loans.

Investment cash flow was negative and equalled to EUR -3.378 million in the reporting period, mainly as a result of project development and investment activities in Hungary and Australia.

Overall, the cash position decreased by EUR 1.618 million in Q4 2019 but still remained sound at the level of EUR 15.103 million at the end of the reporting period, compared to EUR 16.721 million at the end of Q3 2019.

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 Strozilaan 201, 1083 HN, Amsterdam, the Netherlands
Registration:	Dutch Chamber of Commerce (<i>Kamer van Koophandel</i>)
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 December 2019

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

Shareholdership as of 31.12.2019	No. of shares	% of capital	No. of votes at the Shareholders Meeting	% of votes at the Shareholders Meeting
Solar Future Cooperatief U.A.	22,266,166	37.11%	22,266,166	43.52%
Solar Power to the People Cooperatief U.A.	20,843,375	34.74%	20,843,375	40.74%
Photon Energy N.V.	8,834,409	14.72%	0	0.00%
Free float	8,056,050	13.43%	8,056,050	15.75%
Total	60,000,000	100.00%	51,133,758	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 December 2019

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	Term of office expiry date
Georg Hotar	Director (<i>Bestuurder</i>)	21.04.1975	No term of expiry
Michael Gartner	Director (<i>Bestuurder</i>)	29.06.1968	No term of expiry

Supervisory Board

Under Dutch law, a public company is required to establish a supervisory board if:

- The issued share capital of the company together with the reserves pursuant to the balance of sheet amounts to at least EUR 16 million,
- The company or a dependent company established a work council pursuant to a statutory obligation and,
- The company together with its dependent companies employs at least one hundred employees in the Netherlands.

The company will only be under the obligation to establish a supervisory board if it meets such criteria on the balance sheet dates in three consecutive financial years. The Issuer does not meet the above described criteria and therefore is not required to create a supervisory board.

No Supervisory Board was established, however, the Issuer has the intention to appoint an independent Supervisory Board in the future.

7. Description of the Issuer's business

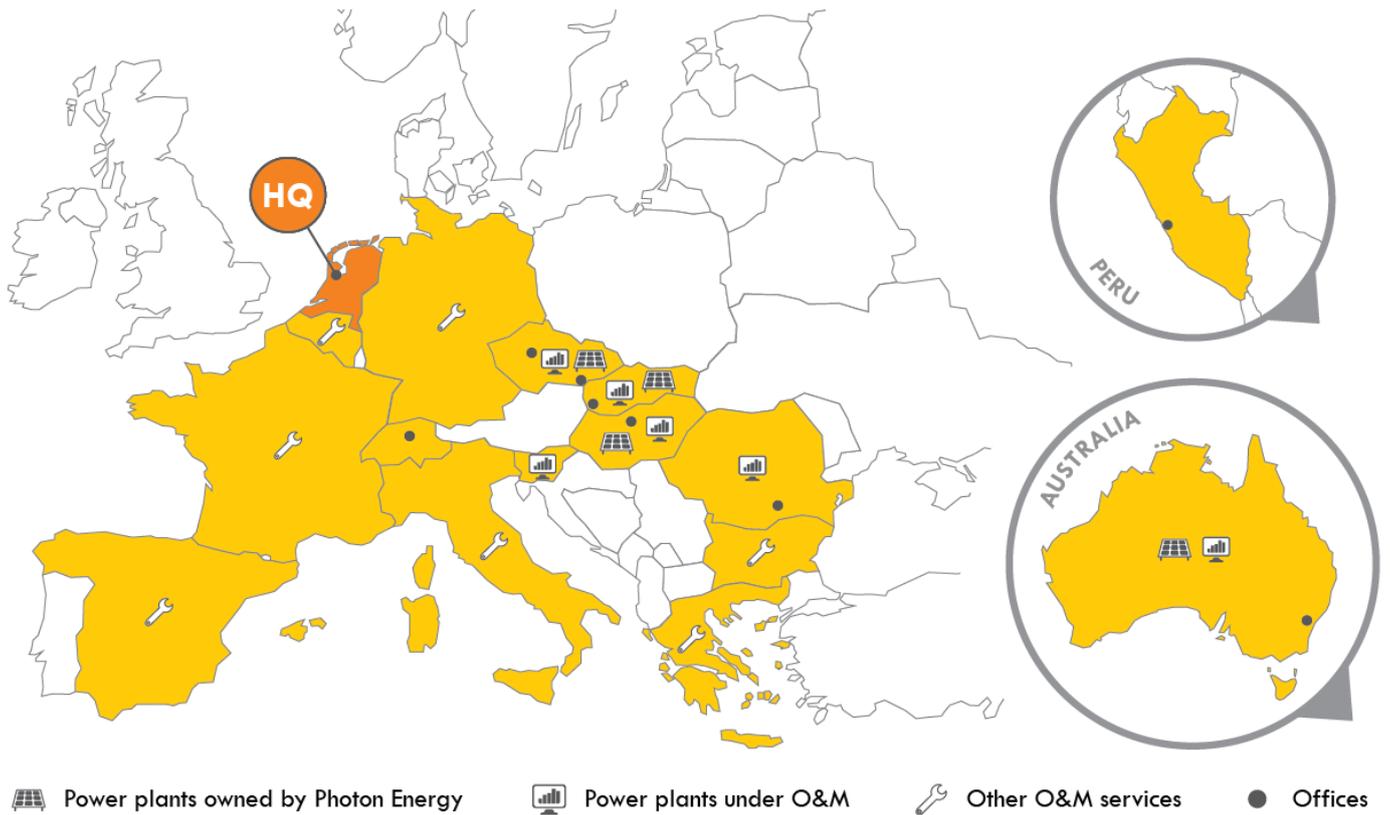
Photon Energy NV ("Photon Energy", "PENV", "Issuer" or "Company") is the holding company of the Photon Energy Group and was incorporated under the laws of the Netherlands on 9 December 2010. The Photon Energy Group ("Group" or "PE Group") offers comprehensive solutions and maintenance services for photovoltaic 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 117 professionals in six countries across two continents (headquartered in Amsterdam), with a track record of building more than 75 MWp of grid-

connected PV plants across five countries, a proprietary portfolio of 51.7 MWp of PV plants and more than 293 MWp of PV power plants under O&M management across two continents.

8. Implementation of innovative activities in the Company

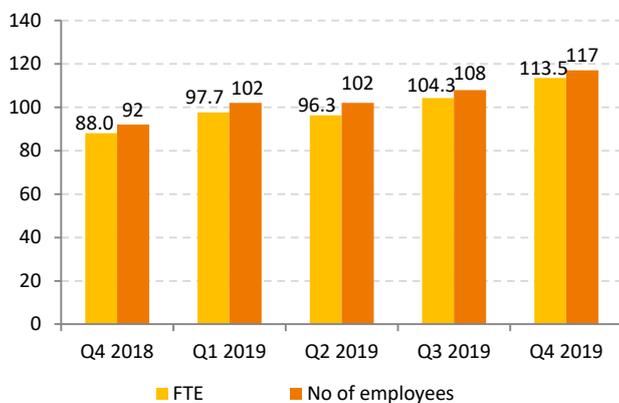
None during the reporting period.

9. Employees

As of the end of Q4 2019, Photon Energy had 117 employees (compared to 88 employees in Q4 2018) which translates into 113.5 FTE (compared to 88.0 FTE in Q4 2018).

Full-time equivalent (FTE) is a unit that indicates the workload of a 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 worker, while an FTE of 0.5 signals that the worker is only half-time.

Chart 13. Total number of employees and full time equivalent employees per quarter



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

Name	% of share capital held by the holding company	Country of registration	Consolid. Method	Legal Owner	
57	Ekopanel Befektetési és Szolgáltató Kft.	100%	HU	Full Cons.	ALFEMO
58	Onyx-sun Kft.	100%	HU	Full Cons.	ALFEMO
59	Tataimmo Kft	100%	HU	Full Cons.	ALFEMO
60	Öreghal Kft.	100%	HU	Full Cons.	ALFEMO
61	European Sport Contact Kft.	100%	HU	Full Cons.	ALFEMO
62	ALFEMO Alpha Kft.	100%	HU	Full Cons.	ALFEMO
63	ALFEMO Beta Kft.	100%	HU	Full Cons.	ALFEMO
64	ALFEMO Gamma Kft.	100%	HU	Full Cons.	ALFEMO
65	Archway Solar Kft.	100%	HU	Full Cons.	PENV
66	Barbican Solar Kft.	100%	HU	Full Cons.	ALFEMO
67	Belsize Solar Kft.	100%	HU	Full Cons.	ALFEMO
68	Blackhorse Solar Kft.	100%	HU	Full Cons.	ALFEMO
69	Caledonian Solar Kft	100%	HU	Full Cons.	ALFEMO
70	Camden Solar Kft	100%	HU	Full Cons.	ALFEMO
71	Hampstead Solar Kft.	100%	HU	Full Cons.	ALFEMO
72	Ráció Master Oktatási	100%	HU	Full Cons.	ALFEMO
73	P&P Solar Immo Kft.	33,52%	HU	Equity	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.	PEP
79	Ladány Solar Beta Kft.	100%	HU	Full Cons.	PEP
80	Ladány Solar Gamma Kft.	100%	HU	Full Cons.	PEP
81	Ladány Solar Delta Kft.	100%	HU	Full Cons.	PEP
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	EKTALION INVESTMENTS S.A.	100%	PL	Full Cons.	PE NV
89	Photon Energy Peru S.C.A.	99%	PE	Full Cons.	GIP
90	PE SOLAR TECHNOLOGY LTD.	100%	UK	Full Cons.	PENV

Notes:

Country of registration
 NL – the Netherlands CZ – the Czech Republic DE – German CH – Switzerland
 SK – Slovakia AUS – Australia HU – Hungary PE – Peru
 UK – United Kingdom PL – Poland
 Photon Energy Operations CZ s.r.o. established a branch office in Romania.

Consolidation method:
 Full Cons. – Full Consolidation Not Cons. – Not Consolidated
 Equity – Equity Method

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 18 November 2019 the Group incorporated two new project companies: VENTITERRA ALFA Kft. and VENTITERRA BETA Kft., both fully owned by ALFEMO AG, a 100% subsidiary of Photon Energy NV.

- On 27 December 2019, Photon Energy NV sold its 51% stake in the project company Photon Energy AUS SPV 9 Pty Ltd, which owned all project rights for the Brewongle Solar Farm in Australia.
- On 12 December 2019, Photon Energy NV acquired 100% shares in the company Ektalion in Poland.

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

11.1. Summary of the key events from 1 October until 31 December 2019

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

- **EBI 18/2019** published on 9 October 2019: Monthly report for September 2019
- **EBI 19/2019** published on 7 November 2019: Quarterly report for Q32019
- **EBI 20/2019** published on 12 November 2019: Monthly report for October 2019
- **EBI 21/2019** published on 11 December 2019: Monthly report for November 2019
- **EBI 22/2019** published on 30 December 2019: Publication dates of periodic reports in 2020

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 24/2019** published on 10 October 2019: Photon Energy Replaces Diesel with Hybrid Solar and Storage System on Lord Howe Island.

- **ESPI 25/2019** published on 21 October 2019: Photon Energy commissions eight PV power plants with a capacity of 5.6 MWp in Hungary
- **ESPI 26/2019** published on 25 October 2019: Photon Energy wins tender to build 950 kWp PV power plant in Northern Poland
- **ESPI 27/2019** published on 4 November 2019: Photon Energy commissions seven PV power plants with 4.9 MWp in Hungary
- **ESPI 28/2019** published on 10 November 2019: Change in substantial blocks of shares
- **ESPI 29/2019** published on 5 December 2019: Photon Energy commissions 2.1 MWp in Hungary and grows its global portfolio to 51.8 MWp
- **ESPI 30/2019** published on 10 December 2019: Photon Energy secures long-term financing for additional 20.1 MWp in Hungary
- **ESPI 31/2019** published on 31 December 2019: Photon Energy sells its 51% interest in the Brewongle Solar Farm.

11.2. Summary of the key events after 31 December 2019

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

- **EBI 1/2020** published on 14 January 2020: Monthly report for December 2020.

After the period covered by this report no current reports were published in the ESPI (Electronic Information Transmission System) system of Warsaw Stock Exchange.

12. Detailed consolidated financial results for Q4 2019

The tables below present the **consolidated** and **un-audited** financial statements of Photon Energy N.V. for the period starting on 1 October 2019 and ending on 31 December 2019 and the

corresponding 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	
	Q4 2018	Q4 2019	Q4 2018	Q4 2019	Q4 2018	Q4 2019
Total revenues	3,615	7,749	15,544	33,225	93,500	198,216
<i>Out of that: Revenues from electricity generation</i>	1,587	1,908	6,821	8,182	41,031	48,812
<i>Out of that: Other revenues</i>	2,029	5,841	8,723	25,043	52,468	149,403
Cost of sales	-1,460	-5,396	-6,279	-23,136	-37,767	-138,026
Solar levy CZ	-101	-110	-433	-473	-2,605	-2,824
Gross profit	2,054	2,243	8,832	9,615	53,127	57,365
Other income	245	187	1,055	800	6,346	4,772
Administrative expenses	-816	-855	-3,510	-3,665	-21,114	-21,863
Personnel expenses	-827	-1,358	-3,557	-5,823	-21,396	-34,740
Other expenses	-109	-259	-469	-1,110	-2,819	-6,620
EBITDA	547	-42	2,352	-182	14,145	-1,086
Depreciation	-931	-1,134	-4,005	-4,861	-24,088	-29,001
EBIT	-384	-1,176	-1,653	-5,043	-9,943	-30,087
Interests income	41	30	175	129	1,051	770
Financial revenues	0	308	0	1,319	0	7,871
Interests cost	-1,099	-1,365	-4,724	-5,854	-28,416	-34,924
Financial expenses	-40	-81	-171	-346	-1,026	-2,063
Revaluation of derivatives	-326	71	-1,400	302	-8,418	1,804
Net finance expenses	-1,423	-1,038	-6,120	-4,449	-36,810	-26,542
Share of profit from associates / J-Vs	-11	-12	-45	-52	-272	-307
Disposal of investments	0	205	0	878	0	5,238
Profit / loss before taxation	-1,818	-2,021	-7,818	-8,665	-47,025	-51,697
Income tax – current	-553	-513	-2,378	-2,199	-14,306	-13,119
Income tax – deferred	26	-62	112	-264	674	-1,578
Profit/loss from continuing operations	-2,345	-2,596	-10,084	-11,129	-60,657	-66,394
Profit/loss from discontinued operations	0	0	0	0	0	0
Profit/loss after taxation	-2,345	-2,596	-10,084	-11,129	-60,657	-66,394
Other comprehensive income for the period	2,528	4,074	10,867	17,466	65,367	104,202
Total comprehensive income for the period	182	1,478	783	6,337	4,710	37,808
Profit/loss after taxation	-2,345	-2,596	-10,084	-11,129	-60,657	-66,394
<i>Attributable to the equity holders</i>	-2,365	-2,596	-10,167	-11,129	-61,157	-66,394
<i>Attributable to minority interest</i>	19	0	83	0	500	0
Total comprehensive income for the period	2,041	1,478	8,777	6,337	52,794	37,808
<i>Attributable to the equity holders</i>	2,051	1,478	8,818	6,337	53,039	37,808
<i>Attributable to minority interest</i>	-9	0	-41	0	-245	0
Average no. of shares outstanding (in thousand)	51,110	51,150	51,110	51,150	51,110	51,150
Earnings per share outstanding	-0.046	-0.051	-0.197	-0.218	-1.187	-1.298
Comprehensive income per share outstanding	0.004	0.029	0.015	0.124	0.092	0.739
<i>EUR exchange rate – low</i>			4.279	4.253	25.725	25.410
<i>EUR exchange rate – average</i>			4.300	4.288	25.862	25.580
<i>EUR exchange rate – high</i>			4.340	4.378	26.030	25.890

Note: Exchange rates provided by the European Central Bank

Statement of Financial Position

in Thousands	EUR		PLN		CZK	
	31.12.2018	31.12.2019	31.12.2018	31.12.2019	31.12.2018	31.12.2019
Intangibles	0	0	0	0	0	0
Property, plant and equipment	80,668	99,015	347,021	421,438	2,075,184	2,515,983
PPE – Lands	0	4,554	0	19,381	0	115,705
PPE – Photovoltaic power plants	0	90,140	0	383,663	0	2,290,466
PPE - Equipment	0	620	0	2,639	0	15,758
PPE – Assets in progress	0	3,701	0	15,754	0	94,053
Right of use -leased asset	0	3,880	0	16,515	0	98,595
Investments in associates /joint ventures	3,179	2,666	13,676	11,346	81,781	67,734
Other investments	20	0	85	0	506	0
Longterm receivables	0	0	0	0	0	0
Deferred tax assets	0	0	0	0	0	0
Non-current assets	83,867	105,561	360,781	449,298	2,157,472	2,682,311
Inventories – Goods	1,148	1,212	4,940	5,157	29,541	30,786
Trade receivables	2,342	4,573	10,075	19,462	60,251	116,189
Other receivables	3,545	6,205	15,251	26,411	91,202	157,675
Loans to related parties	156	1,027	673	4,369	4,022	26,085
Contracted work in progress	587	2,458	2,525	10,463	15,101	62,463
Prepaid expenses	1,176	1,254	5,059	5,336	30,254	31,856
Cash and cash equivalents	12,575	15,104	54,097	64,286	323,497	383,786
Other S-T financial assets	0	0	0	0	0	0
Assets held for sale	0	0	0	0	0	0
Current assets	21,530	31,832	92,620	135,484	553,868	808,840
Total assets	105,397	137,393	453,401	584,782	2,711,340	3,491,151
Issued share capital	600	600	2,581	2,554	15,435	15,246
Share premium	23,760	23,760	102,212	101,129	611,226	603,742
Legal reserve fund	13	13	57	57	344	339
Reserves	23,856	28,809	102,626	122,621	613,702	732,049
Retained earnings	-18,317	-16,858	-78,797	-71,752	-471,205	-428,359
Equity attributable to owners of the Company	29,913	36,325	128,679	154,609	769,502	923,016
Non-controlling interests	-40	-83	-170	-351	-1,017	-2,097
Total equity	29,873	36,242	128,509	154,258	768,485	920,919
Bank loan	29,250	37,589	125,830	159,990	752,464	955,139
Other long-term liabilities	32,551	40,072	140,031	170,560	837,386	1,018,241
Lease liability	0	3,880	0	16,515	0	98,595
Other loans	0	0	0	0	0	0
Deferred tax liabilities	6,308	7,214	27,136	30,705	162,273	183,306
Non-current liabilities	68,110	88,756	292,997	377,769	1,752,123	2,255,281
Bank Loans	3,686	3,649	15,857	15,529	94,826	92,710
Other loans	0	0	0	0	0	0
Trade payables	1,114	3,421	4,792	14,560	28,658	86,923
Other payables	2,184	5,200	9,395	22,131	56,183	132,121
Other shortterm liabilities	0	0	0	0	0	0
Current tax liabilities (income tax)	430	125	1,849	532	11,059	3,178
Provisions	0	0	0	0	0	0
Current liabilities	7,414	12,394	31,894	52,752	190,726	314,932
Total Liabilities	75,524	101,150	324,891	430,522	1,942,849	2,570,214
TOTAL Equity & Liabilities	105,397	137,392	453,400	584,779	2,711,334	3,491,133
No. of shares outstanding in thousand	51,044	51,166	51,044	51,166	51,044	51,166
Book value per share outstanding	0.585	0.708	2.518	3.015	15.055	17.999

Statement of Changes in Equity

in thousand EUR	Share capital	Share premium	Legal reserve Fund	Revaluation reserve	Currency translation reserve	Hedging reserve	Retained earnings	TOTAL	Non-controlling interests	TOTAL EQUITY
BALANCE at 31.12.2018	600	23,760	13	22,935	698	223	-18,411	29,819	-40	29,779
Loss/profit for the period 1.1.2019– 31.12.2019							-700	-700	-43	-743
Revaluation of PPE				6,964				6,964		6,964
Share on revaluation of PPE of associates, JV								0		0
Foreign currency translation differences					232			232		232
Derivatives						10		10		10
Acquisition of JV								0		0
Total comprehensive income for the year	0	0	0	6,964	232	10	-700	6,506	-43	6,463
new shares								0		0
acquired retained earnings								0		0
Move from revaluation reserve				-2,252			2,252	0		0
Legal reserve fund release								0		0
Move of RE due to entity disposal/change of cons. method								0		0
BALANCE at 31.12.2019	600	23,760	13	27,646	930	233	-16,858	36,325	-83	36,242

Cash Flow Statement

in Thousands	EUR		PLN		CZK	
	Q4 2018	Q4 2019	Q4 2018	Q4 2019	Q4 2018	Q4 2019
Profit/loss before taxation	-1,818	-2,021	-7,818	-8,665	-47,025	-51,697
Adjustments for:						
Depreciation	931	1,134	4,005	4,861	24,088	29,001
Other changes in fixed assets	0	0	0	0	0	0
Share of profit of equity accounted investees	11	12	45	52	272	307
Profit /Loss on sale of property, plant and equipment	0	0	0	0	0	0
Other non-cash items	-33	135	-142	581	-853	3,465
Capital gains	0	-205	0	-878	0	-5,238
net finance costs	1,423	1,038	6,120	4,449	36,810	26,542
Changes in:						
Trade and other receivables	1,761	-2,944	7,574	-12,622	45,556	-75,304
Gross amount due from customers for contract work	88	-846	376	-3,629	2,264	-21,652
Prepaid expenses	24	-38	102	-162	612	-967
Inventories	3,067	3,401	13,188	14,582	79,327	86,997
Trade and other payables	-2,164	1,729	-9,305	7,413	-55,971	44,225
Other liabilities	92	9	395	37	2,373	222
Operating cash flow	3,381	1,403	14,539	6,017	87,452	35,900
Acquisition of property, plant and equipment	-7,514	-5,256	-32,305	-22,537	-194,319	-134,454
Acquisition of subsidiary (net of cash acquired), associates, joint ventures	-844	-268	-3,629	-1,148	-21,831	-6,847
Acquisition of other investments	-95	-66	-411	-283	-2,470	-1,689
Proceeds from sale of investments	0	2,212	0	9,483	0	56,575
Proceeds from sale of property, plant and equipment, other investments	0	0	0	0	0	0
Interest received	0	0	0	0	0	0
Investment cash flow	-8,453	-3,378	-36,345	-14,485	-218,619	-86,415
Proceeds from issuance of ordinary shares	0	0	0	0	0	0
Change of consolidation method (acquisition of JV)	0	0	0	0	0	0
Proceeds from borrowings	0	7,663	0	32,855	0	196,010
Repayment of borrowings	-892	-5,973	-3,835	-25,613	-23,066	-152,802
Proceeds from issuing bonds	-19	33	-80	141	-480	841
Repayment of long term liabilities/bonds	0	0	0	0	0	0
Interest expenses	-1,098	-1,365	-4,721	-5,854	-28,397	-34,924
Financing cash flow	-2,008	357	-8,635	1,529	-51,943	9,124
Net increase/decrease in cash and cash equivalents	-7,080	-1,618	-30,442	-6,938	-183,109	-41,391
Cash at the beginning of the period	19,657	16,721	84,515	71,697	508,367	427,739
Effect of exchange rate fluctuation	0	0	0	0	0	0
Cash at the end of the period	12,577	15,103	54,098	64,285	323,502	383,786
EUR exchange rate - low			4.279	4.253	25.725	25.410
EUR exchange rate - average			4.300	4.288	25.862	25.580
EUR exchange rate - high			4.340	4.378	26.030	25.890

13. Detailed accumulated consolidated financial results for Q1-Q4 2019

The tables below present the **consolidated** and **un-audited** financial statements of Photon Energy N.V. for the period starting on 1 January 2019 and ending on 31 December 2019 and the

corresponding 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-Q4 2018	Q1-Q4 2019	Q1-Q4 2018	Q1-Q4 2019	Q1-Q4 2018	Q1-Q4 2019
Total revenues	20,256	30,154	86,297	129,605	519,421	774,118
<i>Out of that: Revenues from electricity generation</i>	12,537	14,299	53,415	61,460	321,500	367,094
<i>Out of that: Other revenues</i>	7,718	15,855	32,883	68,145	197,920	407,023
Cost of sales	-5,539	-13,824	-23,597	-59,416	-142,031	-354,883
Solar levy CZ	-877	-892	-3,736	-3,835	-22,489	-22,908
Gross profit	13,840	15,438	58,964	66,354	354,901	396,326
Other income	392	209	1,669	898	10,045	5,366
Administrative expenses	-2,342	-3,069	-9,976	-13,190	-60,046	-78,785
Personnel expenses	-3,371	-4,630	-14,363	-19,899	-86,453	-118,853
Other expenses	-280	-308	-1,193	-1,326	-7,180	-7,920
EBITDA	8,239	7,640	35,100	32,837	211,267	196,134
Depreciation	-5,602	-6,466	-23,865	-27,791	-143,645	-165,992
EBIT	2,637	1,174	11,235	5,046	67,623	30,142
Interests income	149	227	637	976	3,833	5,827
Financial revenues	0	507	0	2,180	0	13,022
Interests cost	-3,687	-4,726	-15,709	-20,314	-94,555	-121,335
Financial expenses	-434	-526	-1,848	-2,260	-11,123	-13,498
Revaluation of derivatives	171	30	729	130	4,385	777
Net finance expenses	-3,801	-4,488	-16,192	-19,288	-97,459	-115,206
Share of profit from associates / J-Vs	23	2	100	9	602	53
Disposal of investments	3,074	4,326	13,095	18,592	78,818	111,048
Profit / loss before taxation	1,934	1,014	8,238	4,359	49,584	26,037
Income tax – current	-1,218	-1,428	-5,190	-6,137	-31,237	-36,657
Income tax – deferred	-112	-286	-479	-1,229	-2,884	-7,341
Profit/loss from continuing operations	603	-700	2,569	-3,007	15,463	-17,961
Profit/loss from discontinued operations	0	0	0	0	0	0
Profit/loss after taxation	603	-700	2,569	-3,007	15,463	-17,961
Other comprehensive income for the period	2,022	7,206	8,613	30,971	51,839	184,985
Total comprehensive income for the period	2,625	6,506	11,182	27,964	67,301	167,025
Profit/loss after taxation	603	-700	2,569	-3,007	15,464	-17,961
<i>Attributable to the equity holders</i>	624	-657	2,656	-2,822	15,989	-16,857
<i>Attributable to minority interest</i>	-20	-43	-87	-185	-525	-1,104
Total comprehensive income for the period	2,625	6,506	11,182	27,964	67,302	167,025
<i>Attributable to the equity holders</i>	2,645	6,549	11,269	28,149	67,827	168,129
<i>Attributable to minority interest</i>	-20	-43	-87	-185	-525	-1,104
Average no. of shares outstanding (in thousand)	51,290	51,116	51,290	51,116	51,290	51,116
Earnings per share outstanding	0.012	-0.014	0.050	-0.059	0.301	-0.351
Comprehensive income per share outstanding	0.051	0.127	0.218	0.547	1.312	3.268
EUR exchange rate – low			4.142	4.242	25.190	25.410
EUR exchange rate – average			4.260	4.298	25.643	25.672
EUR exchange rate – high			4.391	4.390	26.075	25.920

Note: Exchange rate provided by the European Central Bank

Cash Flow Statement

in Thousands	EUR		PLN		CZK	
	Q1-Q4 2018	Q1-Q4 2019	Q1-Q4 2018	Q1-Q4 2019	Q1-Q4 2018	Q1-Q4 2019
Profit/loss before taxation	1,934	1,014	8,239	4,359	49,593	26,037
Adjustments for:			0	0	0	0
Depreciation	5,602	6,466	23,865	27,791	143,645	165,992
Other changes in fixed assets	0	0	0	0	0	0
Share of profit of equity accounted investees	-23	-2	-100	-9	-602	-53
Profit /Loss on sale of property, plant and equipment	0	0	0	0	0	0
Other non-cash items	-153	134	-652	578	-3,923	3,451
Capital gains	-3,074	-4,326	-13,095	-18,592	-78,818	-111,048
net finance costs	3,801	4,488	16,192	19,288	97,459	115,206
Changes in:			0	0	0	0
Trade and other receivables	-1,318	-3,200	-5,615	-13,753	-33,794	-82,143
Gross amount due from customers for contract work	-213	-1,871	-907	-8,042	-5,459	-48,037
Prepaid expenses	-461	-78	-1,966	-334	-11,834	-1,993
Inventories	197	-63	839	-272	5,049	-1,624
Trade and other payables	1,797	4,277	7,658	18,385	46,091	109,811
Other liabilities	-199	-305	-846	-1,310	-5,095	-7,826
Operating cash flow	7,889	6,535	33,612	28,089	202,311	167,775
Acquisition of property, plant and equipment	-9,552	-17,543	-40,696	-75,400	-244,949	-450,355
Acquisition of subsidiary (net of cash acquired), associates, joint ventures	-2,532	-2,134	-10,788	-9,171	-64,931	-54,779
Acquisition of other investments	-404	-167	-1,722	-716	-10,366	-4,275
Proceeds from sale of investments	3,074	5,433	13,095	23,350	78,818	139,469
Proceeds from sale of property, plant and equipment, other investments	0	0	0	0	0	0
Interest received	0	0	0	0	0	0
Investment cash flow	-9,415	-14,410	-40,111	-61,936	-241,429	-369,940
Proceeds from issuance of ordinary shares	0	0	0	0	0	0
Change of consolidation method (acquisition of JV)	0	0	0	0	0	0
Proceeds from borrowings	0	20,996	0	90,243	0	539,010
Repayment of borrowings	-6,039	-13,212	-25,727	-56,787	-154,851	-339,186
Proceeds from issuing bonds	23,026	7,584	98,101	32,597	590,464	194,697
Repayment of bonds	-6,533	0	-27,833	0	-167,528	0
Interest expenses	-3,687	-4,726	-15,708	-20,314	-94,547	-121,335
Financing cash flow	6,767	10,641	28,832	45,738	173,538	273,187
Net increase/decrease in cash and cash equivalents	5,242	2,766	22,333	11,891	134,421	71,021
Cash at the beginning of the period	7,333	12,337	31,242	53,025	188,043	316,716
Effect of exchange rate fluctuation	0	0	0	0	0	0
Cash at the end of the period	12,575	15,103	52,991	64,286	318,245	383,786
<i>EUR exchange rate - low</i>			4.142	4.242	25.190	25.410
<i>EUR exchange rate - average</i>			4.260	4.298	25.643	25.672
<i>EUR exchange rate - high</i>			4.391	4.390	26.075	25.920

14. Detailed entity financial results for Q4 2019

The tables below present the **entity** and **unaudited** financial statements of Photon Energy N.V. for the three-month period starting on 1 October 2019 and ending on 31 December 2019 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	
	Q4 2018	Q4 2019	Q4 2018	Q4 2019	Q4 2018	Q4 2019
Revenues from the sale of products, goods and services	536	544	2,305	2,331	13,864	13,908
Cost of sales	-360	-350	-1,548	-1,501	-9,310	-8,954
Gross profit	176	194	757	831	4,554	4,955
Other administrative expenses	-187	-195	-802	-838	-4,825	-4,998
Other income	12	299	52	1,283	314	7,655
Other expenses	-56	-202	-241	-866	-1,453	-5,168
EBITDA	-55	96	-234	410	-1,410	2,444
Amortization&depreciation	0	0	0	0	0	0
EBIT	-55	96	-234	410	-1,410	2,444
Financial income	8,472	17,368	36,425	74,469	219,102	444,276
Financial costs	-1,805	-19,565	-7,762	-83,888	-46,691	-500,471
Profit / loss before taxation	6,612	-2,101	28,429	-9,010	171,001	-53,751
Income tax	0	0	0	0	0	0
Profit/loss for the period (net income)	6,612	-2,101	28,429	-9,010	171,001	-53,751

Balance Sheet

in Thousands	EUR		PLN		CZK	
	31.12.2018	31.12.2019	31.12.2018	31.12.2019	31.12.2018	31.12.2019
Intangibles	0	0	0	0	0	0
Property, plant and equipment	0	0	0	0	0	0
Investments in associates /joint ventures	46,100	17,294	198,315	73,607	1,185,923	439,436
Other investments	404	0	1,739	0	10,399	0
Longterm receivables	83	0	356	0	2,129	0
Deferred tax assets	0	0	0	0	0	0
Non-current assets	46,587	17,294	200,410	73,607	1,198,451	439,436
Inventories – Goods	0	0	0	0	0	0
Trade and other receivables	7,667	8,647	32,982	36,803	197,234	219,715
Loans	16,813	51,836	72,327	220,628	432,514	1,317,148
from customers for contract work	0	0	0	0	0	0
Prepaid expenses	1,026	966	4,414	4,110	26,394	24,536
Cash and cash equivalents	5,377	5,831	23,131	24,820	138,323	148,174
Current assets	30,883	67,280	132,854	286,361	794,465	1,709,572
Total assets	77,470	84,573	333,264	359,968	1,992,916	2,149,008
Issued share capital	600	600	2,581	2,554	15,435	15,246
Share premium	36,871	36,871	158,613	156,933	948,506	936,892
Legal reserve fund	0	0	0	0	0	0
Reserves	17,315	16,565	74,486	70,505	445,428	420,915
Retained earnings	-24,830	-16,407	-106,815	-69,833	-638,752	-416,900
Profit/loss for the current period	8,406	1,236	36,161	5,262	216,244	31,413
Equity attributable to owners of the Company	38,362	38,865	165,027	165,421	986,862	987,565
Non-controlling interests	0	0	0	0	0	0
Total equity	38,362	38,865	165,027	165,421	986,862	987,565
Non-current liabilities	33,625	41,394	144,649	176,184	865,003	1,051,819
Bank Loan	0	0	0	0	0	0
Other long term liabilities	33,625	41,394	144,649	176,184	865,003	1,051,819
Other loans	0	0	0	0	0	0
Deferred tax liabilities	0	0	0	0	0	0
Current liabilities	5,483	4,314	23,587	18,362	141,050	109,623
Bank Loans	0	0	0	0	0	0
Other loans	0	3,430	0	14,600	0	87,160
Trade and other payables	4,745	339	20,412	1,445	122,065	8,626
Other shortterm liabilities	738	545	3,175	2,318	18,985	13,837
Current tax liabilities (income tax)	0	0	0	0	0	0
Provisions	0	0	0	0	0	0
TOTAL Equity & Liabilities	77,470	84,573	333,264	359,968	1,992,916	2,149,008
<i>No. of shares outstanding in thousand</i>	51,044	51,166	51,044	51,166	51,044	51,166
<i>Book value per share outstanding</i>	0.752	0.760	3.233	3.233	19.334	19.301

15. Detailed accumulated entity financial results for 2019 Q1-Q4

The tables below present the **entity** and **un-audited** financial statements of Photon Energy N.V. for the period starting on 1 January 2019 and ending on 31 December 2019 and the

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

in Thousands (except EPS)	EUR		PLN		CZK	
	Q1-Q4 2018	Q1-Q4 2019	Q1-Q4 2018	Q1-Q4 2019	Q1-Q4 2018	Q1-Q4 2019
Revenues from the sale of products, goods and services	1,891	2,324	8,056	9,991	48,488	59,674
Cost of sales	-1,429	-1,631	-6,088	-7,012	-36,646	-41,882
Gross profit	462	693	1,967	2,979	11,842	17,792
Other administrative expenses	-534	-697	-2,275	-2,994	-13,694	-17,881
Other income	3,096	5,609	13,192	24,110	79,402	144,008
Other expenses	-85	-1,126	-361	-4,839	-2,174	-28,901
EBITDA	2,939	4,480	12,523	19,257	75,376	115,017
Amortization&depreciation	-3	0	-12	0	-70	0
EBIT	2,937	4,480	12,512	19,257	75,306	115,017
Financial income	8,783	18,657	37,419	80,192	225,222	478,978
Financial costs	-3,313	-21,902	-14,115	-94,137	-84,959	-562,273
Profit / loss before taxation	8,406	1,236	35,815	5,311	215,569	31,722
Income tax	0	1	0	2	0	1
Profit/loss for the period (net income)	8,406	1,236	35,815	5,313	215,569	31,723

16. 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 2019 and ending on 31 December 2019 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 December 2019

EUR thousand	Energy solutions	Production of electricity	Operations, maintenance and PVPP supervision	PV Invest.	Other	Total for segments	Elimination	Consolidated financial information
External revenues from the sale of products, goods and services	12,916	14,299	2,667	0	271	30,154	0	30,154
Revenues within segments from sale of products, goods & services	30,870	0	1,384	0	5,577	37,831	-37,831	0
Cost of sale	-33,382	-964	-1,827	0	-311	-36,485	22,661	-13,824
Energy tax	0	-892	0	0	0	-892	0	-892
Gross profit	10,404	12,443	2,224	0	5,537	30,608	-15,170	15,438
Other external income	9	3	12	0	185	209	0	209
Administrative and other expenses	-3,783	-883	-2,813	0	-6,011	-13,490	5,483	-8,007
Depreciation	-32	-6,140	-238	0	-55	-6,466	0	-6,466
Operating income	6,597	5,422	-815	0	-344	10,860	-9,686	1,174
Interest income	185	391	126	0	3,348	4,050	-3,823	227
Interest expenses	-405	-2,012	-235	0	-4,620	-7,272	2,545	-4,726
Other financial revenues	84	24	49	0	350	507	0	507
Other financial expenses	-76	-199	-10	0	-241	-526	0	-526
Revaluation of derivatives	0	-30	0	0	0	-30	0	30
Profit/loss share in entities in equivalency	0	0	0	2	0	2	0	2
Disposal of investments	0	0	0	0	4,326	4,326	0	4,326
Income tax	-852	-557	0	0	-19	-1,428	0	-1,428
Deferred tax	0	-286	0	0	0	-286	0	-286
Profit/loss from discontinuing operations	0	0	0	0	0	0	0	0
Profit/loss after taxation	5,534	2,755	-885	2	2,798	10,204	-10,964	-700
Revaluation of property, plant and equipment	0	6,964	0	0	0	6,964	0	6,964
Foreign currency translation diff. - foreign operations	0	232	0	0	0	232	0	232
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	10	0	0	0	10	0	10
Total comprehensive income	5,534	9,961	-885	2	2,798	17,410	-10,964	6,506
Assets, of which	37,931	114,938	9,993	2,666	109,603	275,131	-137,738	137,393
PPE – Lands	0	4,554	0	0	0	4,554	0	4,554
PPE – Photovoltaic power plants	0	90,140	0	0	0	90,140	0	90,140
PPE - Equipment	47	0	449	0	124	620	0	620
PPE – Assets in progress	1	3,071	629	0	0	3,701	0	3,701
Intangibles	0	0	0	0	0	0	0	0
Right of use-leased asset	0	1,814	0	0	2,066	3,880	0	3,880
Trade and other receivables	32,909	9,438	7,792	0	98,377	148,516	-137,738	10,778
Loans	0	0	0	0	1,027	1,027	0	1,027
Gross amount due from customers for contract work	1,968	75	0	0	415	2,458	0	2,458
Inventories – Goods	560	232	382	0	37	1,212	0	1,212
Investments in associates, JV, other	0	0	0	2,666	0	2,666	0	2,666
Deferred tax receivables	0	0	0	0	0	0	0	0
Long term receivables	0	0	0	0	0	0	0	0
Prepaid expenses	25	110	33	0	1,086	1,254	0	1,254
Assets held for sale	0	0	0	0	0	0	0	0
Cash and cash equivalents	2,421	5,503	708	0	6,472	15,104	0	15,104
Other S-T financial assets	0	0	0	0	0	0	0	0
Liabilities, of which	-33,756	-70,763	-15,603	0	-117,989	-238,111	136,962	-101,150
Trade and other payables	-33,195	-20,317	-15,432	0	-76,637	-145,582	136,962	-8,620
Bank Loans and other loans	0	-41,238	0	0	0	-41,238	0	-41,238
Lease liability	0	-1,814	0	0	-2,066	-3,880	0	-3,880
Other long term liabilities	0	-592	-151	0	-39,329	-40,072	0	-40,072
Other short term liabilities	0	0	0	0	0	0	0	0
Current tax liabilities (income tax)	-561	412	-20	0	44	-125	0	-125
Provisions	0	0	0	0	0	0	0	0
Deferred tax liabilities	0	-7,214	0	0	0	-7,214	0	-7,214

Results of the operating segments for the period from 1 January to 31 December 2018

EUR thousand	Energy solutions	Production of electricity	Operations, maintenance and PVPP supervision	PV Invest.	Other	Total for segments	Elimination	Consolidated financial information
External revenues from sale of products, goods & services	5,241	12,537	2,200	0	278	20,256	0	20,256
Revenues within segments from sale of products, goods, services	17,966	299	912	0	4,552	23,728	-23,728	0
Cost of sale	-16,649	-1,180	-1,616	0	-178	-19,624	14,086	-5,539
Levy	0	-877	0	0	0	-877	0	-877
Gross profit	6,558	10,779	1,495	0	4,651	23,482	-9,643	13,840
Other external income	2	178	36	0	175	392	0	392
Administrative and other expenses	-3,200	-489	-2,277	0	-4,905	-10,872	4,879	-5,993
Depreciation	-10	-5,483	-76	0	-33	-5,602	0	-5,602
Operating income	3,350	4,985	-823	0	-113	7,399	-4,763	2,636
Interest income	80	301	54	0	592	1,028	-878	149
Interest expenses	-188	-1,851	-124	0	-2,403	-4,565	879	-3,687
Other financial revenues	0	0	0	0	0	0	0	0
Other financial expenses	-259	-37	-44	0	-94	-434	0	-434
Revaluation of derivatives	0	171	0	0	0	171	0	171
Profit/loss share in entities in equivalency	0	0	0	23	0	23	0	23
Disposal of investment	0	0	0	0	3,074	3,074	0	3,074
Income tax	-219	-989	0	0	-9	-1,218	0	-1,218
Deferred tax	0	-112	0	0	0	-112	0	-112
Profit/loss from discontinuing operations	0	0	0	0	0	0	0	0
Profit/loss after taxation	2,764	2,468	-937	23	1,048	5,366	-4,763	603
Revaluation of property, plant and equipment	0	2,366	0	0	0	2,366	0	2,366
Foreign currency translation diff. - foreign operations	0	-457	0	0	0	-457	0	-457
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	113	0	0	0	113	0	113
Total comprehensive income	2,764	4,489	-937	23	1,048	7,388	-4,763	2,625
Assets, of which	18,665	92,842	5,327	3,179	46,785	166,798	-61,402	105,397
PPE – Lands	0	3,615	0	0	451	4,066	0	4,066
PPE – Photovoltaic power plants	0	69,893	0	0	0	69,893	0	69,893
PPE – Equipment	0	0	0	0	3	3	0	3
PPE – Assets in progress	5	6,036	436	0	230	6,707	0	6,707
Intangibles	0	0	0	0	0	0	0	0
Trade and other receivables	17,568	6,545	4,236	0	38,939	67,289	-61,402	5,887
Loans	0	0	0	0	156	156	0	156
Gross amount due from customers for contract work	277	0	0	0	310	587	0	587
Inventories – Goods	333	324	441	0	51	1,148	0	1,148
Investments in associates, JV, other	0	0	9	3,179	11	3,199	0	3,199
Deferred tax receivables	0	0	0	0	0	0	0	0
Long term receivables	0	0	0	0	0	0	0	0
Prepaid expenses	18	27	22	0	1,109	1,176	0	1,176
Assets held for sale	0	0	0	0	0	0	0	0
Cash and cash equivalents	464	6,402	184	0	5,525	12,575	0	12,575
Other S-T financial assets	0	0	0	0	0	0	0	0
Liabilities, of which	18,345	54,988	9,890	0	53,703	136,926	-61,402	75,524
Trade and other payables	17,981	14,970	9,774	0	21,976	64,700	-61,402	3,298
Bank Loans and other loans	0	32,936	0	0	0	32,936	0	32,936
Other long term liabilities	0	674	117	0	31,761	32,551	0	32,551
Other short term liabilities	0	0	0	0	0	0	0	0
Current tax liabilities (income tax)	364	100	-1	0	-33	430	0	430
Provisions	0	0	0	0	0	0	0	0
Deferred tax liabilities	0	6,308	0	0	0	6,308	0	6,308

17. 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 24 – Related transactions presentation
- IAS 27 – Consolidated and separate financial information
- IAS 28 - Investments in Associates
- IAS 33 - Earnings per Share
- IAS 36 – Impairment
- IAS 37 – Provisions
- IAS 38 – Intangible Assets
- IFRS 3 – Business combinations
- IFRS 5 – Non-current assets held-for-sale and discontinued operations
- IFRS 8 - Operating segments
- IFRS 19 - 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 purpose (function). 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 Alternative System of Trading organised by the Warsaw Stock Exchange - NewConnect, 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 31 December 2013, the Management Board decided to decrease the number of segments reported.

The Management identified the following segments:

- Energy Solutions (wholesale and import of FVE components, development, engineering and construction services of turn-key photovoltaic systems' installations for external clients and Photon Energy),
- Production of electricity (includes SPE that finished building of photovoltaic power plants and those that are

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

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.

connected to the distribution network and produce electricity)

- PV Investment – This segment represents OCI of the Group flowing from the revaluation of the PV producing electricity and it is related to project companies that generate revenues as shown in the segment Production of electricity.
- Operations, maintenance and PVPP supervision
- Other, not related to any of the above mentioned segments.

Other operations include financing and insurance solutions for PV investors, intermediating investments in rooftop photovoltaic projects and other less significant activities. None of these operations meets any of the quantitative thresholds for determining reportable segments in 2018 or 2019.

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.

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 translated into PLN and CZK as presentation currencies. Effects from these translations are presented in Equity - in the Fund for currency conversions.

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	
	Q4 2018	Q4 2019	Q4 2018	Q4 2019
EUR exchange rate – low	4.142	4.242	25.190	25.410
EUR exchange rate – high	4.260	4.298	25.643	25.672
EUR exchange rate – average	4.391	4.390	26.075	25.920
EUR exchange rate – end of period	4.142	4.242	25.190	25.410

(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.

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

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group.

The Group recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each

Trade receivables

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

A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables.

(c) Group companies

In case of entities, whose functional currency is CZK, CHF, AUD, HUF 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.

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.

of the Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement: the revenues related to development projects (PV power stations) are measured by the percentage of completion method (refer below to Construction contracts).

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated

future cash flows. When a trade receivable becomes uncollectible it is written off.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and current accounts with banks and bank term deposits.

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.

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).

Financial costs related to the construction period of internal non-current assets are capitalised (refer to Property, plant and equipment).

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.

18. Management Board declaration

We hereby confirm that according to our best knowledge the information about Photon Energy NV 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.

19. Investor Relations Contact

Joanna Rzesiewska, Investor Relations Manager

Phone: +420 777 48 64 64

E-mail: ir@photonenergy.com

Photon Energy N.V.

Barbara Strozilaan 201

1083 HN Amsterdam

The Netherlands

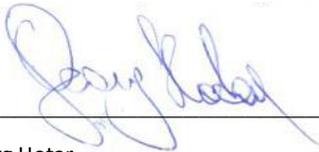
Phone: +420 277 002 910

Fax: +420 277 002 911

E-mail: ir@photonenergy.com

Web: www.photonenergy.com

Amsterdam, 12 February 2020

A handwritten signature in blue ink, appearing to read 'Georg Hotar', written over a horizontal line.

Georg Hotar
Member of the Board of Directors

A handwritten signature in black ink, appearing to read 'Michael Gartner', written over a horizontal line.

Michael Gartner
Member of the Board of Director

