

1. Information on the occurrence of trends and events in the market environment of the Issuer, which in the Issuer's opinion may have important consequences in the future for the financial condition and results of the Issuer

1.1 Production results of Photon Energy's power plants in the reporting period

In August the average performance of all power plants in Photon Energy's portfolio came in approximately 2.8% above expectations and the overall performance of the proprietary portfolio exceeded forecasts by 5.4% year-to-date (YTD).

The Company reports 55.0 GWh of electricity produced YTD compared to 32.5 GWh one year ago (+69.3%), propelled by the addition of new Hungarian power plants over the past year (installed capacity of 60.6 MWp as of August 2020 vs 39.2 MWp one year ago). When comparing the performance of the subset of power plants in operation in August 2019, i.e. on a like-for-like basis, the total volume of electricity generation YTD increased by 9.2%.

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

1.2 Photon Energy listed on the Munich Stock Exchange (Börse München) in the Freiverkehr segment

Baader Bank, a leading brokerage active on the German financial markets, applied for Photon Energy's shares to be admitted for trading without the Company's involvement through a so-called unsponsored listing. As a result, Photon Energy shares can now be traded in euros on the Munich Stock Exchange.

The unsponsored listing on the Munich Stock Exchange does not change the management board's intention to list the Company's shares on the Open Market of the Frankfurt Stock Exchange after the planned transition to the regulated markets of the Warsaw and Prague Stock Exchanges, which is expected in Q4 2020.

1.3 Photon Energy Announces Market Entry in Poland and Appointment of Maciej Górski as Country Head

After almost a year of detailed market analysis and intensive on-the-ground preparations, Photon Energy is entering the fastest-growing and largest solar market in the CEE region with the intention of deploying its integrated business model while

also exploring market opportunities for its Photon Water business unit.

Photon Energy will manage its activities on the Polish market through its fully owned subsidiary Photon Energy Polska Sp. z.o.o. headquartered in Warsaw, and is currently in the process of launching its operations & maintenance services in the city of Łódź in central Poland.

1.4 Photon Water launches in-situ remediation technology to clean PFAS contamination in the environment

After the reporting period, the Company announced that Photon Water, a subsidiary of Photon Energy Group, has made substantial advances in its research & development efforts on its patent-pending nano-remediation technology, which has already been deployed across multiple contaminated sites internationally, including encouraging results in breaking down per and polyfluorinated substances (PFAS).

PFAS are globally emerging pollutants with uncertain health and environmental impacts. PFAS compounds have been produced commercially since the 1950s and are thermally stable and highly soluble. PFAS contamination can be found in surface and ground water associated with the chemical industry, textile manufacturing, oil refining, civil and military sites, landfills and other industrial locations. The widespread contamination of drinking water also poses a serious problem for water utilities serving their communities. Increasingly, the PFAS contamination has become a matter of significant public concern and scrutiny in North America and Australia. The European Union is starting to address this problem and since 1 July 2020 Denmark has become the first EU member state to ban the use of PFAS substances in food contact paper and board materials and articles.

1.5 Reporting on Photon Energy's project pipeline

As of the reporting date, Photon Energy is developing PV projects in Australia (738 MWp), Hungary (42.6 MWp) and is evaluating further markets for opportunities.

For detailed information, please refer to chapter 3 "Reporting on Photon Energy's project pipeline".

2. Proprietary PV power plants

The table below represents power plants owned directly or indirectly by Photon Energy N.V. as of the date of the report.

Table 1. Production results in August 2020

Project name	Capacity	Feed-in-Tariff	Prod. 2020 August	Proj. 2020 August	Perf.	YTD Prod	YTD Proj.	Perf.	YTD YoY
Unit	kWp	per MWh, in 2020	kWh	kWh	%	kWh	kWh	%	%
Komorovice	2,354	CZK 14,821	300,535	300,926	-0.1%	2,036,980	1,830,888	11.3%	0.6%
Zvíkov I	2,031	CZK 14,821	278,014	263,757	5.4%	1,877,261	1,604,741	17.0%	2.4%
Dolní Dvořiště	1,645	CZK 14,821	207,707	219,416	-5.3%	1,344,922	1,334,965	0.7%	0.4%
Svatoslav	1,231	CZK 14,821	155,104	162,960	-4.8%	978,615	991,478	-1.3%	1.6%
Slavkov	1,159	CZK 14,821	159,612	155,184	2.9%	1,085,168	944,165	14.9%	2.9%
Mostkovice SPV 1	210	CZK 14,821	25,707	22,237	15.6%	178,477	144,819	23.2%	0.8%
Mostkovice SPV 3	926	CZK 15,922	117,363	115,327	1.8%	797,035	707,152	12.7%	1.5%
Zdice I	1,499	CZK 14,821	203,843	193,440	5.4%	1,377,313	1,165,685	18.2%	3.1%
Zdice II	1,499	CZK 14,821	206,693	193,440	6.9%	1,399,542	1,165,685	20.1%	1.8%
Radvanice	2,305	CZK 14,821	305,642	297,864	2.6%	2,039,255	1,812,260	12.5%	0.7%
Břeclav rooftop	137	CZK 14,821	19,059	15,163	25.7%	130,089	99,101	31.3%	38.3%
Total Czech PP	14,996		1,979,279	1,939,714	2.0%	13,244,657	11,800,941	12.2%	1.8%
Babiná II	999	EUR 425.12	129,039	114,922	12.3%	782,129	746,793	4.7%	5.9%
Babina III	999	EUR 425.12	131,520	114,922	14.4%	792,741	746,793	6.2%	3.3%
Prša I.	999	EUR 425.12	135,305	115,814	16.8%	816,320	746,248	9.4%	-0.8%
Blatna	700	EUR 425.12	88,288	84,696	4.2%	580,737	552,008	5.2%	3.3%
Mokra Luka 1	963	EUR 382.61	142,567	117,882	20.9%	928,470	762,711	21.7%	3.4%
Mokra Luka 2	963	EUR 382.61	143,487	117,882	21.7%	934,859	762,711	22.6%	3.4%
Jovice 1	979	EUR 382.61	121,510	123,309	-1.5%	708,770	751,350	-5.7%	-1.6%
Jovice 2	979	EUR 382.61	119,852	123,309	-2.8%	705,745	751,350	-6.1%	-1.5%
Brestovec	850	EUR 382.61	123,358	100,709	22.5%	841,585	646,917	30.1%	7.9%
Polianka	999	EUR 382.61	123,872	125,826	-1.6%	798,848	769,561	3.8%	5.9%
Myjava	999	EUR 382.61	135,799	123,723	9.8%	931,677	782,000	19.1%	8.8%
Total Slovak PP	10,429		1,394,596	1,262,993	10.4%	8,821,880	8,018,439	10.0%	3.5%
Tizakécske 1	689	HUF 33,360	108,829	102,411	6.3%	682,060	658,903	3.5%	4.2%
Tizakécske 2	689	HUF 33,360	109,011	102,545	6.3%	685,087	661,839	3.5%	4.1%
Tizakécske 3	689	HUF 33,360	108,005	101,787	6.1%	669,161	648,955	3.1%	4.7%
Tizakécske 4	689	HUF 33,360	108,985	102,545	6.3%	686,409	661,839	3.7%	4.1%
Tizakécske 5	689	HUF 33,360	105,178	102,411	2.7%	672,596	658,904	2.1%	2.5%
Tizakécske 6	689	HUF 33,360	108,827	102,545	6.1%	683,425	661,839	3.3%	4.2%
Tizakécske 7	689	HUF 33,360	108,923	102,381	6.4%	682,563	658,579	3.6%	4.8%
Tizakécske 8	689	HUF 33,360	107,948	102,275	5.5%	678,914	656,997	3.3%	3.8%
Almásfüzitő 1	695	HUF 33,360	100,187	100,682	-0.5%	666,207	653,538	1.9%	19.4%
Almásfüzitő 2	695	HUF 33,360	97,803	100,644	-2.8%	652,272	653,163	-0.1%	19.0%
Almásfüzitő 3	695	HUF 33,360	97,020	100,495	-3.5%	639,546	650,861	-1.7%	17.7%
Almásfüzitő 4	695	HUF 33,360	100,538	100,798	-0.3%	671,556	654,707	2.6%	18.6%
Almásfüzitő 5	695	HUF 33,360	100,842	100,544	0.3%	678,964	651,605	4.2%	19.5%
Almásfüzitő 6	660	HUF 33,360	100,117	96,627	3.6%	675,606	627,132	7.7%	19.6%
Almásfüzitő 7	691	HUF 33,360	100,282	99,977	0.3%	674,933	647,939	4.2%	19.2%
Almásfüzitő 8	668	HUF 33,360	101,136	97,651	3.6%	676,572	634,128	6.7%	17.4%
Nagyecsed 1	689	HUF 33,360	105,172	101,007	4.1%	665,596	642,919	3.5%	215.4%
Nagyecsed 2	689	HUF 33,360	102,388	101,007	1.4%	664,438	642,919	3.3%	209.9%
Nagyecsed 3	689	HUF 33,360	105,441	101,170	4.2%	670,459	643,602	4.2%	212.7%
Fertod I	528	HUF 33,360	78,477	73,062	7.4%	546,773	481,419	13.6%	6.7%

Project name	Capacity	Feed-in-Tariff	Prod. 2020 August	Proj. 2020 August	Perf.	YTD Prod.	YTD Proj.	Perf.	YTD YoY
Unit	kWp	per MWh, in 2020	kWh	kWh	%	kWh	kWh	%	%
Fertod II No 2	699	HUF 33,360	102,724	99,809	2.9%	695,628	654,218	6.3%	na
Fertod II No 3	699	HUF 33,360	102,770	99,809	3.0%	695,879	654,218	6.4%	na
Fertod II No 4	699	HUF 33,360	102,258	99,809	2.5%	693,938	654,218	6.1%	na
Fertod II No 5	691	HUF 33,360	101,970	98,923	3.1%	692,156	656,532	5.4%	na
Fertod II No 6	699	HUF 33,360	101,581	99,809	1.8%	689,268	654,218	5.4%	na
Kunszentmárton I No 1	697	HUF 33,360	111,691	108,321	3.1%	702,643	688,346	2.1%	na
Kunszentmárton I No 2	697	HUF 33,360	111,756	108,326	3.2%	697,465	688,417	1.3%	na
Kunszentmárton II No 1	693	HUF 33,360	113,433	111,142	2.1%	331,688	402,641	-17.6%	na
Kunszentmárton II No 2	693	HUF 33,360	113,791	111,042	2.5%	397,139	402,542	-1.3%	na
Taszár 1	701	HUF 33,360	104,876	100,272	4.6%	700,112	681,675	2.7%	na
Taszár 2	701	HUF 33,360	106,057	100,272	5.8%	703,741	681,675	3.2%	na
Taszár 3	701	HUF 33,360	106,143	100,272	5.9%	699,786	681,675	2.7%	na
Monor 1	688	HUF 33,360	105,010	104,900	0.1%	671,460	667,587	0.6%	na
Monor 2	696	HUF 33,360	103,948	105,153	-1.1%	674,050	676,214	-0.3%	na
Monor 3	696	HUF 33,360	104,767	105,153	-0.4%	674,250	676,214	-0.3%	na
Monor 4	696	HUF 33,360	105,426	105,153	0.3%	679,541	676,214	0.5%	na
Monor 5	688	HUF 33,360	105,422	104,489	0.9%	682,699	665,278	2.6%	na
Monor 6	696	HUF 33,360	105,552	105,153	0.4%	682,871	676,214	1.0%	na
Monor 7	696	HUF 33,360	108,675	105,153	3.3%	691,393	676,214	2.2%	na
Monor 8	696	HUF 33,360	105,561	105,153	0.4%	681,698	676,214	0.8%	na
Tata 1	672	HUF 33,360	112,002	120,434	-7.0%	668,208	677,872	-1.4%	na
Tata 2	676	HUF 33,360	94,970	101,062	-6.0%	570,762	576,097	-0.9%	na
Tata 3	667	HUF 33,360	95,229	99,327	-4.1%	590,798	584,299	1.1%	na
Tata 4	672	HUF 33,360	113,302	123,263	-8.1%	674,230	692,489	-2.6%	na
Tata 5	672	HUF 33,360	113,272	123,672	-8.4%	677,326	697,532	-2.9%	na
Tata 6	672	HUF 33,360	112,971	121,781	-7.2%	686,342	703,655	-2.5%	na
Tata 7	672	HUF 33,360	112,246	120,516	-6.9%	680,273	696,997	-2.4%	na
Tata 8	672	HUF 33,360	113,420	122,296	-7.3%	670,902	687,505	-2.4%	na
Malyi 1	695	HUF 33,360	110,939	102,129	8.6%	394,577	403,608	-2.2%	na
Malyi 2	695	HUF 33,360	111,131	102,222	8.7%	389,679	403,993	-3.5%	na
Malyi 3	695	HUF 33,360	111,120	102,222	8.7%	397,041	403,993	-1.7%	na
Total Hungarian PP	34,981		5,379,121	5,309,597	1.3%	32,860,679	32,270,356	1.8%	202.3%
Symonston	144	AUD 301.60	10,937	10,923	0.1%	95,214	103,372	-7.9%	-4.5%
Total Australian PP	144		10,937	10,923	0.1%	95,214	103,372	-7.9%	-4.5%
Total	60,550		8,763,933	8,523,226	2.8%	55,022,430	52,193,108	5.4%	69.3%

Notes:

Capacity: installed capacity of the power plant
 Prod.: production in the reporting month - Proj.: projection in the reporting month
 Perf.: performance of the power plant in reporting month i.e. (production in Month / projection for Month) - 1.
 YTD Prod.: accumulated production year-to-date i.e. from January until the end of the reporting month.

YTD Proj.: accumulated projection year-to-date i.e. from January until the end of the reporting month
 Perf. YTD: performance of the power plant year-to-date i.e. (YTD prod. in 2020 / YTD proj. in 2020) - 1
 YTD YOY: (YTD Prod. in 2020 / YTD Prod. in 2019) - 1.

Chart 1.a Total production of the Czech portfolio

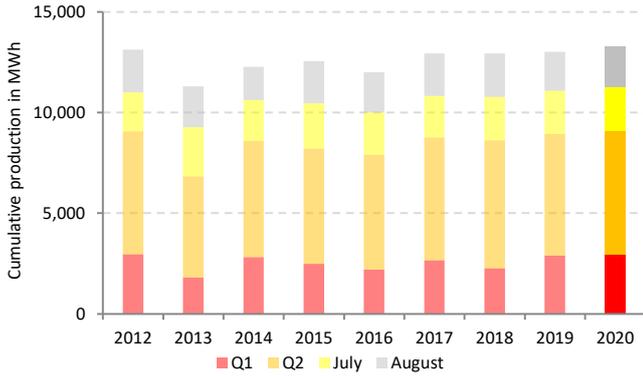


Chart 1.b Total production of the Slovak portfolio

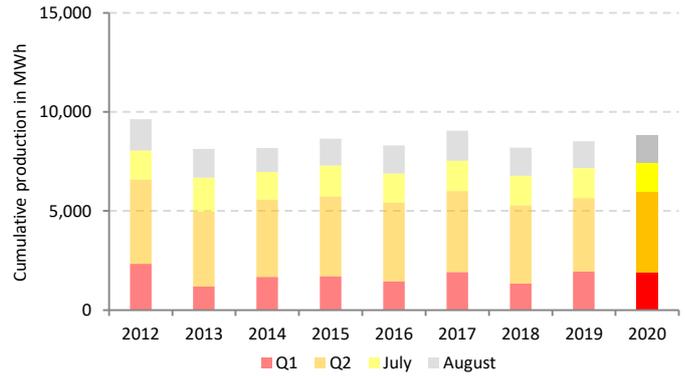


Chart 1.c Total production of Hungarian portfolio

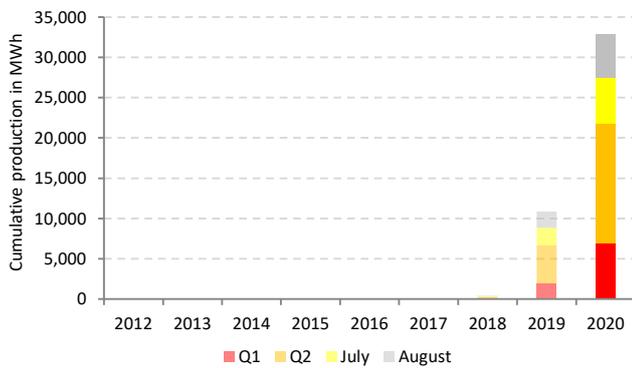


Chart 2. Generation results versus forecast between 1 January 2016 and 31 August 2020

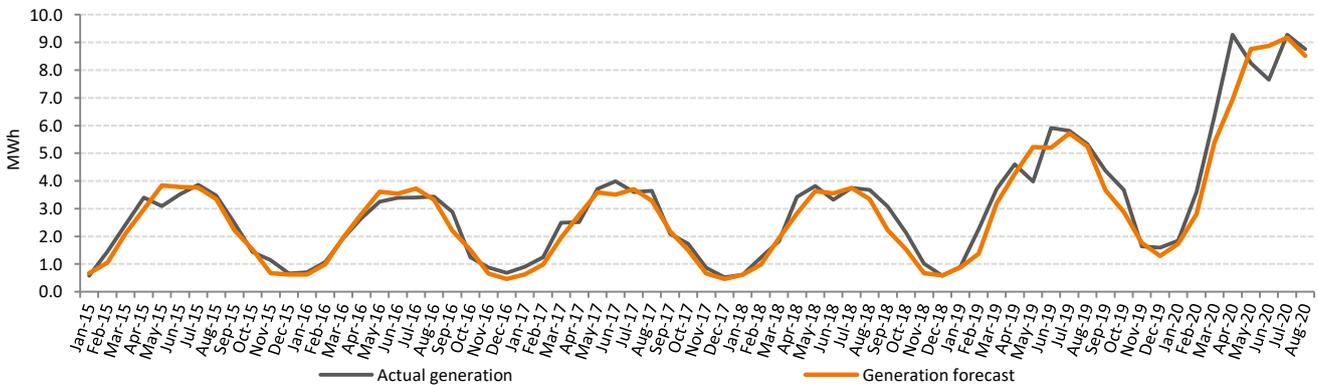
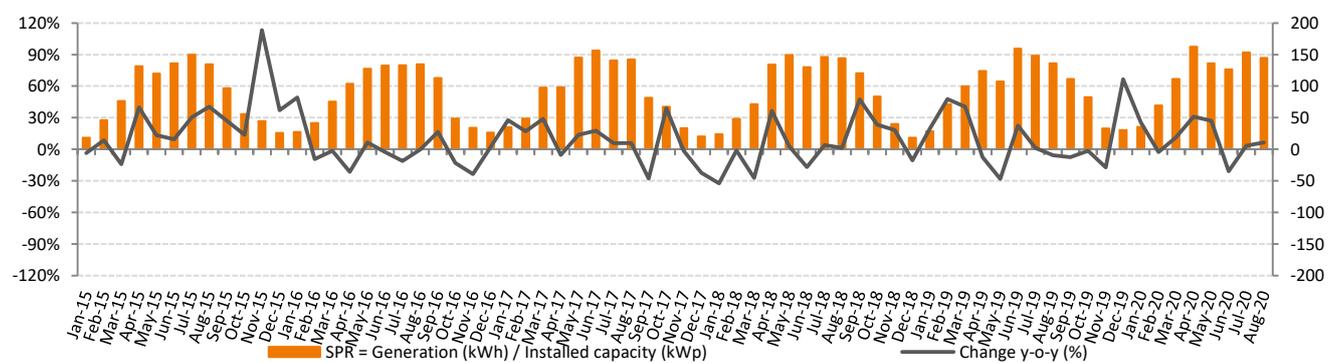


Chart 3. Specific Performance Ratio between 1 January 2016 and 31 August 2020



Specific Performance Ratio is a measure of efficiency which shows the amount of kWh generated per 1 kWp of installed capacity and enables the simple comparison of year-on-year results and seasonal fluctuations during the year.

In August the average performance of all power plants in Photon Energy's portfolio came in approximately 2.8% above expectations and the overall performance of the proprietary portfolio exceeded forecasts by 5.4% year-to-date (YTD).

The best performance was recorded by our Slovak portfolio, which exceeded energy forecasts by 10.4% and then by our Czech and Hungarian portfolios, which outperformed the audits by 2.0% and 1.3%, respectively. The performance of our Australian power plant was in line with estimates (+0.1%).

The Company reports 55.0 GWh of electricity produced YTD compared to 32.5 GWh one year ago (+69.3%), propelled by the addition of new Hungarian power plants over the past year (installed

capacity of 60.6 MWp as of August 2020 vs 39.2 MWp one year ago).

When comparing the performance of the subset of power plants in operation in August 2019, i.e. on a like-for-like basis, the total volume of electricity generation YTD increased by 9.2%.

The specific performance ratio of the proprietary portfolio (SPR) reached 145 kWh/kWp compared to 136 kWh/kWp one year ago (+6.0% year-on year).

3. Reporting on Photon Energy's project pipeline

Photon Energy is currently developing PV projects in Australia (738 MWp) and Hungary (42.6 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 the

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

Country	Location	Project function	Share	MWp	Commercial Model	Land	Grid connection	Construction permit	Expected RTB
Hungary	Püspökladány	Own portfolio	100%	14.1	Contr.-for-Diff. ¹	Secured	Secured	Secured	Under construction
Hungary	Tolna	Own portfolio	100%	28.5	All options open	Ongoing	Secured	Ongoing	Q1 2021
Total Own portfolio Hungary				42.6					
Australia	Leeton	Own portfolio	100%	14.6	Market	Secured	Secured	Secured	Under construction
Total Own portfolio Australia				14.6					
Total Own portfolio				57.2					
Australia	Gunning	Developer	49%	220	Co-development & financing agreement with Canadian Solar	Secured	Ongoing	Ongoing	Q2 2021
Australia	Maryvale	Developer	25%	160		Secured	Ongoing	Secured	Q2 2021
Australia	Suntop 2	Developer	25%	200		Ongoing	Ongoing	Ongoing	Q2 2021
Australia	Carrick	Developer	51%	144		All options open	Secured	Ongoing	Ongoing
Total Development Australia				724					

¹ Contr.-for-Diff stands for 'Contract for difference' and is a revenue model in form of electricity sales on the electricity spot market plus the compensation of the difference to a guaranteed Feed-in-Tariff.

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 of the five projects jointly developed with Canadian Solar Inc. and one project jointly developed with another developer, 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.
- 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.
- 51% stake in the project company holding all project rights for the Brewongle Solar Farm to an undisclosed buyer on 27 December 2019.

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

- ▶ **Gunning (220 MWp):** The process of securing construction permit is ongoing. 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 now plan to submit the Environmental Impact Studies (EIS) in Q4 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 once those discussions will be finalized.

- ▶ **Suntop 2 (200 MWp):** Suntop 2 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 Suntop 2 project the construction permitting process is still underway. Feasibility studies and community consultations have been finalized and EIS were submitted to NSW DP&E in November 2019. We received the first comments and are providing additional information to complete EIS that we plan to resubmit it in December 2020. The grid connection application will start upon completion of EIS.

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

- ▶ **Leeton (14.6 MWp):** In May 2020, Photon Energy announced the conclusion of an agreement with Infradebt for the project debt financing of the two PV power plants we are developing in Leeton, with a grid connection capacity of 4.95 MWp AC and an installed capacity of 7.3 MWp DC each.

Photon Energy Engineering Australia Pty Ltd. is acting as engineering, procurement and construction (EPC) contractor for both projects. Commissioning is expected in Q4 2020, after which long-term O&M services will be provided by Photon Energy Operations Australia Pty Ltd.

The plants' bi-facial PV modules will be mounted on single-axis trackers and will supply the produced electricity to Essential Energy's distribution network as non-scheduled generators. The combined annual electricity production of both PV power plants is forecast to be 27.8 GWh, and will be sold on the National Electricity Market on a merchant basis, as will the Large Generation Certificates (LGCs) generated by the plants. No power purchase agreements (PPAs) have been entered into by Photon Energy.

These are the two largest projects to be added to Photon Energy's portfolio to date, and our first merchant projects providing competitive energy into the market. The experience we gain in operating the power plants will be used to maximise revenues in the energy market.

- ▶ **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. In May 2020 an agreement to sell the shares in the project was signed. Closing of the transaction is expected to happen by the end of Q3 2020.

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

Below is a short summary of projects in the pipeline (42.6 MWp) and of the progress achieved in the reporting period.

- In May 2019 Photon Energy acquired ten additional PV projects with a total planned installed DC capacity of 14.1 MWp in the municipality of Püspökladány, in the Hajdú-Bihar region in the east of the country. The transaction involved 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 33,360 per MWh (approx. EUR 93 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 34,813 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. Total annual revenues of all ten power plants are expected to be EUR 1.9 million.



- Construction status:** Land preparation and civil works (municipality road, inner road, fencing) are almost finished, production cable lines have been installed. The mounting substructure has been assembled and low voltage electric works are in progress. Two switch stations and 3 transformers

have been installed. The completion of the ten power plants is scheduled in the fourth quarter of 2020.

- Tolna (28.5 MWp):** The eleven projects with a total planned installed DC capacity of 28.5 MWp, are located in the Tolna region in the south of Hungary. Two power plants have a grid connection capacity of 5.0 MW AC each, whereas 1 MW AC have been secured for each of the other nine projects. The grid connection point has been secured and the negotiations for the land are currently being finalized. Grid connection plans have been initiated and, once approved, will allow us to conclude grid connection agreements with E.ON. with a validity of two years.

Most of these projects will be submitted to the auction process, which will be organized from 15 September to 15 October 2020 in Hungary. The revenue model will either take the form of a contract-for-difference based on METÁR licenses (if the auction proves successful), a PPA, or the direct sale of electricity through a trader on the Hungarian electricity market. Construction plans include the use of tracking technology allowing bifacial solar modules to follow the course of the sun, which are expected to achieve a 15-20% higher specific performance than fixed installations.

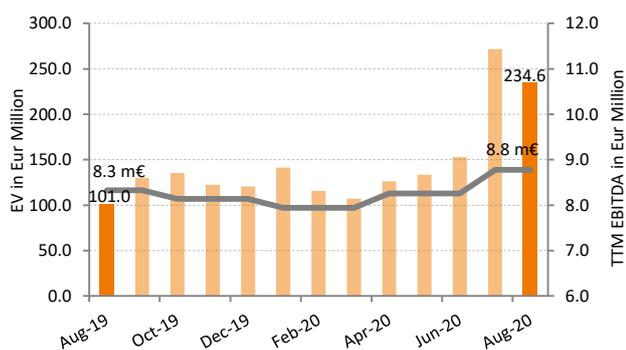
At the date of publication of this report, the current project pipeline in Hungary consists of 21 projects with a total planned capacity of 42.6 MWp. Together with our existing portfolio of 35.0 MWp operating PV power plants, we have secured a 77.6 MWp portfolio in Hungary, which would exceed the Group's target for expansion of its portfolio in Hungary to up to 75MWp until year-end 2021.

4. Enterprise value & Share price performance

4.1 NewConnect (Warsaw Stock Exchange)

On 31 August 2020 the Company's shares (ISIN NL0010391108) closed at a price of PLN 13.80 (-18.8% MoM, +188.7% YTD), corresponding to a price to book ratio of 4.64. The monthly trading volume amounted to 645,680 shares (vs. an average monthly volume of 1,069,209 YTD).

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

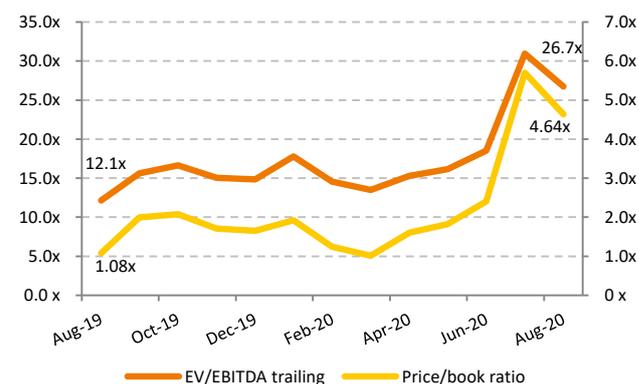


Notes:

EV – Enterprise value is calculated as the market capitalisation as of the end of the reporting month, plus debt, plus minority interest, minus cash. All the balance sheet data are taken from the last quarterly report. Trailing 12 months EBITDA – defined as the sum of EBITDA reported in the last four quarterly reports; i.e. the sum of EBITDA reported in Q3 2019, Q4 2019, Q1 2020 and Q2 2020.

In July 2020, the Company announced the filing of a prospectus with the Dutch financial market regulator (AFM) to move to the main markets of the Warsaw and Prague Stock Exchanges.

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



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

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

Chart 6. Total monthly volumes vs. daily closing stock prices



4.2 Free Market (Prague Stock Exchange)

Since 17 October 2016, in addition to the listing on the New Connect segment of the Warsaw Stock Exchange, the Company's shares have also been traded on the Free Market of the Prague Stock Exchange. No additional shares have been issued, nor any new equity capital raised through this listing. On 31 August 2020 the share price (ISIN NL0010391108) closed at

a level of CZK 95.00 (-4.5% compared to last month, +126.2% YTD and 19.4x the reference price of CZK 4.90 on the first trading day on 17 October 2016), corresponding to a price to book ratio of 5.36x. The Company reports a monthly trading volume of 49,105 shares in August, compared to an average monthly trading volume of 46,715 YTD.

4.3 Freiverkehr (Munich Stock Exchange)

Since 28 July 2020, in addition to the listings presented above, the Company's shares have also been traded on the Free Market (Freiverkehr) of the Munich Stock Exchange through a so-called unsponsored listing initiated by Baader Bank, a leading brokerage active on the German financial market. No additional shares have been issued, nor any new equity capital raised through this listing.

On 31 August 2020 the share price (ISIN NL0010391108) closed at a level of EUR 3.24 (-22.1% compared to the opening price of EUR 4.16 on 28 July 2020), corresponding to a price to book ratio of 4.79x. The Company reports a monthly trading volume of 1,340 shares in August and YTD.

Bond trading performance

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

On 27 October 2017 the Company issued a 5-year corporate EUR bond with a 7.75% annual coupon and quarterly coupon payments in Germany, Austria and Luxembourg. The original target volume of EUR 30 million has been subscribed to in full

on 7 September 2018, before the end of the public placement period originally set until 20 September 2018. The corporate bond (ISIN DE000A19MFH4) with a nominal value of EUR 1,000 has been traded on the Open Market of the Frankfurt Stock exchange since 27 October 2017. The bond is also listed on the stock exchanges in Berlin, Hamburg, Hannover, Munich and Stuttgart. The Group has successfully increased the bond placement by EUR 7.5 million on 5 August 2019 and by another EUR 5.4 million on 3 July 2020 with all parameters unchanged. The total outstanding bond volume amounts to EUR 43.0 million as of the end of the reporting period.

5.1 EUR Bond 2017-22 trading performance

EUR Bond 2017-22 trading performance to date

In the trading period from 25 October 2017 until 31 August 2020, the trading volume amounted to EUR 45.273 million (nominal value, including the volume traded in Berlin, Munich & Stuttgart) with an opening price of 100.00 and a closing price of 103.00 in Frankfurt. During this period the average daily turnover amounted to EUR 63,142.

EUR Bond 2017-22 trading performance in August 2020

In August 2020 the trading volume amounted to EUR 627,000 with an opening price of 101.75 and a closing price of 103.00 in Frankfurt. The average daily turnover amounted to EUR 29,857.

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

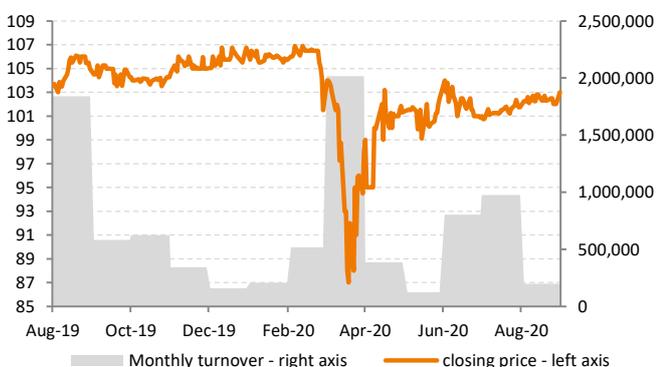
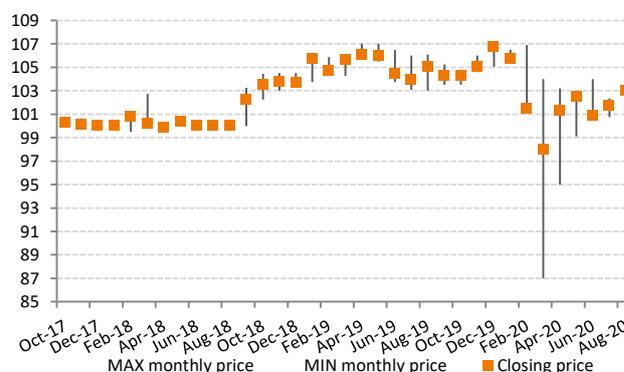


Chart 8. MIN, MAX and closing monthly prices



5.2 CZK Bond 2016-23 trading performance in Prague

In the trading period from 12 December 2016 until 31 August 2020 the trading volume amounted to CZK 14.190 million with a closing price of 100.00.

6. Summary of all information published by the Issuer as current reports for the period covered by the report

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

- ▶ **EBI 14/2020** published on 12 August 2020: Quarterly report for Q2 2020.
- ▶ **EBI 15/2020** published on 14 August 2020: Monthly report for July 2020.

After the reporting period no reports have been published in the EBI (Electronic Database Information) system of the Warsaw Stock Exchange.

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

- ▶ **ESPI 19/2020** published on 17 August 2020: Photon Energy Announces Market Entry in Poland

and Appointment of Maciej Górski as Country Head.

- ▶ **ESPI 20/2020** published on 17 August 2020: Photon Energy listed on the Freiverkehr segment of the Munich Stock Exchange (Börse München).

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

- ▶ **ESPI 21/2020** published on 7 September 2020: Photon Water launches in-situ remediation technology to clean PFAS contamination in the environment.
- ▶ **ESPI 22/2020** published on 12 September 2020: Insider Trading Notification.
- ▶ **ESPI 23/2020** published on 12 September 2020: Change in substantial blocks of shares.

7. Information how the capital raised in the private placement was used in the calendar month covered by the report. If any of the contributed capital was spent in the given month

Not applicable.

8. Investors' calendar

- ▶ 14 October 2020 Monthly report for September 2020
- ▶ 12 November 2020 Entity and consolidated quarterly reports for Q3 2020
- ▶ 13 November 2020 Monthly report for October 2020
- ▶ 14 December 2020 Monthly report for November 2020

9. Investor relations contact

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Amsterdam, 14 September 2020



Georg Hotar, Member of the Board of Directors



Michael Gartner, Member of the Board of Directors