

PHOTON ENERGY N.V. MONTHLY REPORT

July 2017

for the period from 1 to 31 July 2017

| | | | | | | | | | | | |
|----------|----------|------------|--------------------------|------------------|---------|--------|-----------|----------|----------|-------|--------|
| MATERIAL | THINFILM | INSPECTION | TOLERANCE NORM ISO 8015: | PRECISION ISO... | CONCEPT | DESIGN | NORM.REF. | EXAMINED | APPROVED | INDEX | AMEND. |
| | | | YES | | | | | | | X | X |
| | | | | | | | | | | X | X |
| | | | | | | | | | | X | X |
| | | | | | | | | | | X | X |
| | | | | | | | | | | X | X |

NAME TYPE

FS-PKI - PRA

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

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

The company's portfolio showed slight underproduction through less favourable weather conditions in July. The average performance of all power plants in Photon Energy's portfolio came in approximately 2.7% below expectations. On a year-to-date basis, the accumulated data still recorded an outperformance of approx. 7.8% against generation estimates (up by approx. 8.7% YOY).

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

1.2 Photon Energy acquires 520 kWp solar PV project in Hungary

Photon Energy acquired 100% of the shares in Fertőd Napenergia-Termelő Kft., a Hungarian limited-liability company owning all licenses, rights and permits (including a valid construction permit) for the construction of a 520 kWp (DC) photovoltaic power plant (subject to a 499 kW AC grid connection). The project is located in the municipality of Fertőd, in the Győr-Moson-Sopron region of Hungary. The PV plant is eligible for support under the KAT support system guaranteeing an off-take price of HUF 31,770 (EUR 103.34) per MWh of electricity supplied to the grid. Photon Energy intends to start construction in 2017Q3 and connect the power plant before year-end. During the 25-year support period the power plant is licensed to sell 14.3 GWh of renewable energy, generating revenues of at least EUR 1.478 million over the entire period.

1.3 Photon Energy announced the development of a 155 MWp solar plant in Australia

The 155 MWp project in Gunnedah, New South Wales, is being co-developed with a local joint venture partner. Through its 51%-owned project company Photon Energy AUS SPV 7 Pty Ltd. the company has secured options on approximately 205 ha of land and is progressing with the New South Wales government State Significant Development process. Photon Energy has also signed a grid connection process agreement with Transgrid, the operator of the major high voltage transmission network in New South Wales and the Australian Capital Territory, for the design of a substation for approximately 150 MW AC to be connected to Transgrid's 330 KV network. Photon Energy expects to complete the project development process to the ready-to-build stage and to commence construction in 2018Q3. Once connected, the Gunnedah project is estimated to produce 279 GWh of clean energy each year, contributing significantly to Australia's Renewable Energy Target.

1.4 Photon Energy mandated Pottinger as financial advisors for Australian project pipeline

Financial and strategic advisory firm Pottinger Co Pty Limited was mandated to advise the Company on a development capital raising for a solar PV project pipeline with a total generation capacity of over 1GW in Australia.

Photon Energy's pipeline is being developed in New South Wales and includes as well the previously announced 316 MWp solar project at Gunning and 155 MWp project in Gunnedah.

Photon Energy NV is seeking to bring in financial and strategic investors to accelerate development of these important solar energy projects and expects to close the financing round in Q4 2017.

1.5 Reporting on Photon Energy's project pipeline

Photon Energy currently develops PV projects in Australia (512.6 MWp) and Hungary (6.8 MWp) and is evaluating further markets for opportunities.

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

2. Proprietary PV plants.

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

Table 1. Production results in July 2017

| Project name | Capacity | Feed-in-Tariff | Prod. 2017 July | Proj. 2017 July | Perf. | YTD Prod. | YTD Proj. | Perf. | YTD YoY |
|----------------------------|---------------|--------------------------------|------------------|------------------|--------------|-------------------|-------------------|--------------|--------------|
| Unit | kWp | per MWh, applicable in 2017 | kWh | kWh | % | kWh | kWh | % | % |
| Komorovice | 2,354 | CZK 13,966 | 311,337 | 349,238 | -10.9% | 1,643,463 | 1,567,277 | 4.9% | 7.9% |
| Zvíkov I | 2,031 | CZK 13,966 | 283,154 | 306,100 | -7.5% | 1,522,557 | 1,373,689 | 10.8% | 7.2% |
| Dolní Dvořiště | 1,645 | CZK 13,966 | 221,680 | 254,641 | -12.9% | 1,130,687 | 1,142,757 | -1.1% | 12.2% |
| Svatoslav | 1,231 | CZK 13,966 | 164,110 | 189,123 | -13.2% | 798,129 | 848,725 | -6.0% | 9.3% |
| Slavkov | 1,159 | CZK 13,966 | 169,321 | 180,097 | -6.0% | 898,389 | 808,225 | 11.2% | 8.2% |
| Mostkovice SPV 1 | 210 | CZK 13,966 | 27,748 | 25,363 | 9.4% | 147,016 | 125,572 | 17.1% | 5.2% |
| Mostkovice SPV 3 | 926 | CZK 15,004 | 122,332 | 133,550 | -8.4% | 655,306 | 606,259 | 8.1% | 5.8% |
| Zdice I | 1,499 | CZK 13,966 | 204,896 | 224,495 | -8.7% | 1,102,960 | 995,958 | 10.7% | 7.6% |
| Zdice II | 1,499 | CZK 13,966 | 208,507 | 224,495 | -7.1% | 1,126,500 | 995,958 | 13.1% | 9.1% |
| Radvanice | 2,305 | CZK 13,966 | 323,048 | 345,685 | -6.5% | 1,685,804 | 1,551,331 | 8.7% | 7.6% |
| Břeclav rooftop | 137 | CZK 13,966 | 21,277 | 17,153 | 24.0% | 108,015 | 85,985 | 25.6% | 6.6% |
| Total Czech PP | 14,996 | | 2,057,411 | 2,249,939 | -8.6% | 10,818,826 | 10,101,735 | 7.1% | 8.2% |
| Babiná II | 999 | EUR 425.12 | 143,919 | 134,610 | 6.9% | 700,941 | 647,282 | 8.3% | 16.4% |
| Babina III | 999 | EUR 425.12 | 143,001 | 134,610 | 6.2% | 702,987 | 647,282 | 8.6% | 16.5% |
| Prša I. | 999 | EUR 425.12 | 153,852 | 133,621 | 15.1% | 727,593 | 645,810 | 12.7% | 3.9% |
| Blatna | 700 | EUR 425.12 | 102,186 | 92,928 | 10.0% | 488,454 | 478,710 | 2.0% | 3.2% |
| Mokra Luka 1 | 963 | EUR 382.61 | 150,785 | 131,392 | 14.8% | 779,366 | 660,556 | 18.0% | 5.5% |
| Mokra Luka 2 | 963 | EUR 382.61 | 150,888 | 131,392 | 14.8% | 791,042 | 660,556 | 19.8% | 6.3% |
| Jovice 1 | 979 | EUR 382.61 | 134,860 | 143,105 | -5.8% | 606,790 | 643,358 | -5.7% | 10.7% |
| Jovice 2 | 979 | EUR 382.61 | 134,195 | 143,105 | -6.2% | 602,727 | 643,358 | -6.3% | 16.2% |
| Brestovec | 850 | EUR 382.61 | 131,784 | 111,444 | 18.3% | 700,017 | 559,529 | 25.1% | 11.0% |
| Polianka | 999 | EUR 382.61 | 138,849 | 146,027 | -4.9% | 674,664 | 659,435 | 2.3% | 8.1% |
| Myjava | 999 | EUR 382.61 | 148,629 | 136,786 | 8.7% | 765,357 | 674,332 | 13.5% | 9.0% |
| Total Slovak PP | 10,429 | | 1,532,948 | 1,439,020 | 6.5% | 7,539,938 | 6,920,206 | 9.0% | 9.5% |
| Symonston | 144 | AUD 301.60 | 8,780 | 8,640 | 1.6% | 95,040 | 97,110 | -2.1% | -0.3% |
| Total Australian PP | 144 | | 8,780 | 8,640 | 1.6% | 95,040 | 97,110 | -2.1% | -0.3% |
| Total | 25,569 | | 3,599,139 | 3,697,599 | -2.7% | 18,453,804 | 17,119,051 | 7.8% | 8.7% |

Notes:

Capacity: installed capacity of the power plant

Prod.: production in the reporting month

Proj.: projection in the reporting month

Perf.: performance of the power plant in reporting month i.e. (production in Month / projection for Month) - 1.

YTD Prod.: accumulated production year-to-date i.e. from January until the end of the reporting month.

YTD Proj.: accumulated projection year-to-date i.e. from January until the end of the reporting month.

Perf. YTD: performance of the power plant year-to-date i.e. (YTD prod. in 2017/ YTD proj. in 2017) - 1

YoY ratio: (YTD Prod. in 2017/ YTD Prod. in 2016) - 1.

The FIT for the Czech Republic is an indicative figure only. As of 2016 Photon Energy has switched to the "Green Bonus" system, under which energy from our power plants is sold under a different system, at a combined price slightly higher than the FIT.

Chart 1.a Total production of the Czech portfolio

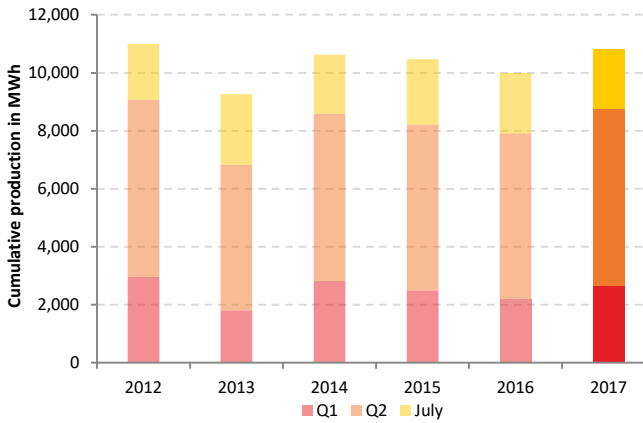


Chart 1.b Total production of the Slovak portfolio

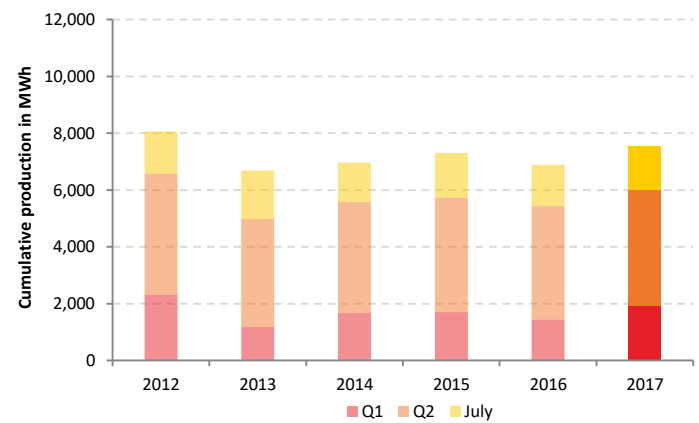


Chart 2. Generation results versus forecast between 1 January 2014 and 31 July 2017

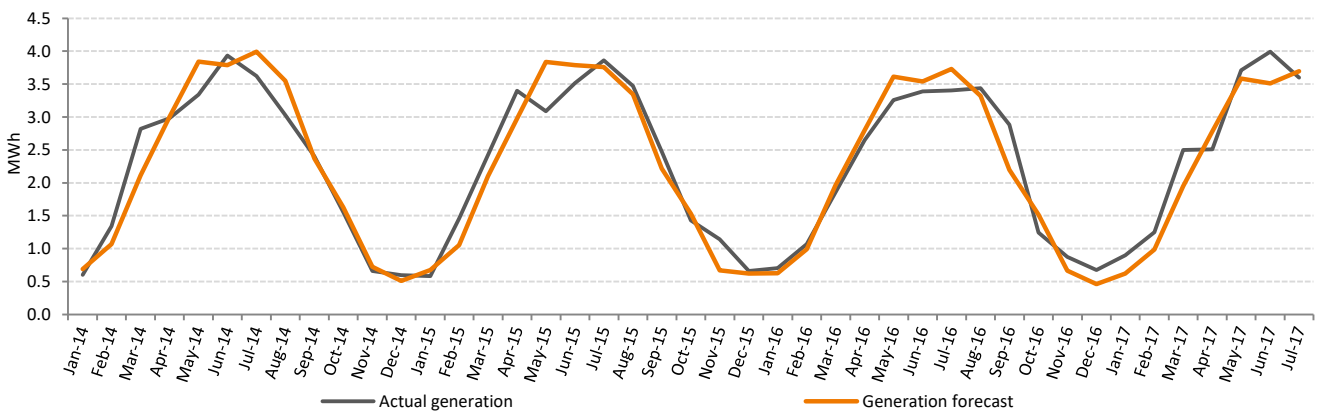
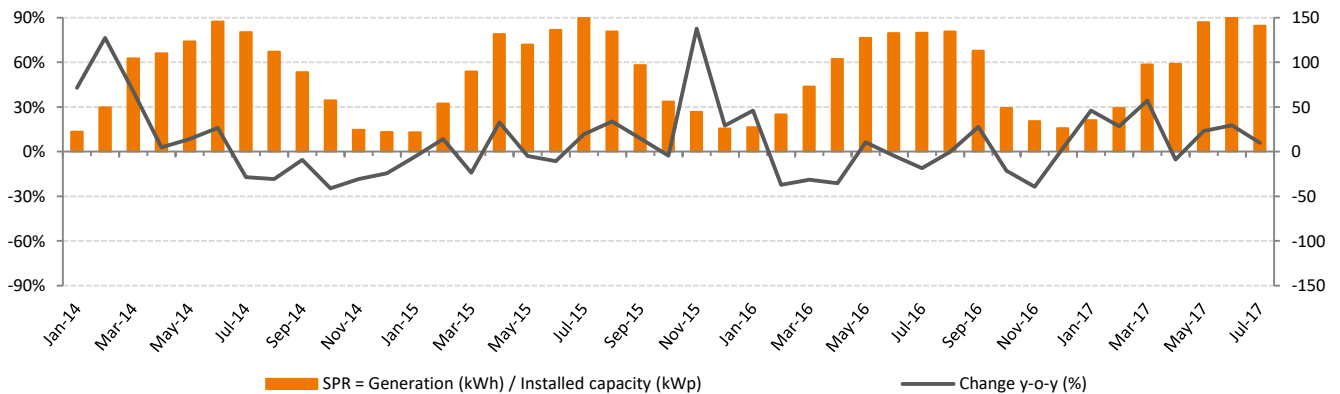


Chart 3. Specific Performance



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

The company's portfolio showed slight underproduction through less favourable weather conditions in July. The average performance of all power plants in Photon Energy's portfolio came in approximately 2.7% below expectations. On a year-to-date basis, the accumulated data still recorded an outperformance of approx. 7.8% against generation estimates (up by approx. 8.7% YOY).

The best performance was recorded by our Slovak portfolio, which exceeded energy forecasts by 6.5%. The Czech and Australian plants, in contrast, underperformed generation estimates by 8.6% and 0.3%, respectively.

Specific performance increased by 6% YOY, to 141kWh/kWp in July.

3. Reporting on Photon Energy's project pipeline.

Photon Energy currently develops PV projects in Australia and Hungary and is evaluating further markets for opportunities.

Project development is a crucial activity in Photon Energy's business model of covering the entire value chain of PV power plants. The main objective of Photon Energy's project development activities is to expand its proprietary portfolio of PV power plants for long-term ownership, which provides recurring revenues and free cash flows to the Group. For financial or strategic reasons Photon Energy may decide to cooperate with third-party investors either on a joint-venture basis or with a view of exiting the projects to such investors entirely. Ownership of project rights provides Photon Energy with a high level of control and allows locking in EPC (one-off) and O&M (long-term) services. Hence, project development is a key driver of Photon Energy's future growth. The Group's past experience in project development and financing in the Czech Republic, Slovakia, Germany and Italy is an important factor in selecting attractive markets and reducing the inherent risks related to project development.

| Country | Location | MWp | Revenue Model | Land | Grid connection | Construction permit | Expected RTB |
|----------------------------|-------------|--------------|---------------------|---------|-----------------|---------------------|--------------|
| Australia | Leeton | 22.6 | Emarket + GC | Secured | Ongoing | Ongoing | 2017Q4 |
| Australia | Environa | 19.0 | Emarket + GC | Secured | Ongoing | Ongoing | 2018Q1 |
| Australia | Gunning | 316.0 | Emarket + GC or PPA | Secured | Ongoing | Ongoing | 2019Q1 |
| Australia | Gunnedah | 155.0 | Emarket + GC or PPA | Secured | Ongoing | Ongoing | 2018Q3 |
| Sub-total Australia | | 512.6 | | | | | |
| Hungary | Pest region | 6.3 | Licensed PPA | Secured | Secured | Ongoing | 2017Q4 |
| Hungary | Fertöd | 0.5 | Licensed PPA | Secured | Secured | Secured | 2017Q2 |
| Sub-total Hungary | | 6.8 | | | | | |
| Total | | 519.4 | | | | | |

Note: Emarket = Electricity market, GC = Green certificates, PPA = Power Purchase Agreement, RTB = Ready-to-build

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 as Watt peak – Wp) can be installed without exceeding the grid connection limit. In 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.

Australia

On 3 July, Photon Energy announced the development of a 316 MWp solar power plant in Australia. Located in Gunning, New South Wales, the PV project would be the biggest in New South Wales and one of the largest planned in Australia comparable in size to conventional utility scale power stations. The Solar Power Plant which would be constructed on 590 ha of land near Gunning is currently going through the Permitting and Grid Connection process. Construction could start in early 2019. The grid Connection Process is underway with Transgrid, the operator of the major high voltage transmission network in New South Wales and with the Australian Capital Territory, for the design of a substation for approximately 300 MW AC to be connected to Transgrid's 330 KV network.

On 2 August, Photon Energy NV announced details on a 155 MWp project in Gunnedah, New South Wales. The project is being co-developed with a local joint venture partner. Through its 51%-owned project company Photon Energy AUS SPV 7 Pty Ltd. the company has secured options on approximately 205 ha of land and is progressing with the New South Wales government State Significant Development process. Photon Energy has also signed a grid connection process agreement with Transgrid, the operator of the major high voltage transmission network in New South Wales and the Australian Capital Territory, for the design of a substation for approximately 150 MW AC to be connected to Transgrid's 330 KV network. Photon Energy expects to complete the project development process to the ready-to-build stage and to commence construction in 2018Q3. Once connected, the Gunnedah project is estimated to produce 279 GWh of clean energy each year, contributing significantly to Australia's Renewable Energy Target. The Gunnedah project is being co-developed with a local joint venture partner owning the remaining 49% of the project company. The project is part of a previously

announced 1 GWp project pipeline (which includes the Gunning project as well), for which Photon Energy has mandated advisory firm Pottinger to advise on the raising of development capital.

On the projects in Leeton (22.6 MWp) and in Environa (19 MWp), the Network Technical Study is progressing to finalise the Grid Connection.

Hungary

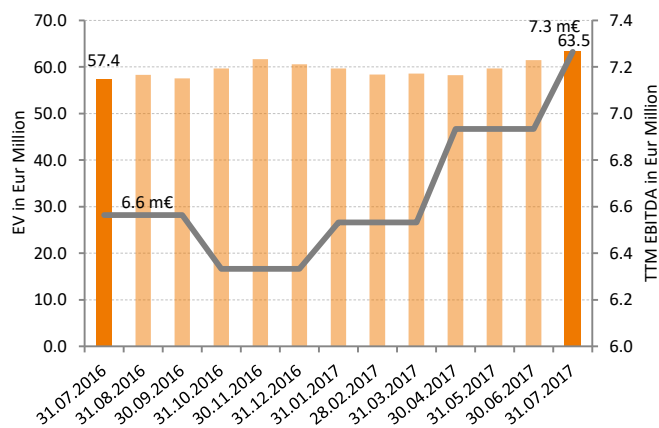
On 13 July, Photon Energy announced the acquisition of a project for a 520 KWp solar power plant in the North-West of Hungary. The project is ready-to-build and Photon Energy intends to start construction in 2017Q3 and to connect the power plant before year-end. Specifically, Photon Energy acquired 100% of the shares in Fertőd Napenergia-Termelő Kft., a Hungarian limited-liability company owning all licenses, rights and permits (including a valid construction permit) for the construction of a 520 KWp (DC) photovoltaic power plant (subject to a 499 KW AC grid connection). The project is located in the municipality of Fertőd, in the Győr-Moson-Sopron region of Hungary. The PV plant is eligible for support under the KAT support system guaranteeing an off-take price of HUF 31,770 (EUR 103.34) per MWh of electricity supplied to the grid. During the 25-year support period the power plant is licensed to sell 14.3 GWh of renewable energy, generating revenues of at least EUR 1.478 million over the entire period. The acquisition of the Fertőd project expands Photon Energy's project pipeline in Hungary to 12 projects with a planned installed capacity of 6.8 MWp.

4. Enterprise value & Share price performance

4.1 NewConnect (Warsaw Stock Exchange)

On 31 July 2017, the share price (ISIN NL0010391108) closed at a price of PLN 1.30 (+18% MoM, +19% YTD), corresponding to a price to book ratio of 0.63x. The Company reports a monthly trading volume of 742,569 shares (+547% MoM).

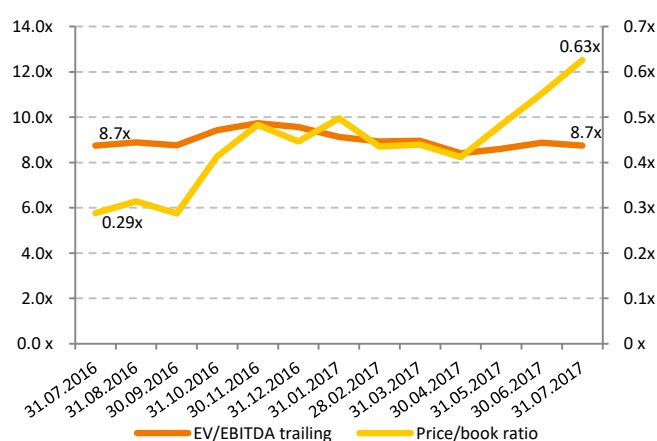
Chart 4. Enterprise value vs. trailing 12 months (TTM) EBITDA



Notes:

EV – Enterprise value is calculated as the market capitalisation as of the end of the reporting month, plus debt, plus minority interest, minus cash. All the balance sheet data are taken from the last quarterly report. Trailing 12 months EBITDA – defined as the sum of EBITDA reported in the last four quarterly reports; i.e. as of 31.07.2017, the sum of EBITDA reported in 2016 Q3, Q4, 2017 Q1 & Q2.

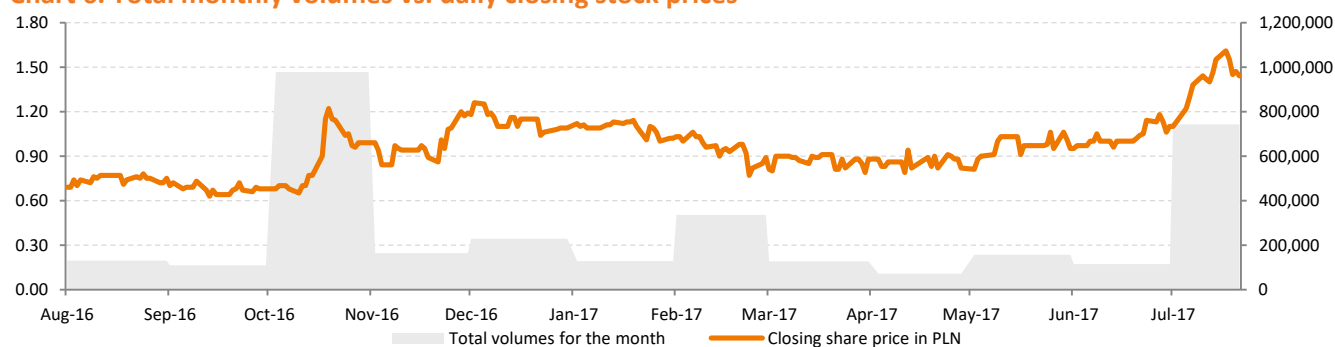
Chart 5. Enterprise value / trailing 12 months EBITDA and price to book ratio



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

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

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



4.2 Free Market (Prague Stock Exchange)

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

On 31 July 2017, the share price (ISIN NL0010391108) closed at a price of CZK 7.85 (+31% MoM, +60% vs CZK 4.90, the reference price on the first trading day on 17 October 2016), corresponding to a price to book ratio of 0.62x. The Company reports a monthly trading volume of 123,167 shares (+336% MoM).

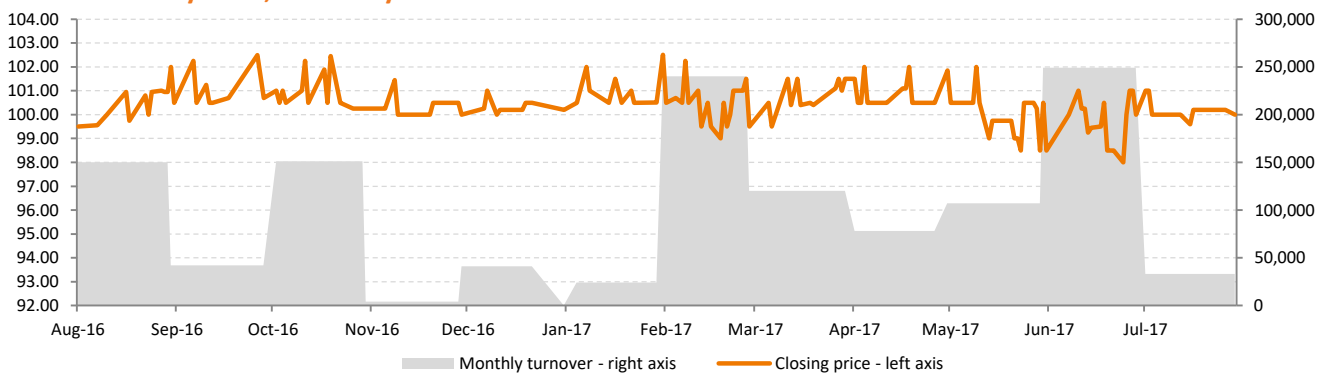
5. Bond trading performance.

In March 2013, the Company issued a 5-year corporate bond with an 8% annual coupon and quarterly payment. The corporate bond, with a denomination of EUR 1,000 (ISIN DE000A1HELE2), is being traded in the Open Market of the Frankfurt Stock Exchange. The bond is also listed on the stock exchanges in Berlin, Hamburg, Hannover, Munich and Vienna. Since listing the bond has been trading between 93% and 102.50%.

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

5.1 EUR Bond trading performance in Frankfurt

Chart 7. The Company's EURO bond trading on the Frankfurt Stock Exchange in Germany between 1 August 2016 and 31 July 2017, on a daily basis



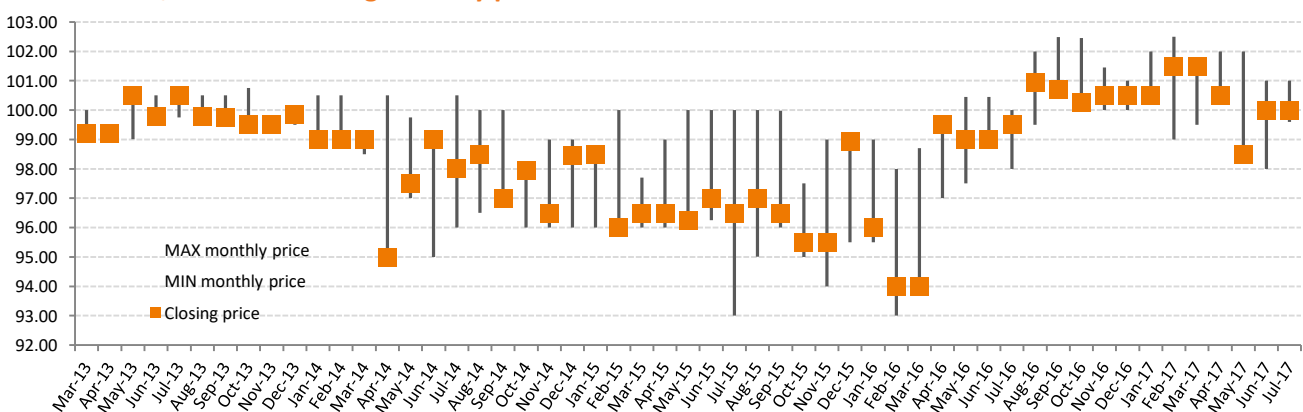
EUR Bond trading performance to date

In the trading period from 12 March 2013 until 31 July 2017 the trading volume amounted to EUR 8.737 million (nominal value) with an opening price of 100.00 and a closing price of 100.00. During this period the average daily turnover amounted to EUR 7,893.

EUR Bond trading performance in July 2017

In July 2017 the trading volume amounted to EUR 33,000 with an opening price of 100.00 and a closing price of 100.00. The average daily turnover amounted to EUR 1,571. As of the end of July 2017, the total outstanding nominal amounts to EUR 10.487 million.

Chart 8. MIN, MAX and closing monthly prices



5.2 CZK Bond trading performance in Prague

In the trading period from 12 December 2016 until 31 July 2017 the trading volume amounted to CZK 5,580,000 (+CZK 90,000 compared to last month - nominal value) with a closing price of 100.00.

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

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

- ▶ EBI 18/2017 published on 3 July 2017: Photon Energy is developing a 316 MWp solar power plant in Australia.
- ▶ EBI 19/2017 published on 12 July 2017: Monthly report for June 2017.
- ▶ EBI 20/2017 published on 13 July 2017: Photon Energy acquires 520 kW solar PV project in Hungary.
- ▶ EBI 21/2017 published on 19 July 2017: Photon Energy mandates Pottinger as financial advisors for Australian project pipeline.

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

- ▶ EBI 22/2017 published on 2 August 2017: Photon Energy announces the development of a 155 MWp solar plant in Australia.
- ▶ EBI 23/2017 published on 7 August 2017: Quarterly report for 2017 Q2.

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 4/2017 published on 3 July 2017: Insider trading notification.
- ▶ ESPI 5/2017 published on 6 July 2017: Insider trading notification.

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

- ▶ None.

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

Not applicable.

8. Investors' calendar.

- ▶ 11 September 2017 Monthly report for August 2017
- ▶ 10 October 2017 Monthly report for September 2017
- ▶ 6 November 2017 Entity and consolidated quarterly reports for 2017Q3
- ▶ 9 November 2017 Monthly report for October 2017
- ▶ 11 December 2017 Monthly report for November 2017

9. Investor relations contact.

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Amsterdam, 9 August 2017



Georg Hotar, Member of the Board of Directors



Michael Gartner, Member of the Board of Directors