



Photon Energy Group

Photon Energy N.V.

# Consolidated and Entity Financial Reports

## Q4 2020

For the period from 1 October to 31 December 2020

11 February 2021 | Amsterdam, The Netherlands

## 1. Selected financial results

### 1.1 Selected financial results for Photon Energy Group, for the period of 1 October to 31 December 2020

in Thousands	EUR		PLN		CZK	
	Q4 2019	Q4 2020	Q4 2019	Q4 2020	Q4 2019	Q4 2020
<b>Total revenues</b>	<b>7,749</b>	<b>5,096</b>	<b>33,225</b>	<b>22,947</b>	<b>198,216</b>	<b>135,862</b>
Gross profit	2,243	1,822	9,619	8,207	57,386	48,589
EBITDA	260	-997	1,114	-4,492	6,648	-26,594
EBIT	-1,203	-2,930	-5,157	-13,194	-30,769	-78,117
Profit / loss before taxation	-2,048	-4,212	-8,780	-18,966	-52,379	-112,290
Profit / loss from continuing operations	-2,622	-4,361	-11,243	-19,638	-67,077	-116,270
<b>Total comprehensive income</b>	<b>3,036</b>	<b>922</b>	<b>13,016</b>	<b>4,151</b>	<b>77,653</b>	<b>24,575</b>
Operating cash flow	1,404	773	6,019	3,481	35,908	20,609
Investment cash flow	-3,378	-5,772	-14,484	-25,995	-86,410	-153,907
Financial cash flow	357	4,460	1,531	20,086	9,132	118,926
<b>Net change in cash</b>	<b>-1,618</b>	<b>-539</b>	<b>-6,938</b>	<b>-2,427</b>	<b>-41,389</b>	<b>-14,372</b>
<i>EUR exchange rate – low</i>	-	-	4.253	4.425	25.410	26.135
<i>EUR exchange rate – average</i>	-	-	4.288	4.503	25.580	26.663
<i>EUR exchange rate – end of period</i>	-	-	4.256	4.560	25.410	26.245
<i>EUR exchange rate – high</i>	-	-	4.378	4.622	25.890	27.365
	<b>31.12.2019</b>	<b>31.12.2020</b>	<b>31.12.2019</b>	<b>31.12.2020</b>	<b>31.12.2019</b>	<b>31.12.2020</b>
Non-current assets	106,477	134,546	453,197	613,583	2,705,584	3,531,172
Current assets	31,786	25,373	135,288	115,712	807,671	665,924
Cash and cash equivalents	15,104	14,002	64,286	63,856	383,786	367,491
<b>Total assets</b>	<b>138,263</b>	<b>159,920</b>	<b>588,485</b>	<b>729,296</b>	<b>3,513,255</b>	<b>4,197,096</b>
<b>Total equity</b>	<b>37,843</b>	<b>39,654</b>	<b>161,071</b>	<b>180,839</b>	<b>961,592</b>	<b>1,040,729</b>
Current liabilities	12,348	14,827	52,557	67,617	313,763	389,138
Non-current liabilities	88,073	105,438	374,863	480,837	2,237,931	2,767,215
<i>EUR exchange rate – low</i>	-	-	4.253	4.425	25.410	26.135
<i>EUR exchange rate – average</i>	-	-	4.288	4.503	25.580	26.663
<i>EUR exchange rate – end of period</i>	-	-	4.256	4.560	25.410	26.245
<i>EUR exchange rate – high</i>	-	-	4.378	4.622	25.890	27.365

Notes: Exchange rates provided by the European Central Bank

All balance sheet data as of 31.12.2019 have been extracted from audited figures for FY 2019.

The P&L and Cash-flow data presented are based on published quarterly reports, with Q4 2019 figures adjusted to be consistent with the annual audited figures made available after the publication of the 4th quarter.

#### Financial highlights:

- ▶ Unaudited consolidated revenues of EUR 5.096 million in the fourth quarter, representing a decline of 34.2% YoY.
- ▶ EBITDA decline to EUR -0.997 million compared to EUR 0.260 million in Q4 2019.
- ▶ EBIT of EUR -2.930 million in Q4 2020 compared to EUR -1.203 million in Q4 2019.
- ▶ Total comprehensive income of EUR 0.922 million compared to EUR 3.136 million a year earlier and increased equity to EUR 39.654 million at the end of Q4 2020, compared to EUR 37.843 million a year earlier.
- ▶ The adjusted equity ratio remained at a sound level of 29.0%.

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

#### Other highlights:

- ▶ Photon Energy finished commissioning of ten PV power plants with a combined capacity of 14.1 MWp within its Hungarian portfolio.
- ▶ Photon Energy shares admitted to trading on the regulated markets of the Warsaw and Prague Stock Exchanges and on the Quotation Board of the Frankfurt Stock Exchange.
- ▶ Establishment of a two-tier board structure and appointment of a Supervisory Board.
- ▶ Photon Energy secured long-term financing for 3.5 MWp in Hungary and for additional 14.1 MWp after the reporting period.
- ▶ Photon Energy concluded a strategic partnership with Lerta, an innovative Polish energy service company and took a 12% stake.
- ▶ Photon Energy significantly expands project development pipeline in Hungary, Romania and Poland.

## 1.2 Standalone financial results for Photon Energy N.V., for the period of 1 October to 31 December 2020

in Thousands	EUR		PLN		CZK	
	Q4 2019	Q4 2020	Q4 2019	Q4 2020	Q4 2019	Q4 2020
<b>Revenues</b>	<b>544</b>	<b>465</b>	<b>2,331</b>	<b>2,095</b>	<b>13,908</b>	<b>12,405</b>
EBITDA	96	59	410	264	2,444	1,562
EBIT	96	59	410	264	2,444	1,562
Profit / loss before taxation	-2,101	8,890	-9,010	40,035	-53,751	237,036
<b>Total comprehensive income</b>	<b>-2,101</b>	<b>8,890</b>	<b>-9,010</b>	<b>40,035</b>	<b>-53,751</b>	<b>237,036</b>
	<b>31.12.2019</b>	<b>31.12.2020</b>	<b>31.12.2019</b>	<b>31.12.2020</b>	<b>31.12.2019</b>	<b>31.12.2020</b>
Non-current assets	17,294	74,971	73,607	341,894	439,436	1,967,602
Current assets	67,280	23,083	286,361	105,265	1,709,572	605,803
Cash and cash equivalents	5,831	114	24,820	521	148,174	2,997
<b>Total assets</b>	<b>84,573</b>	<b>98,053</b>	<b>359,968</b>	<b>447,160</b>	<b>2,149,008</b>	<b>2,573,405</b>
<b>Total equity</b>	<b>38,865</b>	<b>44,457</b>	<b>165,421</b>	<b>202,742</b>	<b>987,565</b>	<b>1,166,779</b>
Current liabilities	4,314	4,633	18,362	21,127	109,623	121,588
Non-current liabilities	41,394	48,963	176,184	223,291	1,051,819	1,285,038
<i>EUR exchange rate – low</i>			4.253	4.425	25.410	26.135
<i>EUR exchange rate – average</i>			4.288	4.503	25.580	26.663
<i>EUR exchange rate – end of period</i>			4.256	4.560	25.410	26.245
<i>EUR exchange rate – high</i>			4.378	4.622	25.890	27.365

### Notes:

Exchange rates are provided by the European Central Bank.

All balance sheet data as of 31.12.2019 have been extracted from audited figures for FY 2019.

All data quoted in this report refer to the current reporting period i.e. from 1 October until 31 December 2020, 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

2020 has been a year of unprecedented disruption, during which most people experienced significant shifts in the ways they live and work. The events in 2020 have reinforced the essential importance of the work we do and we believe Photon Energy will look back on 2020 as a year in which we met those challenges and emerged from them as committed as ever to our long-term strategy. This report sets out the highlights of the fourth quarter of 2020, but it is equally a good opportunity to recapitulate our milestones over the past year. Down Under in Australia, the two largest projects to be added to the Group's portfolio in Leeton (14.6 MWp) are undertaking the commissioning process and we are on the finish line for the installation of a hybrid solar and battery storage system on Lord Howe Island, New South Wales. The progress in our project development efforts in Hungary, Romania, and Poland speaks for itself with a combined project pipeline of more than 200 MWp in these countries. During the year 2020, PV power plants with a total capacity of 23.0 MWp have been constructed and added to our proprietary portfolio, while a capacity of 34.0 MWp increased our O&M contract base.

Support schemes are fewer and fewer but we have reached a point of development in our industry where we can build and be competitive in the energy market wherever we operate, without any support. We intend to continue to disrupt and transform our industry as illustrated by the recent strategic investments we have concluded. With Raygen, a company specialized in high efficiency concentrated PV generation with thermal absorption and storage, and with Lerta at the end of the reporting period, developing Virtual Power Plant technologies and energy market services. The launch of our in-situ remediation technology is also very promising. We are proud and thrilled to work with the Australian government, Department of Defence, to deploy our in-situ nano-remediation technology to demonstrate the in-situ removal of PFAS chemicals from groundwater without the need for pumping and surface treatment or disposal processes.

Now focussing on the past quarter, financial results reflect a challenging Q4 2020. We are glad to announce that, despite a decrease in consolidated revenues by 34.2%, we managed to record a positive total comprehensive income amounting to EUR 0.922 million, mirroring the value creation performed during a 4th quarter traditionally modest due to the seasonal characteristics of our business.

The past quarter has been full of important highlights starting with the commissioning of ten PV power plants with a combined capacity of 14.1 MWp in Püspökladány, Hungary.

As well as successfully making progress in Australia and Hungary, we have continued to be very active in project development activities in new markets as mentioned above and are currently finalizing our first pilot EPC project in Poland.

Q4 2020 has also been a crucial period for our presence on capital markets: we are proud to have our shares now listed on the regulated markets of the Warsaw and Prague Stock Exchanges, as well as on the Quotation Board of the Frankfurt stock exchange. We anticipate that these listings will help stimulate trading liquidity and diversify our investor base by providing an opportunity to invest in the Company to institutional and retail investors across Europe. To be in full compliance with the laws and regulations imposed on public companies as well as the best practices of the regulated markets, the Company has also established a two-tier board structure comprised of the existing management board and a new supervisory board and audit

committee, contributing to the improvement of our corporate governance. We are pleased that both supervisory board members not only possess extensive experience as entrepreneurs and executives at international institutions but also know Photon Energy and our end-markets well.

Building and expanding on our experience, we are embarking on an exciting new path, where solar energy, energy storage, and water technologies will be combined to adapt to a wide range of situations. We undertook important steps to strengthen our business and are looking forward to the opportunities that 2021 will bring.

### Financial results

The decrease in revenues in Q4 2020 is primarily connected to lower revenues in the sale of technology (-48.0%) for which conditions remained challenging during this quarter due to fewer installations on the markets we serve. This decrease was only partially compensated by revenues from our growing proprietary portfolio of PV power plants.

Unaudited consolidated EBITDA turned negative from a profit of EUR 0.260 million in Q4 2019, mainly due to lower revenues and to the expansion of our project development activities in new markets such as Poland and Romania and our growing engineering team in Australia. Net profit remained logically in the red with a loss of EUR - 4.361 million in Q4 2020 compared to a loss of EUR - 2.521 million a year ago. However, on the bottom line we still could post a Total Comprehensive Income of EUR 0.922 million, mainly due to the positive revaluation difference connected to the grid-connection of our new power plants in Püspökladány.

On an annual basis, the financial figures are mirrored by a strong business year. Photon Energy can look back on significantly growing production of its power plants in 2020, which came in approximately 59.9% higher than in 2019, translating into a 17.6% increase in revenues from the sale of electricity.

Photon Energy closed the year 2020 with total revenues amounting to EUR 28.258 million, still representing a 6.3% decrease YOY, due to lower revenues in the sale of technology (-27.8% YOY), for which conditions remained challenging due to the coronavirus crisis. However, we managed to raise our EBITDA to EUR 8.195 million (+3.2% YOY) thanks to a more favourable revenue mix and an improvement of the gross margin across all of our activities. During the year, we continued our capacity expansion mainly expressed in a growing headcount, which is crucial for the development of our existing business lines as well as our new business activities. These investments will lead to a rise in our income-generating asset base in the medium- and long-term, driving future growth in electricity generation revenues, other comprehensive income generated upon plant commissioning according to IAS 16, and capital gains related to project development for resale.

Increased financial expenses connected to the development of PV power plants, led to an EBIT loss of EUR -0.116 million, comparing to a profit of EUR 1.147 million last year. As a reminder, our business model involves a large part of bank financing at the project level, where debt/equity ratios reach up to 80/20. Non-recourse financing is aligned with the life cycle of the power plants and is typically long-term, with tenors up to 15 years. Thus a higher level of debt is specific to our industry.

Bottom line, Photon Energy recorded a TCI amounting to EUR 2.084 million compared to EUR 8.064 million a year ago.

The adjusted equity ratio remained at a sound level of 29.0%.

Other key highlights for the fourth quarter of 2020 until the reporting date are detailed below:

#### **Photon Energy finished commissioning of 14.1 MWp within its Hungarian portfolio**

During the reporting period, Photon Energy completed and grid-connected ten PV power plants with a total installed capacity of 14.1 MWp in the municipality of Püspökladány, Hungary, expanding the Group's current installed base in Hungary to 49.1 MWp. We are proud that even in these unprecedented times, under the shadow of the pandemic, our dedicated team safely managed to stay right on schedule, taking Photon Energy one step closer to the goal of 75 MWp of PV power plants in Hungary within our proprietary portfolio by the end of 2021. Photon Energy delivered the engineering, procurement and construction services for all of the above-mentioned power plants through its subsidiary Photon Energy Solutions HU Kft. The Group's subsidiary Photon Energy Operations HU Kft. is providing long-term monitoring and operations and maintenance services to the power plants.

#### **Long-term financing secured for additional 17.6 MWp in Hungary**

During the reporting period, the Company had closed its first long-term non-recourse project financing agreement with CIB Bank, a subsidiary of the Italian Intesa Sanpaolo Group and the second-largest commercial Hungarian bank, for its Hungarian PV power plants with a combined capacity of 2.1 MWp in the location of Nagyecsed and 1.4 MWp in Kunszentmárton, for a period of 15 years. The financing for these five power plants amounted to HUF 1.0 billion (EUR 2.8 million).

Shortly after the reporting period, the Company closed, in addition, a long-term non-recourse project financing agreement with CIB Bank for the above-mentioned ten METÁR-licensed PV power plants with a capacity of 14.1 MWp in total. The financing will total HUF 4.6 billion (EUR 12.9 million). With these financing agreements, all our Hungarian projects have now been successfully refinanced long-term on a non-recourse project-level basis. This will free up substantial liquidity that will allow us to continue our plans for ongoing growth as we further expand our portfolio.

#### **Photon Energy made debut on the regulated markets of the Warsaw and Prague Stock Exchanges**

The admission to listing and trading of the Company's shares on the regulated markets of the Warsaw Stock Exchange and Prague Stock Exchange followed the approval of the Company's

securities prospectus by the Dutch regulator, (Autoriteit Financiële Markten, the AFM) on 14 December 2020, allowing for the transfer of shares from the unregulated stock markets New-Connect (WSE) and Free Market.

The trading of the shares commenced on 5 January 2021 under the ISIN code NL0010391108; the listings did not involve any issuance of new shares.

#### **Admission to listing and trading of the Company's shares on the Quotation Board of the Frankfurt Stock Exchange**

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

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

#### **Photon Energy led financing round in Lerta**

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

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

The synergies between both companies extend beyond the Polish market; most importantly to markets where Photon Energy has already been present and dynamically developing, such as Hungary and Romania.

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

## **2.2 Strategy and its execution**

The objective of the Group's strategy remains the expansion of recurring revenue streams while increasing the Group's and its customers' value. The Group's strategic goals include:

- ▶ increase the production of clean energy by expanding the Group's global electricity generation capacity of the proprietary portfolio of photovoltaic power plants; the Group intends to continue to acquire new PV projects to develop, design and construct them for the proprietary portfolio sup-

porting the growth of recurring revenue stream from clean electricity generation;

- ▶ designing customised, decentralised energy storage solutions using the available PV technology; the Group intends to compete for PV projects, which aim to address the needs for provision of clean energy in locations which require tailor-made approach to design complete energy systems, which would combine generation of clean energy with ener-

gy storage solutions; such PV projects require an integrated approach in application of PV technology;

- ▶ providing O&M services to increase revenues and reduce risks of the Group's customers; provision of O&M services that the PV power plants run smoothly at high generation levels; this shall increase revenues from the Group's proprietary portfolio as well as revenue streams of the Group's customers;
- ▶ procure and trade the PV components through co-operation with PV technology manufacturers; and
- ▶ remediate contaminated sites and ground water pollution deploying water treatment technology.

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

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

## 2.3 Proprietary portfolio, generation results and O&M services

### Proprietary portfolio

The table below presents the portfolio of operating power plants owned directly or indirectly by Photon Energy N.V. at the end of the reporting period i.e. as of 31 December 2020, consisting of 84 power plants in the Czech Republic, Slovakia, Hungary and

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

**Table 1. The proprietary portfolio of Photon Energy N.V. as of 31 December 2020**

Nr	Proprietary portfolio	Legal entity	Country	Cap. (kWp)	Share	Cap. Pro-rata (kWp)	Completed
1	Komorovice	Exit 90 s.r.o.	CZ	2,354	100%	2,354	Dec.10
2	Zvíkov I	Photon SPV8 s.r.o.	CZ	2,031	100%	2,031	Nov.10
3	Dolní Dvořiště	Photon SPV10 s.r.o.	CZ	1,645	100%	1,645	Dec.10
4	Svatoslav	Photon SPV4 s.r.o.	CZ	1,231	100%	1,231	Dec.10
5	Slavkov	Photon SPV6 s.r.o.	CZ	1,159	100%	1,159	Dec.10
6	Mostkovice SPV 1	Photon SPV1 s.r.o.	CZ	210	100%	210	Dec.10
7	Mostkovice SPV 3 <sup>1</sup>	Photon SPV3 s.r.o.	CZ	926	100%	926	Dec.09
8	Zdice I	Onyx Energy I s.r.o.	CZ	1,499	100%	1,499	Dec.10
9	Zdice II	Onyx Energy projekt II s.r.o.	CZ	1,499	100%	1,499	Dec.10
10	Radvanice	Photon SPV11 s.r.o.	CZ	2,305	100%	2,305	Dec.10
11	Břeclav rooftop	Photon SPV1 s.r.o.	CZ	137	100%	137	Dec.10
12	Babiná II	Sun4Energy ZVB s.r.o.	SK	999	100%	999	Dec.10
13	Babina III	Sun4Energy ZVC s.r.o.	SK	999	100%	999	Dec.10
14	Prša I.	Fotonika s.r.o.	SK	999	100%	999	Dec.10
15	Blatna	ATS Energy s.r.o.	SK	700	100%	700	Dec.10
16	Mokra Luka 1	EcoPlan 2 s.r.o.	SK	963	100%	963	Jun.11
17	Mokra Luka 2	EcoPlan 3 s.r.o.	SK	963	100%	963	Jun.11
18	Jovice 1	Photon SK SPV2 s.r.o.	SK	979	100%	979	Jun.11
19	Jovice 2	Photon SK SPV3 s.r.o.	SK	979	100%	979	Jun.11
20	Brestovec	Photon SK SPV1 s.r.o.	SK	850	50%	425	Jun.11
21	Polianka	Solarpark Polianka s.r.o.	SK	999	50%	500	Jun.11
22	Myjava	Solarpark Myjava s.r.o.	SK	999	50%	500	Jun.11
23	Symonston	Photon Energy AUS SPV 1 Pty. Ltd.	AUS	144	100%	144	Feb.13
24	Tizsakécske 1	Ekopanel Befektetési Kft.	HU	689	100%	689	Dec-18
25	Tizsakécske 2	Onyx-sun Kft.	HU	689	100%	689	Dec-18
26	Tizsakécske 3	Solarkit Befektetesi Kft.	HU	689	100%	689	Dec-18
27	Tizsakécske 4	Energy499 Invest Kft.	HU	689	100%	689	Dec-18
28	Tizsakécske 5	Green-symbol Invest Kft.	HU	689	100%	689	Dec-18
29	Tizsakécske 6	Montagem Befektetési Kft.	HU	689	100%	689	Dec-18
30	Tizsakécske 7	SunCollector Kft.	HU	689	100%	689	Dec-18
31	Tizsakécske 8	Future Solar Energy Kft.	HU	689	100%	689	Dec-18
32	Almásfűzítő 1	Ráció Master Kft.	HU	695	100%	695	Mar-19

Nr	Proprietary portfolio	Legal entity	Country	Cap. (kWp)	Share	Cap. Pro-rata (kWp)	Completed
33	Almásfűzítő 2	Ráció Master Kft.	HU	695	100%	695	Mar-19
34	Almásfűzítő 3	Ráció Master Kft.	HU	695	100%	695	Mar-19
35	Almásfűzítő 4	Ráció Master Kft.	HU	695	100%	695	Mar-19
36	Almásfűzítő 5	Ráció Master Kft.	HU	695	100%	695	Mar-19
37	Almásfűzítő 6	Ráció Master Kft.	HU	660	100%	660	Mar-19
38	Almásfűzítő 7	Ráció Master Kft.	HU	691	100%	691	Mar-19
39	Almásfűzítő 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
47	Fertőd II No 5	Ráció Master Kft.	HU	691	100%	691	Nov-19
48	Fertőd II No 6	Photon Energy HU SPV 1 Kft.	HU	699	100%	699	Nov-19
49	Kunszentmárton I No 1	Ventiterra Kft.	HU	697	100%	697	Nov-19
50	Kunszentmárton I No 2	Ventiterra Kft.	HU	697	100%	697	Nov-19
51	Kunszentmárton II No 1	Ventiterra Alpha Kft.	HU	693	100%	693	May-20
52	Kunszentmárton II No 2	Ventiterra Beta Kft.	HU	693	100%	693	May-20
53	Taszár 1	Optisolar Kft.	HU	701	100%	701	Dec-19
54	Taszár 2	Optisolar Kft.	HU	701	100%	701	Dec-19
55	Taszár 3	Optisolar Kft.	HU	701	100%	701	Dec-19
56	Monor 1	Photon Energy HU SPV 1 Kft.	HU	688	100%	688	Oct-19
57	Monor 2	Photon Energy HU SPV 1 Kft.	HU	696	100%	696	Oct-19
58	Monor 3	Photon Energy HU SPV 1 Kft.	HU	696	100%	696	Oct-19
59	Monor 4	Photon Energy HU SPV 1 Kft.	HU	696	100%	696	Oct-19
60	Monor 5	Photon Energy HU SPV 1 Kft.	HU	688	100%	688	Oct-19
61	Monor 6	Photon Energy HU SPV 1 Kft.	HU	696	100%	696	Oct-19
62	Monor 7	Photon Energy HU SPV 1 Kft.	HU	696	100%	696	Oct-19
63	Monor 8	Photon Energy HU SPV 1 Kft.	HU	696	100%	696	Oct-19
64	Tata 1	Tataimmo Kft.	HU	672	100%	696	Mar-20
65	Tata 2	ALFEMO Beta Kft.	HU	676	100%	696	Mar-20
66	Tata 3	ALFEMO Gamma Kft.	HU	667	100%	696	Feb-20
67	Tata 4	Tataimmo Kft.	HU	672	100%	696	Mar-20
68	Tata 5	Öreghal Kft.	HU	672	100%	696	Mar-20
69	Tata 6	Tataimmo Kft.	HU	672	100%	696	Feb-20
70	Tata 7	European Sport Contact Kft.	HU	672	100%	696	Feb-20
71	Tata 8	Tataimmo Kft.	HU	672	100%	696	Mar-20
72	Malyi 1	Zuggo - Dulo Kft.	HU	695	100%	695	May-20
73	Malyi 2	Egespart Kft.	HU	695	100%	695	May-20
74	Malyi 3	Zempenimpex Kft.	HU	695	100%	695	May-20
75	Puspokladány 1	Ladány Solar Alpha Kft.	HU	1,406	100%	1,406	Nov-20
76	Puspokladány 2	Ladány Solar Alpha Kft.	HU	1,420	100%	1,420	Oct-20
77	Puspokladány 3	Ladány Solar Alpha Kft.	HU	1,420	100%	1,420	Oct-20
78	Puspokladány 4	Ladány Solar Beta Kft.	HU	1,406	100%	1,406	Oct-20
79	Puspokladány 5	Ladány Solar Beta Kft.	HU	1,420	100%	1,420	Oct-20
80	Puspokladány 6	Ladány Solar Beta Kft.	HU	1,394	100%	1,394	Oct-20
81	Puspokladány 7	Ladány Solar Gamma Kft.	HU	1,406	100%	1,406	Nov-20
82	Puspokladány 8	Ladány Solar Gamma Kft.	HU	1,420	100%	1,420	Oct-20
83	Puspokladány 9	Ladány Solar Delta Kft.	HU	1,406	100%	1,406	Oct-20
84	Puspokladány 10	Ladány Solar Delta Kft.	HU	1,420	100%	1,420	Oct-20
<b>Total</b>				<b>74,667</b>			

<sup>1</sup> 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 2020 amounted to 7.7 GWh, which was 11.2% higher YOY (+59.9%

YOY YTD) but 25.5% below energy forecasts due to unfavourable weather conditions. Detailed generation results for each power plant are published on a monthly basis in our monthly reports.

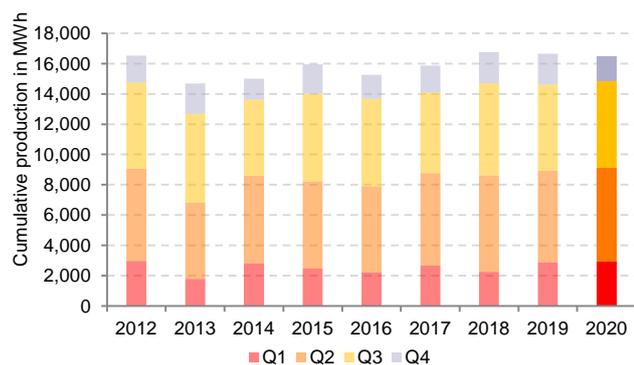
**Table 2. Generation results versus projections between 1 October and 31 December 2020**

Project name	Capacity	Feed-in-Tariff	Prod. Q4 2020	Proj. Q4 2020	Perf.	YTD Prod.	YTD Proj.	Perf.	YTD YoY
Unit	kWp	per MWh, in 2020	kWh	kWh	%	kWh	kWh	%	%
Komorovice	2,354	CZK 14,821	242,336	282,418	-14.2%	2,533,440	2,299,957	10.2%	-1.7%
Zvikov I	2,031	CZK 14,821	252,858	272,110	-7.1%	2,368,378	2,040,446	16.1%	1.5%
Dolní Dvořiště	1,645	CZK 14,821	194,697	211,244	-7.8%	1,706,003	1,682,302	1.4%	-1.4%
Svatoslav	1,231	CZK 14,821	98,820	126,437	-21.8%	1,199,967	1,218,992	-1.6%	-1.2%
Slavkov	1,159	CZK 14,821	125,293	154,509	-18.9%	1,337,104	1,194,928	11.9%	-1.9%
Mostkovice SPV 1	210	CZK 14,821	17,976	24,708	-27.2%	216,392	185,971	16.4%	-4.8%
Mostkovice SPV 3*	926	CZK 15,922	76,601	101,711	-24.7%	965,959	881,993	9.5%	-3.9%
Zdice I	1,499	CZK 14,821	174,286	200,136	-12.9%	1,725,258	1,485,803	16.1%	0.9%
Zdice II	1,499	CZK 14,821	177,173	202,201	-12.4%	1,753,034	1,487,868	17.8%	0.1%
Radvanice	2,305	CZK 14,821	211,115	279,666	-24.5%	2,479,235	2,276,677	8.9%	-5.1%
Břeclav rooftop	137	CZK 14,821	15,352	19,336	-20.6%	159,365	130,531	22.1%	23.3%
<b>Total Czech PP</b>	<b>14,996</b>		<b>1,586,507</b>	<b>1,874,476</b>	<b>-15.4%</b>	<b>16,444,134</b>	<b>14,885,468</b>	<b>10.5%</b>	<b>-1.3%</b>
Babiná II	999	EUR 425.12	80,556	105,122	-23.4%	960,661	937,783	2.4%	2.3%
Babina III	999	EUR 425.12	82,850	108,300	-23.5%	974,833	940,961	3.6%	0.2%
Prša I.	999	EUR 425.12	83,763	118,623	-29.4%	1,004,921	955,323	5.2%	-4.1%
Blatna	700	EUR 425.12	61,278	77,411	-20.8%	711,213	690,060	3.1%	-0.1%
Mokra Luka 1	963	EUR 382.61	121,912	155,301	-21.5%	1,157,862	1,009,979	14.6%	-1.0%
Mokra Luka 2	963	EUR 382.61	120,153	161,110	-25.4%	1,170,153	1,015,788	15.2%	-1.1%
Jovice 1	979	EUR 382.61	75,730	101,185	-25.2%	872,427	929,012	-6.1%	-5.0%
Jovice 2	979	EUR 382.61	74,423	99,936	-25.5%	866,422	927,763	-6.6%	-5.2%
Brestovec	850	EUR 382.61	92,536	123,158	-24.9%	1,034,152	847,782	22.0%	1.8%
Polianka	999	EUR 382.61	85,559	107,247	-20.2%	978,243	954,852	2.4%	1.1%
Myjava	999	EUR 382.61	105,603	131,958	-20.0%	1,144,737	1,002,977	14.1%	3.8%
<b>Total Slovak PP</b>	<b>10,429</b>		<b>984,364</b>	<b>1,289,352</b>	<b>-23.7%</b>	<b>10,875,626</b>	<b>10,212,280</b>	<b>6.5%</b>	<b>-0.6%</b>
Tiszakécske 1	689	HUF 33,360	85,821	117,073	-26.7%	855,079	851,990	0.4%	-0.5%
Tiszakécske 2	689	HUF 33,360	86,830	119,506	-27.3%	859,470	857,480	0.2%	-0.8%
Tiszakécske 3	689	HUF 33,360	79,883	110,398	-27.6%	834,223	834,185	0.0%	0.1%
Tiszakécske 4	689	HUF 33,360	87,530	119,506	-26.8%	861,553	857,480	0.5%	-0.8%
Tiszakécske 5	689	HUF 33,360	86,030	117,073	-26.5%	845,733	851,990	-0.7%	-1.9%
Tiszakécske 6	689	HUF 33,360	86,419	119,506	-27.7%	857,044	857,480	-0.1%	-0.6%
Tiszakécske 7	689	HUF 33,360	86,621	116,799	-25.8%	856,465	851,365	0.6%	-0.3%
Tiszakécske 8	689	HUF 33,360	84,715	115,625	-26.7%	849,802	848,515	0.2%	-0.9%
Almásfűzitő 1	695	HUF 33,360	76,763	115,597	-33.6%	832,601	847,242	-1.7%	9.6%
Almásfűzitő 2	695	HUF 33,360	73,292	115,410	-36.5%	812,649	846,643	-4.0%	9.3%
Almásfűzitő 3	695	HUF 33,360	76,736	113,757	-32.5%	803,019	842,547	-4.7%	7.6%
Almásfűzitő 4	695	HUF 33,360	77,063	116,354	-33.8%	838,208	849,279	-1.3%	8.6%
Almásfűzitő 5	695	HUF 33,360	81,000	114,059	-29.0%	849,837	843,641	0.7%	8.8%
Almásfűzitő 6	660	HUF 33,360	79,530	109,684	-27.5%	842,797	811,429	3.9%	8.8%
Almásfűzitő 7	691	HUF 33,360	78,001	113,258	-31.1%	841,252	838,683	0.3%	8.6%
Almásfűzitő 8	668	HUF 33,360	77,103	111,532	-30.9%	843,730	821,158	2.7%	7.8%
Nagyecsed 1	689	HUF 33,360	90,818	112,587	-19.3%	844,563	832,431	1.5%	98.2%
Nagyecsed 2	689	HUF 33,360	91,430	112,587	-18.8%	843,534	832,431	1.3%	96.0%
Nagyecsed 3	689	HUF 33,360	92,034	112,168	-18.0%	850,638	832,847	2.1%	98.3%
Fertod I	528	HUF 33,360	65,763	79,430	-17.2%	680,039	617,105	10.2%	2.2%
Fertod II No 2	699	HUF 33,360	95,513	108,876	-12.3%	881,177	840,431	4.8%	nm
Fertod II No 3	699	HUF 33,360	95,693	108,876	-12.1%	881,500	840,431	4.9%	nm
Fertod II No 4	699	HUF 33,360	95,368	108,876	-12.4%	879,054	840,431	4.6%	nm
Fertod II No 5	691	HUF 33,360	94,650	111,108	-14.8%	876,033	845,163	3.7%	nm

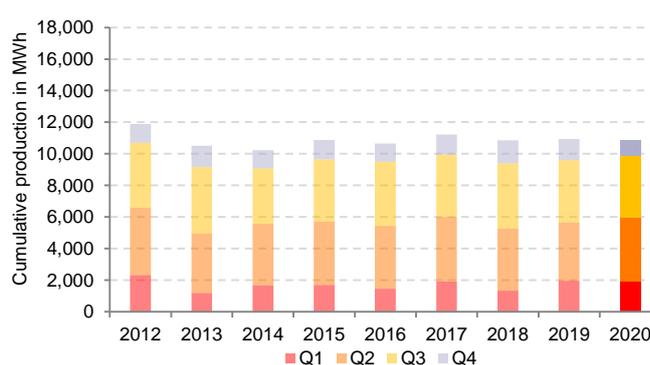
Project name	Capacity	Feed-in-Tariff	Prod. Q4 2020	Proj. Q4 2020	Perf.	YTD Prod.	YTD Proj.	Perf.	YTD YoY
Unit	kWp	per MWh, in 2020	kWh	kWh	%	kWh	kWh	%	%
Fertod II No 6	699	HUF 33,360	94,985	108,876	-12.8%	873,453	840,431	3.9%	nm
Kunszentmárton I No 1	697	HUF 33,360	94,724	123,177	-23.1%	885,707	892,642	-0.8%	nm%
Kunszentmárton I No 2	697	HUF 33,360	90,399	123,254	-26.7%	879,637	892,779	-1.5%	nm%
Kunszentmárton II No 1	693	HUF 33,360	96,266	116,117	-17.1%	521,697	600,149	-13.1%	na
Kunszentmárton II No 2	693	HUF 33,360	96,444	116,316	-17.1%	587,897	600,149	-2.0%	na
Taszár 1	701	HUF 33,360	106,925	130,574	-18.1%	894,561	892,456	0.2%	nm
Taszár 2	701	HUF 33,360	107,333	130,574	-17.8%	902,080	892,456	1.1%	nm
Taszár 3	701	HUF 33,360	107,088	130,574	-18.0%	898,453	892,456	0.7%	nm
Monor 1	688	HUF 33,360	85,294	112,926	-24.5%	846,661	859,230	-1.5%	nm
Monor 2	696	HUF 33,360	85,717	116,038	-26.1%	850,768	869,858	-2.2%	nm
Monor 3	696	HUF 33,360	84,658	116,038	-27.0%	849,069	869,858	-2.4%	nm
Monor 4	696	HUF 33,360	85,365	116,038	-26.4%	855,793	869,858	-1.6%	nm
Monor 5	688	HUF 33,360	83,692	109,827	-23.8%	856,828	853,271	0.4%	nm
Monor 6	696	HUF 33,360	85,803	116,038	-26.1%	859,776	869,858	-1.2%	nm
Monor 7	696	HUF 33,360	85,071	116,038	-26.7%	869,024	869,858	-0.1%	nm
Monor 8	696	HUF 33,360	83,003	116,038	-28.5%	854,896	869,858	-1.7%	nm
Tata 1	672	HUF 33,360	75,523	102,677	-26.4%	837,341	861,188	-2.8%	na
Tata 2	676	HUF 33,360	79,808	114,603	-30.4%	735,103	765,090	-3.9%	na
Tata 3	667	HUF 33,360	79,837	109,753	-27.3%	755,444	767,004	-1.5%	na
Tata 4	672	HUF 33,360	77,248	105,874	-27.0%	845,176	881,182	-4.1%	na
Tata 5	672	HUF 33,360	76,321	106,368	-28.2%	848,272	887,026	-4.4%	na
Tata 6	672	HUF 33,360	75,270	104,111	-27.7%	855,506	889,404	-3.8%	na
Tata 7	672	HUF 33,360	74,817	102,762	-27.2%	848,062	880,454	-3.7%	na
Tata 8	672	HUF 33,360	76,595	104,717	-26.9%	841,870	874,280	-3.7%	na
Malyi 1	695	HUF 33,360	78,484	108,463	-27.6%	558,751	586,724	-4.8%	na
Malyi 2	695	HUF 33,360	79,449	108,781	-27.0%	555,041	587,505	-5.5%	na
Malyi 3	695	HUF 33,360	79,668	108,781	-26.8%	562,711	587,505	-4.2%	na
Puspokladány 1	1,406	HUF 33,360	46,226	88,655	-47.9%	46,226	88,655	-47.9%	na
Puspokladány 2	1,420	HUF 33,360	68,031	123,537	-44.9%	68,031	123,537	-44.9%	na
Puspokladány 3	1,420	HUF 33,360	64,638	119,268	-45.8%	64,638	119,268	-45.8%	na
Puspokladány 4	1,406	HUF 33,360	125,703	224,710	-44.1%	125,703	224,710	-44.1%	na
Puspokladány 5	1,420	HUF 33,360	123,120	216,082	-43.0%	123,120	216,082	-43.0%	na
Puspokladány 6	1,394	HUF 33,360	67,514	126,413	-46.6%	67,514	126,413	-46.6%	na
Puspokladány 7	1,406	HUF 33,360	46,222	90,469	-48.9%	46,222	90,469	-48.9%	na
Puspokladány 8	1,420	HUF 33,360	65,969	119,904	-45.0%	65,969	119,904	-45.0%	na
Puspokladány 9	1,406	HUF 33,360	68,505	129,738	-47.2%	68,505	129,738	-47.2%	na
Puspokladány 10	1,420	HUF 33,360	64,838	119,268	-45.6%	64,838	119,268	-45.6%	na
<b>Total Hungarian PP</b>	<b>49,098</b>		<b>5,091,160</b>	<b>7,133,025</b>	<b>-28.6%</b>	<b>42,490,343</b>	<b>43,352,949</b>	<b>-2.0%</b>	<b>165.2%</b>
Symonston	144	AUD 301.60	21,656	22,709	-4.6%	169,277	179,613	-5.8%	6.1%
<b>Total Australian PP</b>	<b>144</b>		<b>21,656</b>	<b>22,709</b>	<b>-4.6%</b>	<b>169,277</b>	<b>179,613</b>	<b>-5.8%</b>	<b>6.1%</b>
<b>Total</b>	<b>74,667</b>		<b>7,683,687</b>	<b>10,319,562</b>	<b>-25.5%</b>	<b>69,979,380</b>	<b>68,630,309</b>	<b>2.0%</b>	<b>59.9%</b>

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

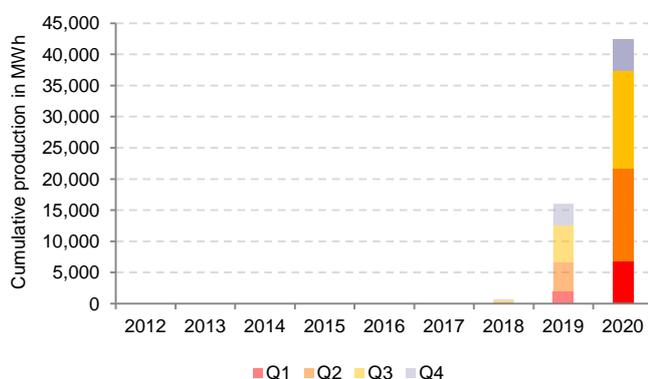
**Chart 1.a Total production of the Czech portfolio**



**Chart 1.b Total production of the Slovak portfolio**



**Chart 1.c Total production of Hungarian portfolio**



**O&M services**

Photon Energy remained focused on further expanding its Operations & Maintenance business in Europe. As of the end of Q4 2020, full O&M services contracts amounted to approximately 249.1 MWp, up by 15.7% YOY, as a result of the capacity added to our proprietary portfolio in Püspökladány, Hungary (14.1 MWp). This can be broken down geographically into 135.3 MWp operated in the Czech Republic, 77.1 MWp in Hungary, 15.3 MWp in Slovakia, 15.0 MWp in Romania and 4.5 MWp in Australia. The O&M portfolio divides into 172.5 MWp serviced for external clients and 74.7 MWp of PV capacity from the proprietary portfolio.

As far as the “Inverter Cardio” services contracts are concerned, the Group is servicing 62.2 MWp of central inverters (+3.3% compared to last year). In detail, at the end of Q4 2020, the total capacity of central inverters serviced can be divided regionally into 21.3 MWp in France, 14.0 MWp in Italy, 10.2 MWp in Belgium, 7.5 MWp in the Czech Republic, 5.5 MWp in Slovakia, 2.0 MWp in Slovenia and 1.8 MWp in Germany. In some countries like France or Germany the Group is holding a leading market position while in Belgium in particular, the Group is servicing all of the Satcon inverters ever installed.

**2.5 Reporting on Photon Energy’s project pipeline**

Project development is a crucial activity in Photon Energy’s business model of covering the entire value chain of PV power plants. The main objective of project development activities is to expand the PV proprietary portfolio, which provides recurring revenues and free cash flows to the Group. For financial or strategic reasons Photon Energy may decide to cooperate with third-party investors either on a joint-venture basis or with the goal of exiting the projects to such investors entirely. Ownership of project rights provides Photon Energy with a high level of control and allows locking in EPC (one-off) and O&M (long-term)

services. Hence, project development is a key driver for Photon Energy’s future growth. The Group’s experience in project development and financing in the Czech Republic, Slovakia, Germany, Italy and Hungary is an important factor in selecting attractive markets and reducing the inherent risks related to project development.

Photon Energy is currently developing PV projects in Australia (594.6 MWp), Hungary (96.6 MWp), Romania (105.2 MWp) and Poland (24.9 MWp), and is evaluating further markets for opportunities.

Country	1. Feasibility*	2. Early development	3. Advanced development	4. Ready-to-build technical	5. Under construction	Total in MWp
 Australia	-	200.0	380.0	-	14.6	594.6
 Hungary	68.0	27.2	1.4	-	-	96.6
 Romania	27.7	77.5	-	-	-	105.2
 Poland	4.6	20.3	-	-	-	24.9
<b>Total in MWp</b>	<b>100.3</b>	<b>325.0</b>	<b>381.4</b>	<b>-</b>	<b>14.6</b>	<b>821.3</b>

\*Development phases are described in the glossary available at the end of this chapter.

PV projects have two definitions of capacity. The grid connection capacity is expressed as the maximum of kilowatts or megawatts which can be fed into the grid at any point in time. Electricity grids run on alternating current (AC). Solar modules produce direct current (DC), which is transformed into AC by inverters. Heat, cable lines, inverters and transformers lead to energy losses in the system between the solar modules and the grid connection point. Cumulatively system losses typically add up to 15-20%. Therefore, for a given grid connection capacity a larger module capacity (expressed in Watt peak – Wp) can be installed without

exceeding the grid connection limit. At times of extremely high production, inverters can reduce the volume of electricity so that the plant stays within the grid connection limits. Photon Energy will refer to the installed DC capacity of projects expressed in Megawatt peak (MWp) in its reporting, which might fluctuate over the project development process.

Projects having reached an advanced development phase, as well as projects for which sufficient details can be disclosed are described in the table below:

Country	Location	Dvt Phase	Project function	Share	MWp	Commercial Model	Land	Grid connection	Construction permit	Expected RTB
Australia	Leeton	5	Own portfolio	100%	7.3	Merchant	Secured	Secured	Secured	Commissioning process in progress
Australia	Fivebough	5	Own Portfolio	100%	7.3	Merchant	Secured	Secured	Secured	Commissioning process in progress
Hungary	Tolna 1	3	Own portfolio	100%	1.4	Contract-for-difference	Secured	Secured	Secured	Q3 2021
Hungary	Tolna 2	2	Own Portfolio	100%	27.2	All options open	Secured for some projects	Secured	Secured	Q3 2021
Australia	Gunning	3	Developer	49%	220	Co-development & financing agreement with Canadian Solar	Secured	Ongoing	Ongoing	Q2 2021
Australia	Maryvale	3	Developer	25%	160		Secured	Ongoing	Secured	Q2 2021
Australia	Suntop 2	2	Developer	25%	200		Ongoing	Ongoing	Ongoing	Q2 2021

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

## Australia

As of the date of publishing this report, Photon Energy has five large scale solar farms at different stages of development in New South Wales ("NSW"). The project pipeline is still among the largest pipelines of Solar projects in NSW representing a total planned capacity of 595 MWp.

Three of these projects are being co-developed with Canadian Solar as part of an agreement concluded in 2018 (to date, two other projects, Suntop 1 with 189MW and Gunnedah with 146MW, have been successfully developed and sold in the scope of this agreement):

- ▶ **Gunning (220 MWp):** The process of securing construction permit is ongoing. We have redefined and 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. In parallel we are in discussions with Transgrid regarding the grid connection specifications. GPS studies will follow.
- ▶ **Maryvale (160 MWp):** Development Approval was granted on 4 December 2019. The grid connection options are still in progress with Essential Energy. We are currently prepar-

ing for Grid Protection Study (GPS) and it is expected that project development can be completed within 2021.

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

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

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

Photon Energy Engineering Australia Pty Ltd. is acting as engineering, procurement and construction (EPC) contractor for both projects. After commissioning long-term O&M

services will be provided by Photon Energy Operations Australia Pty Ltd.

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

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



- ▶ **Construction status:** The project works are now completed and we are finalising the commissioning process. We intend to connect both plants by the end of February 2021 and begin injection of electricity during the following weeks.

Glossary of terms	Definitions
<b>Development phase 1:</b> "Feasibility"	LOI or MOU signed, location scouted and analyzed, working on land lease/purchase, environmental assessment and application for grid connection.
<b>Development phase 2:</b> "Early development"	Signing of land option, lease or purchase agreement, Environmental assessment (environmental impact studies "EIS" for Australia), preliminary design. Specific to Europe: Application for Grid capacity, start work on permitting aspects (construction, connection line, etc.). Specific to Australia: community consultation, technical studies.
<b>Development phase 3:</b> "Advanced development"	In Europe: Finishing work on construction permitting, Receiving of MGT (HU)/ATR (ROM) Letter, Finishing work on permitting for connection line, etc. In Australia: Site footprint and layout finalised, Environmental Impact Statement and development application lodged. Grid connection studies and design submitted.
<b>Development phase 4:</b> "Ready-to-build technical"	In Europe: Project is technical ready to build, we work on offtake model (if not FIT or auction), securing financing (internal/external). In Australia: Development application approved, offer to connect to grid received and detailed design commenced. Financing and off-take models/arrangements (internal/external) under negotiation.
<b>Development phase 5:</b> "Under construction"	Procurement of components, site construction until the connection to the grid. On top for Australian projects, signature of Financing and off-take agreements, reception of Construction certificate, conclusion of connection agreement, EPC agreement, Grid connection works agreements.
<b>NSW Department for Planning and Environment (DP&amp;E)</b>	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)
<b>Independent Planning Committee (IPC)</b>	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.
<b>Essential Energy</b>	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.
<b>Transgrid</b>	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.
<b>Australian Energy Market Operator (AEMO)</b>	AEMO is responsible for operating Australia's largest gas and electricity markets and power systems. AEMO is overlooking all energy producers in NSW and is involved in the process of grid connection approval. AEMO reviews the grid connection terms and GPS studies and issues the license to feed electricity to the grid. AEMO also controls the on-going power generation to make sure that grid stability is maintained.

## Hungary

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

- ▶ **Tolna (28.6 MWp):** The thirteen projects with a total planned installed DC capacity of 28.6 MWp are located in the Tolna region in the south of Hungary. Two power plants have a grid connection capacity of 5.0 MW AC each, whereas 1 MW AC have been secured for each of the remaining eleven projects. The grid connection points have been secured and the negotiations for suitable land plots have been finalized for several projects. Grid connection plans have been initiated and already partially approved, to allow us to conclude grid connection agreements with E.ON. with a validity of two years.

Some of these projects have been submitted to the second METAR tender process, which took place in September and October 2020 in Hungary.

During the reporting period, on 8 December 2020, one of the 1MW AC (approx. 1.4 MWp DC) projects was granted a METAR premium of 24,470 HUF/MWh (approx. EUR 68 per MWh) with a maximum supported production of 21,585 MWh over a period of up to 15 years. This achievement results from the approval of the project application to the first pilot tender for the METAR system organized in September 2019.

The revenue model will either take the form of a contract-for-difference based on METAR licenses (for projects proving successful through the auction process), a PPA, or the direct sale of electricity through a trader on the Hungarian electricity market. Construction plans include the use of tracking technology allowing bi-facial solar modules to follow the course of the sun, which are expected to achieve a 15-20% higher specific performance than fixed installations.

Now the team has solidified grid capacity, land, and a commercial structure, the projects will continue to take shape as they move towards construction and realization.

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

## 2.6 Enterprise value & Share price performance

### 2.6.1 NewConnect (Warsaw Stock Exchange)

On 31 December 2020 the Company's shares (ISIN NL0010391108) closed at a price of PLN 12.70 (+2.4% compared to last quarter, +165.7% YTD), corresponding to a price to book ratio of 3.70. The Company also reports an average monthly trading volume of 364,072 shares in Q4 2020, compared to an average monthly trading volume of 1,777,183 shares in Q3 2020 and to an average of 839,328 during the past twelve months.

On 14 December 2020, the Dutch financial market regulating authority (Autoriteit Financiële Markten, "AFM") approved the

prospectus for listing of Photon Energy N.V. shares on the regulated markets of the Warsaw and Prague Stock Exchanges.

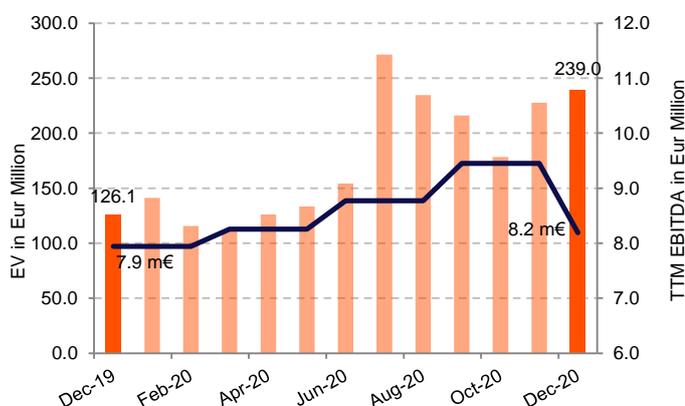
Trading of the Company's shares on the regulated markets of the Warsaw Stock Exchange (WSE) (Giełda Papierów Wartościowych w Warszawie) and Prague Stock Exchange (PSE) (Burza cenných papírů Praha) commenced on 5 January 2021.

The admission to listing and trading of the Company's shares on the Quotation Board of the Frankfurt Stock Exchange followed on 11 January 2021.

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



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

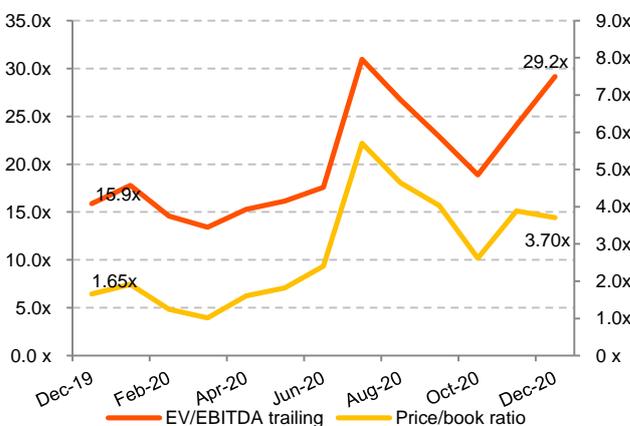


Notes:

EV – Enterprise value is calculated as the market capitalisation as of the end of the reporting month, plus net debt, defined as Non current liabilities, plus Current liabilities, minus Current assets. All the balance sheet data are taken from the last quarterly report.

The trailing 12 month EBITDA was adjusted to EUR 8.2 million, the sum of EBITDA reported in the last four quarterly reports including this reporting period, ie. Q1 2020, Q2 2020, Q3 2020 & Q4 2020.

Chart 4. 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.

### 2.6.2 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 December 2020 the share price (ISIN NL0010391108) closed at a level of CZK 80.00 (-5.9% compared to last quarter,

+90.5% YTD and 16.3x the reference price of CZK 4.90 on the first trading day on 17 October 2016), corresponding to a price to book ratio of 4.05. The Company reports an average monthly trading volume of 34,456 shares in Q4 2020 compared to 71,397 shares in Q3 2020 and to an average of 42,209 during the past twelve months.

### 2.6.3 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 December 2020 the share price (ISIN NL0010391108) closed at a level of EUR 2.82 (unchanged compared to last quarter), corresponding to a price to book ratio of 3.75. The Company reports a monthly trading volume of 100,657 shares in Q4 2020 compared to 305,810 in September and 1,340 in August.

## 2.7 Bond trading performance

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

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

7 September 2018, before the end of the public placement period originally set until 20 September 2018. The corporate bond (ISIN DE000A19MFH4) with a nominal value of EUR 1,000 has been traded on the Open Market of the Frankfurt Stock exchange since 27 October 2017. The bond is also listed on the stock exchanges in Berlin, Hamburg, Hannover, Munich and Stuttgart. The Group has successfully increased the bond placement by EUR 7.5 million in 2019, and EUR 7.5 million in 2020 with all parameters unchanged. The total outstanding bond volume amounts to EUR 45.0 million as of the end of the reporting period.

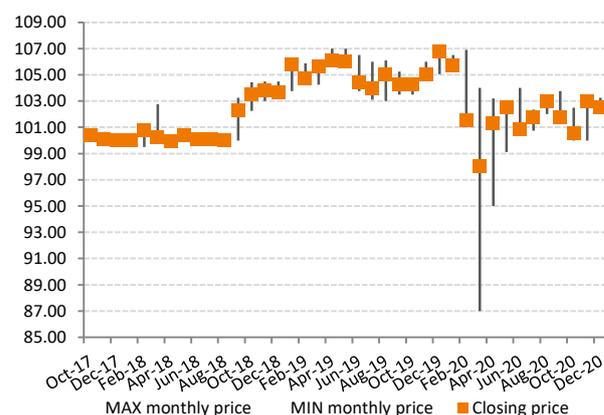
### 2.7.1 EUR Bond 2017-22 trading performance

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



In the trading period from 25 October 2017 until 31 December 2020, the trading volume amounted to EUR 48.653 million (nominal value, including the volume traded in Berlin, Munich & Stuttgart) with an opening price of 100.00 and a closing price of 102.50 in Frankfurt. During this period the average daily turnover amounted to EUR 60,665.

Chart 6. MIN, MAX and closing monthly prices



In Q4 2020, the trading volume amounted to EUR 2,511,000 (compared to EUR 3,075,000 during the last quarter), with an opening price of 101.75 and a closing price of 102.5 in Frankfurt. The average daily turnover in Q3 2020 amounted to EUR 46,591.

### 2.7.2 CZK Bond trading performance in Prague

In the trading period from 12 December 2016 until 31 December 2020 the trading volume amounted to CZK 15.090 million with a closing price of 100.00.

## 2.8. Financial statement analysis

### Profit and Loss statement

Financial results reflect a challenging Q4 2020. Despite a decrease in consolidated revenues by 34.2%, we still managed to record a positive total comprehensive income amounting to EUR 0.922 million, mirroring the value creation performed during a fourth quarter traditionally modest due to the seasonal characteristics of our business.

The decrease in revenues in Q4 2020 is primarily connected to lower revenues in the sale of technology (-48.0%), for which conditions remained challenging during this quarter due to fewer installations on the markets we serve. This decrease was only partially compensated by revenues from our growing proprietary portfolio of PV power plants. However, we managed to lift our gross profit margin to 35.8% (vs. 29.0% in Q4 2019) as revenue from our proprietary portfolio increased by 7.8% and partially compensated the contraction of the lower-margin revenues coming from the sale of PV technology.

Unaudited consolidated EBITDA turned negative from a profit of EUR 0.260 million in Q4 2019 to a loss of EUR -0.997 million in the reporting period, mainly due to lower revenues and to the expansion of our project development activities in new markets such as Poland and Romania and of our growing engineering team in Australia.

Depreciation increased as a result of the new power plants connected in Hungary over the past 12 months (+23.0 MWp), leading to a quarterly EBIT of EUR - 2.930 million in Q4 2020 compared to EUR -1.102 million one year ago.

Overall net financial expenses increased by 31.4% to EUR -1.363 million in Q4 2020 as a result of our business expansion in Hungary and Australia, which includes the refinancing of our Hungarian portfolio and Australian projects. The additional placement of our EUR Bond also contributed to that increase.

Net profit remained logically in the red with a net loss of EUR - 4.361 million in Q4 2020 compared to a loss of EUR - 2.521 million a year ago.

Since the beginning of 2020, concerns over the pandemic have triggered major disruptions for exchange rates, including high market volatility for the Hungarian Forint (HUF) and the Czech crown (CZK). In Q4 2020, we have recovered EUR 1.308 million of the valuation hit of EUR-4.817 million experienced in the first three quarters. We anticipate additional recovery in future quarters, as we continue to believe that this exceptional situation is mainly connected with the pandemic-induced uncertainty and that more stability will come once the crisis is over. As a reminder, these book entries, recorded in Other Comprehensive Income (OCI) are unrealized gains/losses and have no cash impact.

Further to the grid-connection of our power plants in Puspokladany and to their revaluation, a positive revaluation difference of EUR 4.528 million was recorded in Other Comprehensive Income (OCI) in accordance with IAS 16.

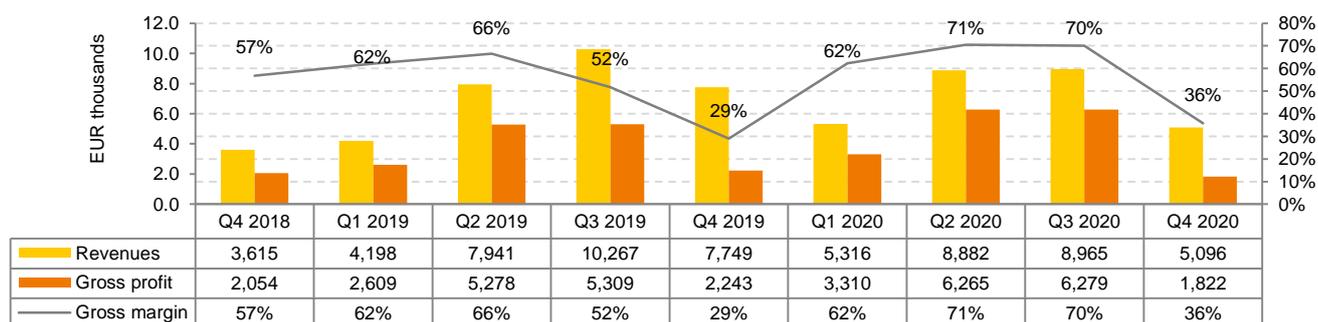
Hence, at the bottom line, Photon Energy ended this difficult fourth quarter of 2020 with a Total Comprehensive Income (TCI) of EUR 0.922 million compared to EUR 3.136 million a year earlier.

Year-to-date, Photon Energy closed the year 2020 with revenues amounting to EUR 28.258 million, representing a 6.3% decrease YOY, but managed to raise its EBITDA by 3.2% YoY to EUR 8.195 million. EBIT swung from a profit of EUR 1.147 million to a loss of EUR -0.116 million.

Photon Energy recorded a net loss of EUR -8.693 million compared to EUR 0.726 million in 2019. At the bottom line, TCI still amounted to EUR 2.084 million compared to EUR 8.064 million a year ago.

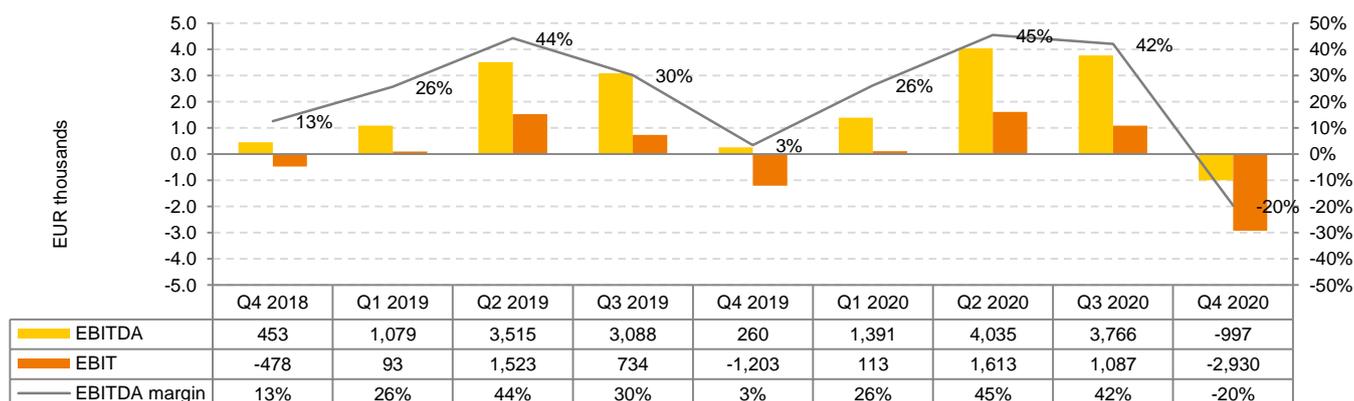
The adjusted equity ratio remained at a sound level of 29.0%.

Chart 7. Revenues, gross profit and gross margin



The data presented above are based on published quarterly reports, with Q4 2018 and Q4 2019 figures adjusted to be consistent with the annual audited figures made available after the publication of the 4<sup>th</sup> quarter.

**Chart 8. EBITDA, EBIT and EBITDA margin development**



**Balance Sheet**

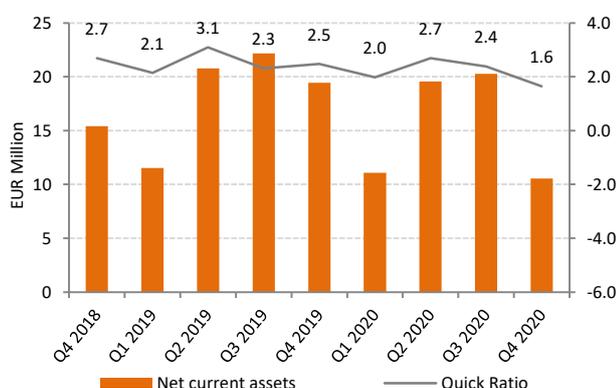
Switching to the balance sheet, Total fixed assets amounted to EUR 134.546 million at the end of Q4 2020, representing an increase of 26.4% YoY (+16.6% QoQ). This development is resulting from an increase of our assets in progress in Australia (Leeton project) and from the revaluation of our asset base further to the grid connection of the power plants constructed in Puspokladany, which were partly offset by the ongoing depreciation of our portfolio power plants. In Q4 2020, an equity investment in the company Lerta was recorded for EUR 0.9 million, coming on top of an investment in Raygen made in Q2 2020 for EUR 1.138 million.

Current assets decreased by 20.2% YOY and by 23.7% QoQ to EUR 25.373 million as of the end of Q4 2020, resulting primarily from a decrease in Work in progress further to the grid-connection of the power plants constructed in Hungary for our own portfolio.

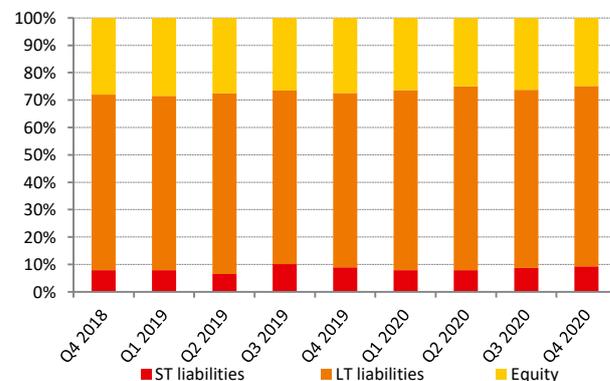
Long term liabilities increased by 19.7% YoY (9.0% QoQ) to EUR 105.438 at the end of Q4 2020, due to an increase in bank loans related to the refinancing drawdowns for our power plants in Australia in accordance with financing plans. As a reminder, our business model involves a large part of bank financing at the project level, where debt/equity ratios reach up to 80/20. Non-recourse financing is aligned with the life cycle of the power plants and is very long term, up to 15 years. Thus a higher level of debt is a specific of our industry. An additional bond placement of EUR 1.5 million also contributed to the above increase in Q4 2020.

Current liabilities amounted to EUR 14.827 million at the end of Q4 2020, corresponding to a 20.1% increase YoY and 14.1% QoQ, mainly due to an increase in bank loans and trade payables.

**Chart 9. Net current assets**



**Chart 10. Break down of liabilities and equity**



**Changes in equity**

Equity increased by 4.8% YOY (+1.9% QoQ) and amounted to EUR 39.654 million at the end of Q4 2020, reflecting the Total Comprehensive Income for the period. The adjusted equity ratio remained at a sound level of 29.0%.

**Cash Flow**

In Q4 2020, the Group posted a positive operating cash flow, which amounted to EUR 0.773 million, compared to EUR 1.404 million in Q4 2019, driven by a lower profit before taxation and by adjustments in the net working capital. On a year-to-date basis,

the operating cash flow amounted to EUR 5.818 million, compared to EUR 6.536 million in 2019.

Financial cash flow increased by EUR 4.104 million YoY to EUR 4.460 million in Q42020 due to the refinancing drawdowns for our power plants in Australia in accordance with the financing plan in place, planned repayments of bank loans and cash in from additional bond placements. The financial cash flow increased by EUR 2.610 million on a full year basis to EUR 13.251 million, mainly due to lower borrowing repayment.

Investment cash flow was negative and equalled to EUR -5.772 million in the reporting period, compared to EUR -3.378 million in Q4 2019, as a result of project development activities in Australia

and Hungary for power plants under construction and of the investment made in Lerta in Poland. On a year-to-date basis, EUR -20.171 million compared to EUR -14.410 million in 2019.

Overall, the cash position decreased compared to the end of 2019 (-7.3%) and to the position as of the end of Q3 2020 (+3.7%), amounting to EUR 14.002 million at the end of Q4 2020.

Taking the secured but not drawn down amount of approximately EUR 12.9 million for refinancing the Hungarian projects in Püspökladány into consideration, the company is financially well positioned to continue its growth initiatives as planned.

## 2.9 Financial forecasts

The Company does not publish financial forecasts.

### 3. General information about the Issuer

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

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

### 4. Share capital of the Issuer

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

#### Share capital as of 31 December 2020

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

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

### 5. Shareholder structure

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

Shareholdership as of 31.12.2020	No. of shares	% of capital	No. of votes at the Shareholders Meeting	% of votes at the Shareholders Meeting
Solar Future Cooperatief U.A.	21,775,116	36.29%	21,775,116	42.52%
Solar Power to the People Cooperatief U.A.	20,843,375	34.74%	20,843,375	40.70%
Photon Energy N.V.	8,784,000	14.64%	0	0.00%
Free float	8,597,509	14.33%	8,597,509	16.79%
<b>Total</b>	<b>60,000,000</b>	<b>100.00%</b>	<b>51,216,000</b>	<b>100.00%</b>

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 2020

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

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

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

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

These changes to the corporate structure of Photon Energy are connected to the transfer of the Company share listings from the alternative NewConnect and Free Market to the regulated (parallel) market of the Warsaw Stock Exchange and the standard market of the Prague Stock Exchange. The Company has implemented these changes in order to be in full compliance with the laws and regulations imposed on public companies as well as the best practices of the regulated markets.

## 7. Description of the Issuer's business

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

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

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

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

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

 Power plants owned by Photon Energy Group

 Power plants under O&M

 Other O&M services

 Offices



### Country-specific references

Currently Photon Energy is active with 136 professionals in nine countries across three continents (headquartered in Amsterdam), with a track record of building more than 100 MWp of grid-

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

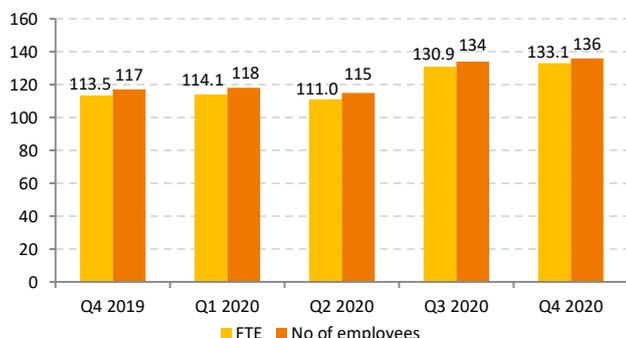
## 8. Implementation of innovative activities in the Company

None during the reporting period.

## 9. Employees

As of the end of Q4 2020, Photon Energy had 136 employees (compared to 117 employees at the end of Q4 2019) translating into 133.1 FTE (compared to 113.5 FTE as of the end of Q4 2019).

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



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

### Employee Share Purchase Programme

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

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

## 10. Group structure

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

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

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

Notes:

**Country of registration:**

AU – Australia

DE – Germany

PE – Peru

SK – Slovakia

CH – Switzerland

HU – Hungary

PL – Poland

UK – United Kingdom

CZ – Czech Republic

NL – Netherlands

RO – Romania

**Consolidation method:**

Full Cons. – Full Consolidation

Not Cons. – Not Consolidated

Equity – Equity Method

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

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

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

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

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

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

- ▶ On 30 October 2020, ALFEMO AG became 100% shareholder of Ladány Solar Alfa Kft.
- ▶ On 30 October 2020, ALFEMO AG became 100% shareholder of Ladány Solar Beta Kft.
- ▶ On 30 October 2020, ALFEMO AG became 100% shareholder of Ladány Solar Gamma Kft.
- ▶ On 30 October 2020, ALFEMO AG became 100% shareholder of Ladány Solar Delta Kft.
- ▶ On 12 November 2020, Photon Energy N.V. became 1% shareholder of Photon Energy Peru SAC.
- ▶ On 19 November 2020, ALFEMO AG became 100% shareholder of Hendon Solar Kft.
- ▶ On 19 November 2020, ALFEMO AG became 100% shareholder of Mayfair Solar Kft.
- ▶ On 25 November 2020, ALFEMO AG became 100% shareholder of Holborn Solar Kft.

- ▶ On 15 December 2020, Photon Energy N.V. became 100% shareholder of Photon Energy SGA Pty. Ltd.

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

- ▶ On 5 February 2021, Photon Energy N.V. became 100% shareholder of Photon Water Australia Pty. Ltd.

## 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 2020

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 report 17** – 14.10.2020 - Monthly report for September 2020.
- ▶ **EBI report 18** - 23.10.2020 - Convocation of an Extraordinary General Meeting of Shareholders on 4 December 2020.
- ▶ **EBI report 19** – 12.11.2020 - Quarterly report for Q3 2020.
- ▶ **EBI report 20** – 13.11. 2020: Monthly report for October 2020.
- ▶ **EBI report 21** - 04.12.2020 - Minutes of the EGM of shareholders held on 4 December 2020.
- ▶ **EBI report 22** – 14.12.2020 - Monthly report for November 2020.
- ▶ **EBI report 23** – 16.12.2020 - Publication dates of periodic reports in 2021.

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

- ▶ **ESPI report 26** – 05.10.2020 - Insider Trading Notification.
- ▶ **ESPI report 27** – 09.10.2020 - Insider Trading Notification.
- ▶ **ESPI report 28** – 12.10. 2020 - Photon Energy Connects First Two of Ten PV Power Plants in Püspökladány, Hungary to Grid.

- ▶ **ESPI report 29** – 16.10.2020: Insider Trading Notification.
- ▶ **ESPI report 30** - 02.11. 2020 - Photon Energy commissions an additional six PV power plants in Püspökladány, Hungary.
- ▶ **ESPI report 31** – 13.11. 2020 - Photon Energy completes commissioning of 14.1 MWp in its Hungarian portfolio.
- ▶ **ESPI report 32** – 03.12. 2020 - Non public report - List of all Shareholders entitled to vote on Extraordinary General Meeting of shareholders to be held on 4 December 2020.
- ▶ **ESPI report 33** – 04.12.2020 - Non public report - Correction made to the list of Shareholders entitled to vote on Extraordinary General Meeting of shareholders to be held on 4 December 2020.
- ▶ **ESPI report 34** – 04.12. 2020 - List of shareholders holding at least 5 percent of votes at the Extraordinary General Meeting of shareholders held on 4 December 2020.
- ▶ **ESPI report 35** – 14.12. 2020: Photon Energy receives prospectus approval for listing on regulated markets of the Warsaw and Prague Stock Exchanges.
- ▶ **ESPI report 36** – 16.12. 2020 - Photon Energy secures long-term financing for five PV power plants in Hungary.
- ▶ **ESPI report 37** – 30.12. 2020 - Registration of series A shares in the National Securities Depository (KDPW).
- ▶ **ESPI report 38** – 31.12. 2020 - Admission of securities to trading on the regulated market of the WSE and exclusion of shares from trading on NewConnect.

### 11.2 Summary of the key events after 31 December 2020

After the period covered by this report, no reports have been published in the EBI (Electronic Database Information) system of Warsaw Stock Exchange:

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

- ▶ **ESPI report 1** – 04.01.2021 - Admission of securities to trading on the regulated market of the Stock Exchange in Prague and exclusion of shares from trading on Free Market.
- ▶ **ESPI report 2** – 11.01.2021 - Shares of Photon Energy are listed on the Quotation Board of Frankfurt Stock Exchange.
- ▶ **ESPI report 3** – 11.01. 2021 - Photon Energy receives an access to Electronic Information Transfer System.
- ▶ **ESPI report 4** – 14.01.2021 - Monthly report for December 2020.
- ▶ **ESPI report 5** - 25.01.2021 - Photon Energy secures long-term financing for additional 14.1 MWp in Hungary.

These reports have also been provided to the Prague stock exchange

## 12. Detailed consolidated financial results for Q4 2020

The tables below present the consolidated and unaudited financial statements of Photon Energy N.V. for the period starting on 1 October 2020 and ending on 31 December 2020 and the corre-

sponding 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 2019	Q4 2020	Q4 2019	Q4 2020	Q4 2019	Q4 2020
<b>Total revenues</b>	<b>7,749</b>	<b>5,096</b>	<b>33,225</b>	<b>22,947</b>	<b>198,216</b>	<b>135,862</b>
<i>Out of that: Revenues from electricity generation</i>	1,908	2,057	8,182	9,265	48,812	54,855
<i>Out of that: Other revenues</i>	5,841	3,038	25,043	13,682	149,403	81,007
Costs of sale	-5,395	-3,190	-23,132	-14,367	-138,005	-85,064
Solar levy CZ	-110	-83	-473	-373	-2,824	-2,209
<b>Gross profit</b>	<b>2,243</b>	<b>1,822</b>	<b>9,619</b>	<b>8,207</b>	<b>57,386</b>	<b>48,589</b>
Other income	187	178	800	800	4,772	4,735
Administrative expenses	-553	-1,239	-2,372	-5,579	-14,150	-33,032
Personnel expenses	-1,358	-1,648	-5,823	-7,423	-34,740	-43,949
Other expenses	-259	-110	-1,110	-496	-6,620	-2,937
<b>EBITDA</b>	<b>260</b>	<b>-997</b>	<b>1,114</b>	<b>-4,492</b>	<b>6,648</b>	<b>-26,594</b>
Depreciation	-1,463	-1,932	-6,272	-8,702	-37,417	-51,523
<b>EBIT</b>	<b>-1,203</b>	<b>-2,930</b>	<b>-5,157</b>	<b>-13,194</b>	<b>-30,769</b>	<b>-78,117</b>
Interests income	30	38	129	170	770	1,007
Financial revenues	308	9	1,319	40	7,871	235
Interests cost	-1,365	-1,504	-5,854	-6,774	-34,924	-40,105
Financial expenses	-81	-3	-346	-13	-2,063	-79
Revaluation of derivatives	71	97	302	438	1,804	2,593
<b>Net finance expenses</b>	<b>-1,038</b>	<b>-1,363</b>	<b>-4,449</b>	<b>-6,139</b>	<b>-26,542</b>	<b>-36,349</b>
Share of profit from associates / J-Vs	-12	82	-52	368	-307	2,176
Disposal of investments	205	0	878	0	5,238	0
<b>Profit/loss before taxation</b>	<b>-2,048</b>	<b>-4,212</b>	<b>-8,780</b>	<b>-18,966</b>	<b>-52,379</b>	<b>-112,290</b>
Income tax – current	-513	-382	-2,199	-1,722	-13,119	-10,194
Income tax – deferred	-62	233	-264	1,050	-1,578	6,214
<b>Profit/loss from continuing operations</b>	<b>-2,622</b>	<b>-4,361</b>	<b>-11,243</b>	<b>-19,638</b>	<b>-67,077</b>	<b>-116,270</b>
Profit/loss from discontinued operations	0	0	0	0	0	0
<b>Profit/loss after taxation</b>	<b>-2,622</b>	<b>-4,361</b>	<b>-11,243</b>	<b>-19,638</b>	<b>-67,077</b>	<b>-116,270</b>
Other comprehensive income for the period	5,658	5,283	24,259	23,788	144,729	140,845
<b>Total comprehensive income for the period</b>	<b>3,036</b>	<b>922</b>	<b>13,016</b>	<b>4,151</b>	<b>77,653</b>	<b>24,575</b>
<b>Profit/loss after taxation</b>	<b>-2,622</b>	<b>-4,361</b>	<b>-11,243</b>	<b>-19,638</b>	<b>-67,077</b>	<b>-116,270</b>
<i>Attributable to the equity holders</i>	-2,622	-4,395	-11,243	-19,791	-67,077	-117,178
<i>Attributable to minority interest</i>	0	34	0	153	0	908
<b>Total comprehensive income for the period</b>	<b>3,036</b>	<b>922</b>	<b>13,016</b>	<b>4,151</b>	<b>77,653</b>	<b>24,575</b>
<i>Attributable to the equity holders</i>	3,036	888	13,016	3,997	77,653	23,667
<i>Attributable to minority interest</i>	0	34	0	153	0	908
Average no. of shares outstanding (in thousand)	51,150	51,217	51,150	51,217	51,150	51,217
Earnings per share outstanding	-0.051	-0.085	-0.220	-0.383	-1.311	-2.270
Comprehensive income per share outstanding	0.059	0.018	0.254	0.081	1.518	0.480
<i>EUR exchange rate – low</i>			4.253	4.425	25.410	26.135
<i>EUR exchange rate – average</i>			4.288	4.503	25.580	26.663
<i>EUR exchange rate – high</i>			4.378	4.622	25.890	27.365

Note: Exchange rates provided by the European Central Bank

## Statement of Financial Position

in Thousands	EUR		PLN		CZK	
	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020
Intangibles	0	1,227	0	5,594	0	32,192
Intangibles in progress	0	33	0	149	0	858
Property, plant and equipment	100,797	126,330	429,020	576,113	2,561,252	3,315,531
<i>PPE – Lands</i>	4,554	4,473	19,381	20,399	115,705	117,398
<i>PPE – Photovoltaic power plants</i>	91,886	111,265	391,091	507,412	2,334,814	2,920,153
<i>PPE – Equipment</i>	610	895	2,598	4,081	15,511	23,485
<i>PPE – Assets in progress</i>	3,747	9,697	15,950	44,222	95,222	254,495
Right of use – leased asset	3,014	2,274	12,831	10,370	76,598	59,678
Investments in associates /joint ventures	2,666	2,641	11,346	12,045	67,734	69,320
Other investments	0	2,042	0	9,312	0	53,593
Long-term receivables	0	0	0	0	0	0
Deferred tax assets	0	0	0	0	0	0
<b>Non-current assets</b>	<b>106,477</b>	<b>134,546</b>	<b>453,197</b>	<b>613,583</b>	<b>2,705,584</b>	<b>3,531,172</b>
Inventories – Goods	1,212	1,010	5,157	4,607	30,786	26,512
Trade receivables	4,573	3,900	19,462	17,784	116,189	102,349
Other receivables	6,186	3,342	26,329	15,239	157,186	87,701
Loans to related parties	1,027	1,137	4,369	5,184	26,085	29,836
Contracted work in progress	2,457	662	10,458	3,020	62,437	17,382
Prepaid expenses	1,228	1,032	5,226	4,707	31,201	27,090
Cash and cash equivalents	15,104	14,002	64,286	63,856	383,786	367,491
Other S-T financial assets	0	288	0	1,314	0	7,563
Assets held for sale	0	0	0	0	0	0
<b>Current assets</b>	<b>31,786</b>	<b>25,373</b>	<b>135,288</b>	<b>115,712</b>	<b>807,671</b>	<b>665,924</b>
<b>Total assets</b>	<b>138,263</b>	<b>159,920</b>	<b>588,485</b>	<b>729,296</b>	<b>3,513,255</b>	<b>4,197,096</b>
Issued share capital	600	600	2,554	2,736	15,246	15,747
Share premium	23,760	23,946	101,129	109,204	603,742	628,469
Legal reserve fund	13	13	57	61	339	350
Reserves	30,382	38,194	129,313	174,178	772,001	1,002,392
Retained earnings	-16,830	-22,977	-71,631	-104,786	-427,639	-603,044
<b>Equity attributable to owners of the Company</b>	<b>37,926</b>	<b>39,776</b>	<b>161,422</b>	<b>181,393</b>	<b>963,689</b>	<b>1,043,914</b>
Non-controlling interests	-83	-121	-351	-553	-2,097	-3,185
<b>Total equity</b>	<b>37,843</b>	<b>39,654</b>	<b>161,071</b>	<b>180,839</b>	<b>961,592</b>	<b>1,040,729</b>
Bank Loan	37,589	45,328	159,990	206,713	955,139	1,189,634
Other long-term liabilities	40,072	47,820	170,560	218,078	1,018,241	1,255,039
Lease liability	3,042	2,404	12,948	10,964	77,297	63,101
Other loans	0	0	0	0	0	0
Deferred tax liabilities	7,369	9,885	31,366	45,081	187,254	259,442
<b>Non-current liabilities</b>	<b>88,073</b>	<b>105,438</b>	<b>374,863</b>	<b>480,837</b>	<b>2,237,931</b>	<b>2,767,215</b>
Bank Loans	3,649	4,649	15,529	21,200	92,710	122,005
Other loans	0	0	0	0	0	0
Trade payables	3,484	4,823	14,831	21,993	88,539	126,572
Other payables	5,090	4,601	21,664	20,982	129,336	120,754
Other short-term liabilities	0	0	0	0	0	0
Current tax liabilities (income tax)	125	755	532	3,442	3,178	19,807
Provisions	0	0	0	0	0	0
<b>Current liabilities</b>	<b>12,348</b>	<b>14,827</b>	<b>52,557</b>	<b>67,617</b>	<b>313,763</b>	<b>389,138</b>
<b>Total Liabilities</b>	<b>100,421</b>	<b>120,265</b>	<b>427,420</b>	<b>548,454</b>	<b>2,551,695</b>	<b>3,156,353</b>
<b>TOTAL Equity &amp; Liabilities</b>	<b>138,264</b>	<b>159,919</b>	<b>588,490</b>	<b>729,293</b>	<b>3,513,286</b>	<b>4,197,083</b>
No. of shares outstanding in thousand	51,166	51,216	51,166	51,216	51,166	51,216
<i>Book value per share outstanding</i>	<i>0.740</i>	<i>0.774</i>	<i>3.148</i>	<i>3.531</i>	<i>18.794</i>	<i>20.320</i>

## 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
<b>BALANCE at 31.12.2019</b>	<b>600</b>	<b>23,760</b>	<b>13</b>	<b>29,220</b>	<b>929</b>	<b>233</b>	<b>-16,830</b>	<b>37,926</b>	<b>-83</b>	<b>37,843</b>
Loss/profit for the period 1.1.2020 – 31.12.2020							-8,693	-8,693	-39	-8,731
Revaluation of PPE				14,423				14,423		14,423
Share on revaluation of PPE of associates, JV								0		0
Foreign currency translation differences					-3,509			-3,509		-3,509
Derivatives						-138	-420	-558		-558
Acquisition of JV								0		0
<b>Total comprehensive income for the year</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>14,423</b>	<b>-3,509</b>	<b>-138</b>	<b>-9,113</b>	<b>1,664</b>	<b>-39</b>	<b>1,625</b>
New shares		186						186		186
Acquired retained earnings								0		0
Move from revaluation reserve				-2,965			2,965	0		0
Legal reserve fund release								0		0
Move of RE due to entity disposal/change of cons. meth.								0		0
<b>BALANCE at 31.12.2020</b>	<b>600</b>	<b>23,946</b>	<b>13</b>	<b>40,679</b>	<b>-2,580</b>	<b>95</b>	<b>-22,977</b>	<b>39,776</b>	<b>-122</b>	<b>39,654</b>

## Cash Flow Statement

in Thousands	EUR		PLN		CZK	
	Q4 2019	Q4 2020	Q4 2019	Q4 2020	Q4 2019	Q4 2020
<b>Cash Flow from Operation</b>						
Profit/loss before taxation	-2,048	-4,212	-8,780	-18,966	-52,379	-112,290
Adjustments for:						
Depreciation	1,463	1,932	6,272	8,702	37,417	51,523
Other changes in fixed assets	0	0	0	0	0	0
Share of profit of equity accounted investees	12	-82	52	-368	307	-2,176
Profit/loss on sale of property, plant and equipment	0	0	0	0	0	0
Other non-cash items	-169	248	-723	1,117	-4,312	6,612
Capital gains	-205	0	-878	0	-5,238	0
Net finance costs	1,038	1,363	4,449	6,139	26,542	36,349
Changes in:						
Trade and other receivables	-2,925	-3,662	-12,540	-16,490	-74,812	-97,632
Other financial asset	0	9	0	40	0	235
Gross amount due from customers for contract work	-845	4,124	-3,625	18,570	-21,627	109,946
Prepaid expenses	-12	197	-52	886	-309	5,246
Inventories	3,401	1,200	14,582	5,402	86,997	31,985
Trade and other payables	1,683	-429	7,216	-1,934	43,049	-11,451
Other liabilities	9	85	37	382	222	2,262
<b>Total Operating cash flow</b>	<b>1,404</b>	<b>773</b>	<b>6,019</b>	<b>3,481</b>	<b>35,908</b>	<b>20,609</b>
<b>Cash Flow from Investments</b>						
Acquisition of property, plant and equipment	-5,256	-5,223	-22,537	-23,522	-134,454	-139,267
Acquisition of subsidiary (net of cash acquired), associates, joint ventures	-268	0	-1,148	-1	-6,847	-7
Acquisition of other investments	-66	-549	-283	-2,471	-1,689	-14,633
Proceeds from sale of investments	2,212	0	9,483	0	56,575	0
Proceeds from sale of property, plant and equipment, other investments	0	0	0	0	0	0
Interests received	0	0	0	0	0	0
<b>Total Investment cash flow</b>	<b>-3,378</b>	<b>-5,772</b>	<b>-14,484</b>	<b>-25,995</b>	<b>-86,410</b>	<b>-153,907</b>
<b>Cash Flow from Financing</b>						
Proceeds from issuance of ordinary shares	0	168	0	757	0	4,479
Change of consolidation method (acquisition of JV)	0	0	0	0	0	0
Proceeds from borrowings	7,663	5,662	32,855	25,497	196,010	150,963
Repayment of borrowings	-5,973	-1,380	-25,613	-6,214	-152,802	-36,790
Proceeds from issuing long term liabilities/bonds	33	1,514	141	6,820	841	40,379
Repayment of long term liabilities/bonds	0	0	0	0	0	0
Interest expenses	-1,365	-1,504	-5,854	-6,774	-34,924	-40,105
<b>Total Financing cash flow</b>	<b>357</b>	<b>4,460</b>	<b>1,531</b>	<b>20,086</b>	<b>9,132</b>	<b>118,926</b>
<b>Net increase/decrease in cash and cash equivalents</b>	<b>-1,618</b>	<b>-539</b>	<b>-6,938</b>	<b>-2,427</b>	<b>-41,389</b>	<b>-14,372</b>
<b>Cash at the beginning of the period</b>	<b>16,721</b>	<b>14,541</b>	<b>71,697</b>	<b>65,484</b>	<b>427,739</b>	<b>387,713</b>
<b>Cash at the end of the period</b>	<b>15,103</b>	<b>14,002</b>	<b>64,758</b>	<b>63,057</b>	<b>386,338</b>	<b>373,341</b>
<i>EUR exchange rate – low</i>			4.253	4.425	25.410	26.135
<i>EUR exchange rate – average</i>			4.288	4.503	25.580	26.663
<i>EUR exchange rate – high</i>			4.378	4.622	25.890	27.365

### 13. Detailed accumulated consolidated financial results for Q1–Q4 2020

The tables below present the **consolidated** and **un-audited** financial statements of Photon Energy N.V. for the twelve-month period starting on 1 January 2020 and ending on 31 December

2020 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 2019	Q1–Q4 2020	Q1–Q4 2019	Q1–Q4 2020	Q1–Q4 2019	Q1–Q4 2020
<b>Total revenues</b>	<b>30,154</b>	<b>28,258</b>	<b>129,292</b>	<b>127,254</b>	<b>771,345</b>	<b>753,435</b>
<i>Out of that: Revenues from electricity generation</i>	14,299	16,811	61,312	75,705	365,780	448,231
<i>Out of that: Other revenues</i>	15,855	11,447	67,981	51,548	405,566	305,204
Costs of sale	-13,823	-9,708	-59,269	-43,717	-353,591	-258,835
Solar levy CZ	-892	-874	-3,826	-3,934	-22,826	-23,294
<b>Gross profit</b>	<b>15,439</b>	<b>17,677</b>	<b>66,198</b>	<b>79,603</b>	<b>394,928</b>	<b>471,306</b>
Other income	209	384	896	1,729	5,346	10,234
Administrative expenses	-2,767	-3,454	-11,866	-15,553	-70,790	-92,088
Personnel expenses	-4,630	-5,831	-19,851	-26,260	-118,427	-155,481
Other expenses	-308	-581	-1,323	-2,614	-7,891	-15,479
<b>EBITDA</b>	<b>7,942</b>	<b>8,195</b>	<b>34,054</b>	<b>36,903</b>	<b>203,166</b>	<b>218,492</b>
Depreciation	-6,795	-8,311	-29,134	-37,427	-173,814	-221,595
<b>EBIT</b>	<b>1,147</b>	<b>-116</b>	<b>4,920</b>	<b>-524</b>	<b>29,352</b>	<b>-3,104</b>
Interests income	227	123	973	554	5,806	3,279
Financial revenues	507	9	2,175	40	12,976	235
Interests cost	-4,726	-5,543	-20,265	-24,962	-120,900	-147,795
Financial expenses	-526	-610	-2,254	-2,748	-13,449	-16,268
Revaluation of derivatives	30	-478	130	-2,153	774	-12,747
<b>Net finance expenses</b>	<b>-4,488</b>	<b>-6,500</b>	<b>-19,242</b>	<b>-29,269</b>	<b>-114,794</b>	<b>-173,297</b>
Share of profit from associates / J-Vs	2	88	9	397	53	2,349
Disposal of investments	4,326	0	18,547	0	110,651	0
<b>Profit/loss before taxation</b>	<b>988</b>	<b>-6,528</b>	<b>4,234</b>	<b>-29,397</b>	<b>25,262</b>	<b>-174,052</b>
Income tax – current	-1,428	-2,009	-6,122	-9,046	-36,525	-53,558
Income tax – deferred	-286	-156	-1,226	-702	-7,315	-4,156
<b>Profit/loss from continuing operations</b>	<b>-726</b>	<b>-8,693</b>	<b>-3,114</b>	<b>-39,145</b>	<b>-18,578</b>	<b>-231,765</b>
Profit/loss from discontinued operations	0	0	0	0	0	0
<b>Profit/loss after taxation</b>	<b>-726</b>	<b>-8,693</b>	<b>-3,114</b>	<b>-39,145</b>	<b>-18,578</b>	<b>-231,765</b>
Other comprehensive income for the period	8,790	10,776	37,689	48,529	224,850	287,329
<b>Total comprehensive income for the period</b>	<b>8,064</b>	<b>2,084</b>	<b>34,575</b>	<b>9,385</b>	<b>206,272</b>	<b>55,563</b>
<b>Profit/loss after taxation</b>	<b>-726</b>	<b>-8,693</b>	<b>-3,114</b>	<b>-39,145</b>	<b>-18,578</b>	<b>-231,765</b>
<i>Attributable to the equity holders</i>	-683	-8,654	-2,930	-38,969	-17,478	-230,725
<i>Attributable to minority interest</i>	-43	-39	-184	-176	-1,100	-1,040
<b>Total comprehensive income for the period</b>	<b>8,064</b>	<b>2,084</b>	<b>34,575</b>	<b>9,385</b>	<b>206,272</b>	<b>55,563</b>
<i>Attributable to the equity holders</i>	8,107	2,123	34,759	9,560	207,372	56,603
<i>Attributable to minority interest</i>	-43	-39	-184	-176	-1,100	-1,040
Average no. of shares outstanding (in thousand)	51,116	51,201	51,116	51,201	51,116	51,201
Earnings per share outstanding	-0.014	-0.170	-0.061	-0.765	-0.363	-4.527
Comprehensive income per share outstanding	0.158	0.041	0.691	0.188	4.084	1.114
<i>EUR exchange rate – low</i>			4.253	4.425	25.410	26.135
<i>EUR exchange rate – average</i>			4.288	4.503	25.580	26.663
<i>EUR exchange rate – high</i>			4.378	4.622	25.890	27.365

Note: Exchange rate provided by the European Central Bank

## Cash Flow Statement

in Thousands	EUR		PLN		CZK	
	Q1–Q4 2019	Q1–Q4 2020	Q1–Q4 2019	Q1–Q4 2020	Q1–Q4 2019	Q1–Q4 2020
Profit/loss before taxation	988	-6,528	4,234	-29,397	25,262	-174,052
Adjustments for:						
Depreciation	6,795	8,311	29,134	37,427	173,814	221,595
Other changes in fixed assets	0	0	0	0	0	0
Share of profit of equity accounted investees	-2	-88	-9	-397	-53	-2,349
Profit /loss on sale of property, plant and equipment	0	48	0	214	0	1,268
Other non-cash items	-170	-24	-727	-108	-4,337	-640
Capital gains	-4,326	0	-18,547	0	-110,651	0
Net finance costs	4,488	6,500	19,242	29,269	114,794	173,297
Changes in:						
Trade and other receivables	-3,180	-1,313	-13,637	-5,913	-81,356	-35,010
Other financial asset	0	-288	0	-1,298	0	-7,684
Gross amount due from customers for contract work	-1,870	-54	-8,019	-245	-47,839	-1,448
Prepaid expenses	-52	70	-222	314	-1,327	1,858
Inventories	-63	129	-271	583	-1,618	3,451
Trade and other payables	4,231	-1,573	18,143	-7,082	108,241	-41,931
Other liabilities	-305	630	-1,307	2,835	-7,798	16,788
<b>Total Operating cash flow</b>	<b>6,536</b>	<b>5,819</b>	<b>28,023</b>	<b>26,204</b>	<b>167,183</b>	<b>155,145</b>
<b>Cash Flow from Investments</b>						
Acquisition of property, plant and equipment	-17,543	-18,309	-75,218	-82,452	-448,742	-488,177
Acquisition of subsidiary (net of cash acquired), associates, JV	-2,134	-6	-9,149	-27	-54,582	-162
Acquisition of other investments	-167	-1,855	-714	-8,356	-4,260	-49,471
Proceeds from sale of investments	5,433	0	23,294	0	138,969	0
Proceeds from sale of property, plant and equipment, other invests	0	0	0	0	0	0
Interests received	0	0	0	0	0	0
<b>Total Investment cash flow</b>	<b>-14,410</b>	<b>-20,171</b>	<b>-61,786</b>	<b>-90,835</b>	<b>-368,611</b>	<b>-537,810</b>
<b>Cash Flow from Financing</b>						
Proceeds from issuance of ordinary shares	0	168	0	757	0	4,479
Change of consolidation method (acquisition of JV)	0	0	0	0	0	0
Proceeds from borrowings	20,996	15,897	90,025	71,588	537,080	423,854
Repayment of borrowings	-13,212	-4,955	-56,650	-22,312	-337,971	-132,104
Proceeds from issuing long term liabilities/bonds	7,584	7,684	32,518	34,602	193,999	204,868
Repayment of long-term liabilities/bonds	0	0	0	0	0	0
Interest expenses	-4,726	-5,543	-20,265	-24,962	-120,900	-147,795
<b>Total Financing cash flow</b>	<b>10,641</b>	<b>13,251</b>	<b>45,626</b>	<b>59,672</b>	<b>272,199</b>	<b>353,303</b>
<b>Net increase/decrease in cash and cash equivalents</b>	<b>2,767</b>	<b>-1,101</b>	<b>11,863</b>	<b>-4,959</b>	<b>70,776</b>	<b>-29,362</b>
<b>Cash at the beginning of the period</b>	<b>12,337</b>	<b>15,104</b>	<b>52,897</b>	<b>68,017</b>	<b>315,581</b>	<b>402,711</b>
<b>Cash at the end of the period</b>	<b>15,104</b>	<b>14,002</b>	<b>64,762</b>	<b>63,053</b>	<b>386,364</b>	<b>373,322</b>
<i>EUR exchange rate – low</i>			4.253	4.425	25.410	26.135
<i>EUR exchange rate – average</i>			4.288	4.503	25.580	26.663
<i>EUR exchange rate – high</i>			4.378	4.622	25.890	27.365

## 14. Detailed entity financial results for Q4 2020

The tables below present the **entity** and **unaudited** financial statements of Photon Energy N.V. for the three-month period starting on 1 October 2020 and ending on 31 December 2020 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 2019	Q4 2020	Q4 2019	Q4 2020	Q4 2019	Q4 2020
<b>Revenues from the sale of products, goods and services</b>	<b>544</b>	<b>465</b>	<b>2,331</b>	<b>2,095</b>	<b>13,908</b>	<b>12,405</b>
Cost of sales	-350	-484	-1,501	-2,178	-8,954	-12,895
<b>Gross profit</b>	<b>194</b>	<b>-18</b>	<b>831</b>	<b>-83</b>	<b>4,955</b>	<b>-491</b>
Other administrative expenses	-195	-213	-838	-961	-4,998	-5,690
Other income	299	290	1,283	1,307	7,655	7,737
Other expenses	-202	0	-866	1	-5,168	5
<b>EBITDA</b>	<b>96</b>	<b>59</b>	<b>410</b>	<b>264</b>	<b>2,444</b>	<b>1,562</b>
Amortization & depreciation	0	0	0	0	0	0
<b>EBIT</b>	<b>96</b>	<b>59</b>	<b>410</b>	<b>264</b>	<b>2,444</b>	<b>1,562</b>
Financial income	17,368	14,107	74,469	63,529	444,276	376,139
Financial costs	-19,565	-5,276	-83,888	-23,758	-500,471	-140,664
Profit/loss before taxation	-2,101	8,890	-9,010	40,035	-53,751	237,036
Income tax	0	0	0	0	0	0
<b>Profit/loss for the period (net income)</b>	<b>-2,101</b>	<b>8,890</b>	<b>-9,010</b>	<b>40,035</b>	<b>-53,751</b>	<b>237,036</b>

## Balance Sheet

in Thousands	EUR		PLN		CZK	
	31.12.2019	31.12.2020	31.12.2019	31.12.2020	31.12.2019	31.12.2020
Intangibles	0	27	0	123	0	708
Property, plant and equipment	0	0	0	0	0	0
Investments in associates /joint ventures	17,294	45,646	73,607	208,165	439,436	1,197,991
Other investments	0	2,041	0	9,308	0	53,567
Long term receivables	0	27,256	0	124,298	0	715,336
Deferred tax assets	0	0	0	0	0	0
<b>Non-current assets</b>	<b>17,294</b>	<b>74,971</b>	<b>73,607</b>	<b>341,894</b>	<b>439,436</b>	<b>1,967,602</b>
Inventories – Goods	0	0	0	0	0	0
Trade and other receivables	8,647	9,095	36,803	41,476	219,715	238,694
Loans	51,836	13,011	220,628	59,334	1,317,148	341,468
from customers for contract work	0	0	0	0	0	0
Prepaid expenses	966	863	4,110	3,934	24,536	22,643
Cash and cash equivalents	5,831	114	24,820	521	148,174	2,997
<b>Current assets</b>	<b>67,280</b>	<b>23,083</b>	<b>286,361</b>	<b>105,265</b>	<b>1,709,572</b>	<b>605,803</b>
<b>Total assets</b>	<b>84,573</b>	<b>98,053</b>	<b>359,968</b>	<b>447,160</b>	<b>2,149,008</b>	<b>2,573,405</b>
Issued share capital	600	600	2,554	2,736	15,246	15,747
Share premium	36,871	36,871	156,933	168,146	936,892	967,679
Legal reserve fund	0	0	0	0	0	0
Reserves	16,565	16,565	70,505	75,542	420,915	434,747
Retained earnings	-16,407	-16,300	-69,833	-74,336	-416,900	-427,805
Profit/loss for the current period	1,236	6,722	5,262	30,653	31,413	176,411
<b>Equity attributable to owners of the Company</b>	<b>38,865</b>	<b>44,457</b>	<b>165,421</b>	<b>202,742</b>	<b>987,565</b>	<b>1,166,779</b>
Non-controlling interests	0	0	0	0	0	0
<b>Total equity</b>	<b>38,865</b>	<b>44,457</b>	<b>165,421</b>	<b>202,742</b>	<b>987,565</b>	<b>1,166,779</b>
<b>Non-current liabilities</b>	<b>41,394</b>	<b>48,963</b>	<b>176,184</b>	<b>223,291</b>	<b>1,051,819</b>	<b>1,285,038</b>
Bank Loan	0	0	0	0	0	0
Other long term liabilities	41,394	48,963	176,184	223,291	1,051,819	1,285,038
Other loans	0	0	0	0	0	0
Deferred tax liabilities	0	0	0	0	0	0
<b>Current liabilities</b>	<b>4,314</b>	<b>4,633</b>	<b>18,362</b>	<b>21,127</b>	<b>109,623</b>	<b>121,588</b>
Bank Loans	0	0	0	0	0	0
Other loans	3,430	3,496	14,600	15,944	87,160	91,755
Trade and other payables	339	489	1,445	2,228	8,626	12,825
Other shortterm liabilities	545	648	2,318	2,955	13,837	17,008
Current tax liabilities (income tax)	0	0	0	0	0	0
Provisions	0	0	0	0	0	0
<b>TOTAL Equity &amp; Liabilities</b>	<b>84,573</b>	<b>98,053</b>	<b>359,968</b>	<b>447,160</b>	<b>2,149,008</b>	<b>2,573,405</b>
No. of shares outstanding in thousand	51,166	51,216	51,166	51,216	51,166	51,216
<i>Book value per share outstanding</i>	<i>0.760</i>	<i>0.868</i>	<i>3.233</i>	<i>3.959</i>	<i>19.301</i>	<i>22.782</i>

## 15. Detailed accumulated entity financial results for Q1–Q4 2020

The tables below present the **entity** and **un-audited** financial statements of Photon Energy N.V. for the twelve-month period starting on 1 January 2020 and ending on 31 December 2020 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 2019	Q1–Q4 2020	Q1–Q4 2019	Q1–Q4 2020	Q1–Q4 2019	Q1–Q4 2020
<b>Revenues from the sale of products, goods and services</b>	<b>2,324</b>	<b>2,507</b>	<b>9,991</b>	<b>11,132</b>	<b>59,674</b>	<b>66,287</b>
Cost of sales	-1,631	-1,971	-7,012	-8,751	-41,882	-52,113
<b>Gross profit</b>	<b>693</b>	<b>536</b>	<b>2,979</b>	<b>2,380</b>	<b>17,792</b>	<b>14,174</b>
Other administrative expenses	-697	-768	-2,994	-3,409	-17,881	-20,299
Other income	5,609	278	24,110	1,236	144,008	7,362
Other expenses	-1,126	-375	-4,839	-1,664	-28,901	-9,908
<b>EBITDA</b>	<b>4,480</b>	<b>-328</b>	<b>19,257</b>	<b>-1,456</b>	<b>115,017</b>	<b>-8,672</b>
Amortization & depreciation	0	0	0	0	0	0
<b>EBIT</b>	<b>4,480</b>	<b>-328</b>	<b>19,257</b>	<b>-1,456</b>	<b>115,017</b>	<b>-8,672</b>
Financial income	18,657	15,089	80,192	67,008	478,978	399,019
Financial costs	-21,902	-8,039	-94,137	-35,702	-562,273	-212,597
Profit / loss before taxation	1,236	6,722	5,311	29,850	31,722	177,750
Income tax	1	0	2	0	1	0
<b>Profit/loss for the period (net income)</b>	<b>1,236</b>	<b>6,722</b>	<b>5,313</b>	<b>29,850</b>	<b>31,723</b>	<b>177,750</b>

## 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 2020 and ending on 31 Decem-

ber 2020 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 2020

EUR thousand	Solutions	Technology	Investments	Operations & Maintenance	Others	Total for segments	Elimination	Cons. financial information
External revenues from the sale of products, goods and services	5,601	3,214	16,449	2,724	271	28,258	0	28,258
Revenues within seg. from the sale of products, goods & services	32,833	4,371	0	1,475	4,549	43,228	-43,228	0
Cost of sale	-25,981	-6,851	-2,028	-2,026	-151	-37,036	27,328	-9,708
Solar levy	0	0	-874	0	0	-874	0	-874
<b>Gross profit</b>	<b>12,452</b>	<b>734</b>	<b>13,548</b>	<b>2,173</b>	<b>4,669</b>	<b>33,576</b>	<b>-15,900</b>	<b>17,677</b>
Other external income	63	4	23	82	212	384	0	384
Administrative and other expenses	-3,444	-198	-632	-2,348	-6,443	-13,066	3,200	-9,866
<b>EBITDA</b>	<b>9,071</b>	<b>541</b>	<b>12,938</b>	<b>-93</b>	<b>-1,563</b>	<b>20,894</b>	<b>-12,700</b>	<b>8,195</b>
Depreciation	-39	-2	-7,265	-468	-537	-8,311	0	-8,311
<b>EBIT</b>	<b>9,032</b>	<b>538</b>	<b>5,673</b>	<b>-560</b>	<b>-2,100</b>	<b>12,583</b>	<b>-12,700</b>	<b>-116</b>
Interest income	269	73	310	189	2,117	2,958	-2,835	123
Other financial revenues	0	0	0	0	9	9	0	9
Interest expenses	-378	-189	-2,481	-334	-4,997	-8,378	2,835	-5,543
Other financial expenses	-88	-154	-124	-159	-85	-610	0	-610
Revaluation of derivatives	0	0	-478	0	0	-478	0	-478
<b>Net finance expense</b>	<b>-197</b>	<b>-269</b>	<b>-2,773</b>	<b>-305</b>	<b>-2,955</b>	<b>-6,500</b>	<b>0</b>	<b>-6,500</b>
Profit/loss share in entities in equivalency	0	0	88	0	0	88	0	88
Disposal of investments	0	0	0	0	0	0	0	0
<b>Profit/loss before taxation</b>	<b>8,835</b>	<b>269</b>	<b>2,988</b>	<b>-865</b>	<b>-5,055</b>	<b>6,172</b>	<b>-12,700</b>	<b>-6,528</b>
Income tax	-930	0	-1,079	0	0	-2,009	0	-2,009
Deferred tax	0	16	-343	0	172	-156	0	-156
Profit/loss from discontinuing operations	0	0	0	0	0	0	0	0
<b>Profit/loss after taxation</b>	<b>7,904</b>	<b>285</b>	<b>1,567</b>	<b>-865</b>	<b>-4,883</b>	<b>4,007</b>	<b>-12,700</b>	<b>-8,693</b>
Revaluation of property, plant and equipment	0	0	14,423	0	0	14,423	0	14,423
Foreign currency translation diff. - foreign operations	-287	3	-3,279	5	49	-3,509	0	-3,509
Share of revaluation of PPE of associates /joint venture	0	0	0	0	0	0	0	0
Share of currency translation diff. Of associates / JV	0	0	0	0	0	0	0	0
Derivatives (hedging)	0	0	-138	0	0	-138	0	-138
<b>Total comprehensive income</b>	<b>7,617</b>	<b>288</b>	<b>12,572</b>	<b>-861</b>	<b>-4,834</b>	<b>14,783</b>	<b>-12,700</b>	<b>2,084</b>
<b>Assets, of which</b>	<b>31,118</b>	<b>6,952</b>	<b>156,304</b>	<b>11,644</b>	<b>112,874</b>	<b>318,892</b>	<b>-159,745</b>	<b>159,147</b>
Intangibles	0	0	0	1,227	0	1,227	0	1,227
Intangibles in progress	0	0	0	0	33	33	0	33
PPE – Lands	0	0	4,473	0	0	4,473	0	4,473
PPE – Photovoltaic power plants	0	0	111,265	0	0	111,265	0	111,265
PPE - Equipment	164	0	0	346	386	895	0	895
PPE – Assets in progress	0	0	12,029	68	82	12,179	-2,482	9,697
Right of use-leased asset	0	0	1,367	0	906	2,274	0	2,274
Investments in associates, JV, other	0	0	2,641	0	0	2,641	0	2,641
Other investments	0	0	0	0	2,042	2,042	0	2,042
Contracted assets	0	0	0	0	0	0	0	0
<b>Non-current assets</b>	<b>164</b>	<b>0</b>	<b>131,776</b>	<b>1,640</b>	<b>3,449</b>	<b>137,029</b>	<b>-2,482</b>	<b>134,546</b>
Inventories – Goods	139	341	297	227	6	1,010	0	1,010
Trade and other receivables	30,463	6,055	11,236	9,653	107,097	164,504	-157,263	7,241
Loans to related parties	0	0	0	0	1,137	1,137	0	1,137
Work in progress	68	0	0	0	594	662	0	662
Prepaid expenses	140	2	68	44	6	260	0	260
Cash and cash equivalents	145	554	12,927	80	297	14,002	0	14,002
Other S-T financial assets	0	0	0	0	288	288	0	288
Assets held for sale	0	0	0	0	0	0	0	0
<b>Current assets</b>	<b>30,954</b>	<b>6,952</b>	<b>24,528</b>	<b>10,004</b>	<b>109,426</b>	<b>181,863</b>	<b>-157,263</b>	<b>24,601</b>
<b>Liabilities, of which</b>	<b>-28,261</b>	<b>-6,029</b>	<b>-113,034</b>	<b>-18,632</b>	<b>-109,658</b>	<b>-275,614</b>	<b>156,121</b>	<b>-119,493</b>
Bank Loans and other loans	0	0	-49,977	0	0	-49,977	0	-49,977
Bond liability	0	0	0	0	-46,739	-46,739	0	-46,739
Trade and other payables	-27,588	-6,024	-51,063	-18,407	-61,851	-164,933	156,121	-8,812
Non-current provision	0	0	-520	0	0	-520	0	-520
Other long-term liability	-45	0	-44	-178	-135	-401	0	-401
Deferred tax liabilities	0	0	-9,885	0	0	-9,885	0	-9,885
Lease liability	0	0	-1,426	0	-978	-2,404	0	-2,404
Current tax liabilities (income tax)	-627	-6	-120	-48	46	-755	0	-755

## 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
<b>Gross profit</b>	<b>10,404</b>	<b>12,443</b>	<b>2,224</b>	<b>0</b>	<b>5,537</b>	<b>30,608</b>	<b>-15,170</b>	<b>15,438</b>
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
<b>Operating income</b>	<b>6,597</b>	<b>5,422</b>	<b>-815</b>	<b>0</b>	<b>-344</b>	<b>10,860</b>	<b>-9,686</b>	<b>1,174</b>
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
<b>Profit/loss after taxation</b>	<b>5,534</b>	<b>2,755</b>	<b>-885</b>	<b>2</b>	<b>2,798</b>	<b>10,204</b>	<b>-10,964</b>	<b>-700</b>
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
<b>Total comprehensive income</b>	<b>5,534</b>	<b>9,961</b>	<b>-885</b>	<b>2</b>	<b>2,798</b>	<b>17,410</b>	<b>-10,964</b>	<b>6,506</b>
<b>Assets, of which</b>	<b>37,931</b>	<b>114,938</b>	<b>9,993</b>	<b>2,666</b>	<b>109,603</b>	<b>275,131</b>	<b>-137,738</b>	<b>137,393</b>
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
<b>Liabilities, of which</b>	<b>-33,756</b>	<b>-70,763</b>	<b>-15,603</b>	<b>0</b>	<b>-117,989</b>	<b>-238,111</b>	<b>136,962</b>	<b>-101,150</b>
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

\* In 2020 management decided to adjust the segments according the current operational business segmentation and revenue relevance to the Group. Therefore Technology (wholesale, import and export of PV components) was taken out of Energy solutions in a separate segment. Production of Electricity and PV Invest was combined into one segment under Investments. Project development was taken out as well from Energy solutions into Others until it will meet the revenue criteria to be shown in a separate segment (further information see below in chapter 17 Summary of significant accounting policies under Segment reporting).

## 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.

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.

## Segment reporting

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

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

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

The Management identified the following segments to be reported:

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

## Foreign currency translation

### (a) Functional and presentation currency

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

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

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

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

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

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

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

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

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

translated into PLN and CZK as presentation currencies. Effects from these translations are presented in 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 2019	Q4 2020	Q4 2019	Q4 2020
EUR exchange rate – low	4.242	4.425	25.410	26.135
EUR exchange rate – high	4.298	4.622	25.672	27.365
EUR exchange rate – average	4.390	4.503	25.920	26.663
EUR exchange rate – end of period	4.242	4.560	25.410	26.245

### (b) Transactions and balances

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

### Property, plant and equipment

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

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

### Inventories

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

### Revenue recognition

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

### (c) Group companies

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

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

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

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

each 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).

### 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. Significant financial difficulties of the debtor, probab-

ity 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

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Amsterdam, 11 February 2021



Georg Hotar, Member of the Board of Directors



Michael Gartner, Member of the Board of Directors