

PHOTON ENERGY N.V. MONTHLY REPORT

July 2016

for the period from 1 to 31 July 2016

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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 of power plants showed slight under-production through less favourable weather conditions in July. The average performance of all power plants in Photon Energy's portfolio came in approximately 4.7% below expectations. On a year-to-date basis, the accumulated data recorded a slight underperformance of -1.6% and of -4.9% YoY. For more information, please refer to chapter 2 "Proprietary PV plants".

1.2 Photon Energy adds further 28.5 MWp to O&M portfolio

Photon Energy Operations signed its biggest single full-O&M contract yet with one of the leading Czech independent power producers Energy 21 for 28.5 MWp. The Company's in-depth knowledge of central inverters and access to spare parts played a key part in closing the deal. One of Photon Energy's main advantages for Energy 21 is the company's expertise when dealing with central PV inverters, in this particular case Satcon® inverters. Apart from in-depth technical knowledge and experience with this technology, Photon Energy recently entered into a cooperation agreement with GreatWall, the successor of central inverter producer Satcon®. The agreement includes new product and spare parts distribution as well as service partnership for Satcon® and Great Wall technology in Europe and Australia.

In the Czech Republic alone Photon Energy now has almost 100 MWp in its O&M portfolio. The new contract underlines the company's ambitions to be the market leader in the Czech Republic and other markets. Photon Energy now provides O&M and monitoring services for more than 180 MWp in nine countries.

1.3 String Monitoring Unit delivered to the biggest Czech PV power plant

Photon Energy has delivered and installed its "String Monitoring Unit" – a highly specialised hardware solution for PV monitoring – to the biggest Czech Power Plant. The PV plant in Ralsko has a total capacity of 54 MWp and is owned and operated by ČEZ, the largest utility company in Central and Eastern Europe.

1.4 New contract in Australia

Photon Energy Australia has been chosen to build a 100kWp solar power plant supplying energy to a sewerage treatment plant in New South Wales.

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 reporting period.

Table 1. Production results in July 2016

Project name	Capacity	Feed-in-Tariff	Prod. 2016 July	Proj. 2016 July	Perf.	YTD Prod.	YTD Proj.	Perf.	YoY
Unit	kWp	per MWh	kWh	kWh	%	kWh	kWh	%	%
Komorovice	2,354	CZK 13,692	326,608	352,054	-7.2%	1,523,418	1,579,916	-3.6%	-5.3%
Zvůkov I	2,031	CZK 13,692	294,678	308,568	-4.5%	1,420,909	1,384,767	2.6%	2.3%
Dolní Dvořiště	1,645	CZK 13,692	200,878	256,694	-21.7%	1,007,829	1,151,973	-12.5%	-5.7%
Svatoslav	1,231	CZK 13,692	166,111	190,648	-12.9%	730,322	855,570	-14.6%	-4.8%
Slavkov	1,159	CZK 13,692	171,113	181,549	-5.7%	830,290	814,742	1.9%	-3.3%
Mostkovice SPV 1	210	CZK 13,692	28,671	25,568	12.1%	139,765	126,585	10.4%	-5.5%
Mostkovice SPV 3	926	CZK 14,710	128,192	134,627	-4.8%	619,229	611,148	1.3%	-5.3%
Zdice I	1,499	CZK 13,692	211,654	226,305	-6.5%	1,024,622	1,003,990	2.1%	-8.5%
Zdice II	1,499	CZK 13,692	212,142	226,305	-6.3%	1,032,381	1,003,990	2.8%	-6.0%
Radvanice	2,305	CZK 13,692	324,044	348,473	-7.0%	1,566,757	1,563,842	0.2%	-5.1%
Břeclav rooftop	137	CZK 13,692	21,280	17,291	23.1%	101,281	86,678	16.8%	-4.0%
Total Czech PP	14,996		2,085,371	2,268,084	-8.1%	9,996,803	10,183,201	-1.8%	-4.5%
Babiná II	999	EUR 425.12	128,640	135,695	-5.2%	601,971	652,502	-7.7%	-7.2%
Babina III	999	EUR 425.12	130,473	135,695	-3.8%	603,270	652,502	-7.5%	-6.6%
Prša I.	999	EUR 425.12	150,579	134,698	11.8%	700,125	651,018	7.5%	-2.9%
Blatná	700	EUR 425.12	100,014	93,677	6.8%	473,331	482,570	-1.9%	-1.3%
Mokra Luka 1	963	EUR 382.61	147,100	132,451	11.1%	738,474	665,883	10.9%	-6.1%
Mokra Luka 2	963	EUR 382.61	147,098	132,451	11.1%	744,352	665,883	11.8%	-6.0%
Jovice 1	979	EUR 382.61	122,953	144,260	-14.8%	548,219	648,546	-15.5%	-6.0%
Jovice 2	979	EUR 382.61	123,888	144,260	-14.1%	518,752	648,546	-20.0%	-7.8%
Břestovec	850	EUR 382.61	127,302	112,342	13.3%	630,630	564,041	11.8%	-6.3%
Polianka	999	EUR 382.61	134,055	147,205	-8.9%	624,045	664,753	-6.1%	-4.8%
Myjava	999	EUR 382.61	145,026	137,890	5.2%	702,081	679,770	3.3%	-6.6%
Total Slovak PP	10,429		1,457,128	1,450,625	0.4%	6,885,250	6,976,014	-1.3%	-5.7%
Symonston	144	AUD 301.60	8,200	8,824	-7.1%	95,290	99,188	-3.9%	1.2%
Total Australian PP	144		8,200	8,824	-7.1%	95,290	99,188	-3.9%	1.2%
Total	25,569		3,550,699	3,727,533	-4.7%	16,977,343	17,258,402	-1.6%	-4.9%

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 2016/ YTD proj. in 2016) - 1

YoY ratio: (YTD Prod. in 2016/ YTD Prod. in 2015) - 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

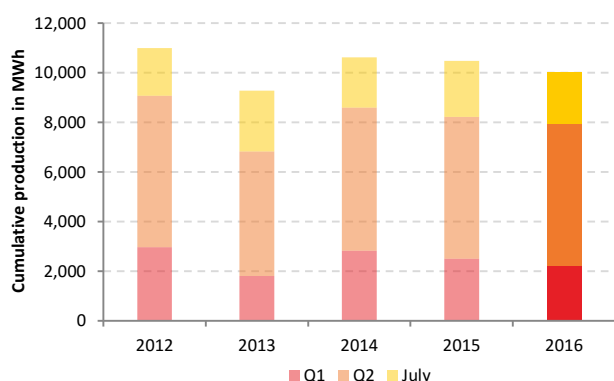


Chart 1.b Total production of the Slovak portfolio

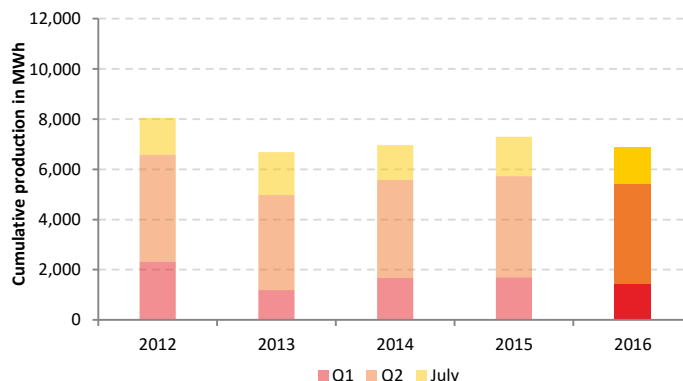


Chart 2. Generation results versus forecast between 1 January 2013 and 31 July 2016

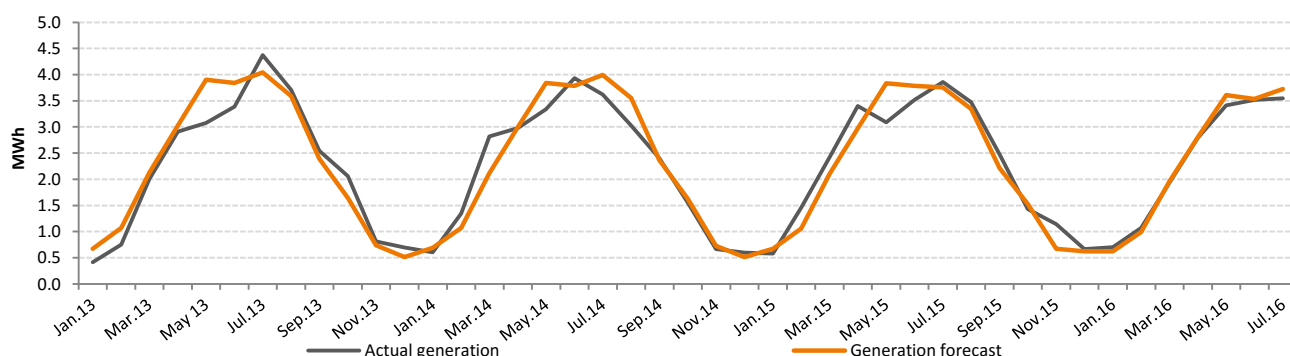
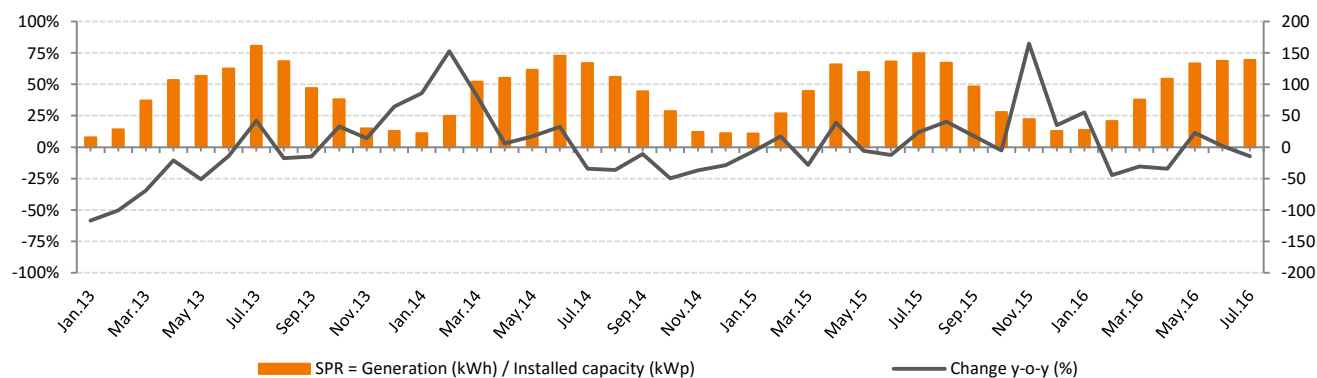


Chart 3. Specific Performance



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.

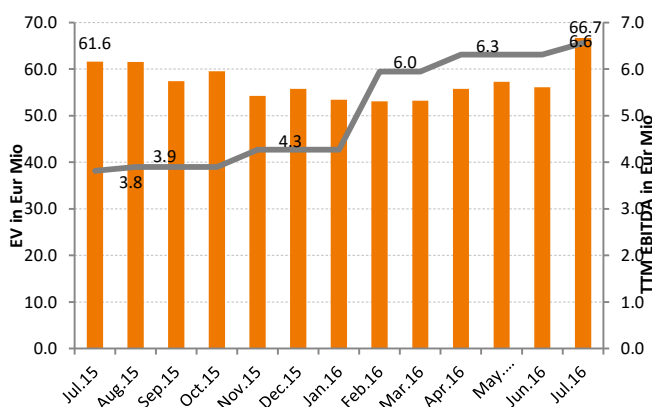
The company's portfolio of power plants showed slight underproduction through less favourable weather conditions in July. The average performance of all power plants in Photon Energy's portfolio came in approximately 4.7% below expectations. On a year-to-date basis, the accumulated data recorded a slight underperformance of -1.6% and of -4.9% YoY.

The Slovak plants, recorded an overperformance of 0.4%. The Czech portfolio and the Australian plant in contrast, recorded an underperformance of -8.1% and -7.1%, respectively. Specific performance in July slightly decreased YoY (-7%), to 139 kWh/kWp.

3. Enterprise value & Share price performance.

On 31 July 2016, the share price (ISIN NL0010391108) closed at a price of PLN 0.69 (+11% MoM & -12% YTD), corresponding to a price to book ratio of 0.29x. The Company reports a monthly trading volume of 124,184 shares (-48% MoM).

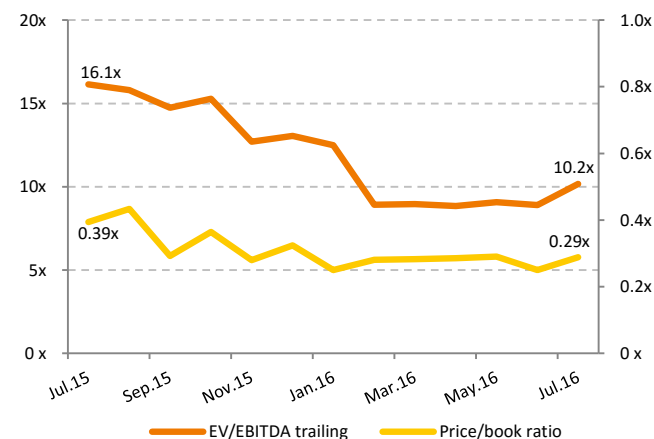
Chart 4. Enterprise value vs. trailing 12 months (TTM) EBITDA



Notes:

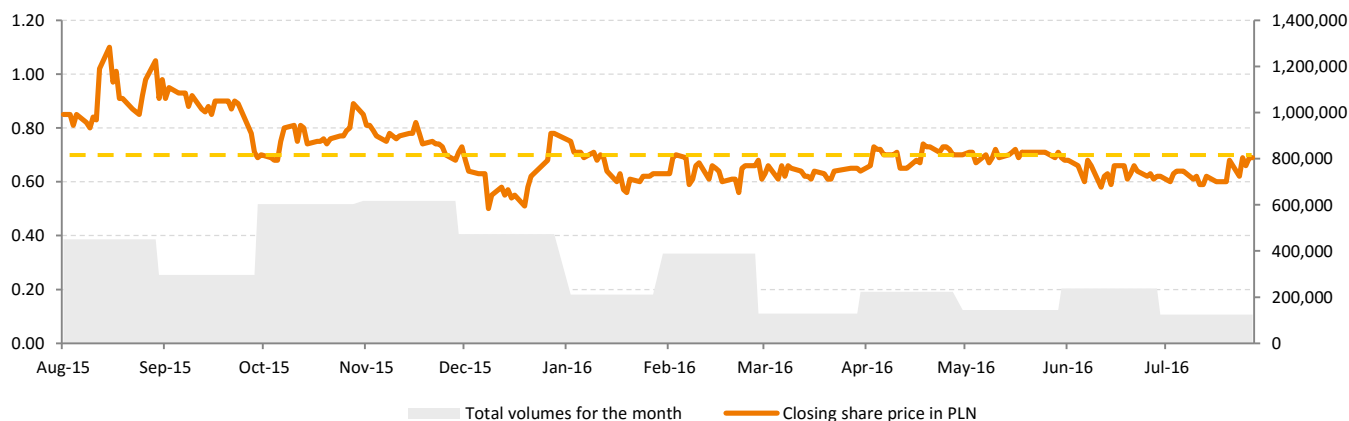
EV – Enterprise value is calculated as the market capitalisation as of the end of the reporting month, plus debt, plus minority interest, minus cash. All the balance sheet data are taken from the last quarterly report. Trailing 12 months EBITDA – defined as the sum of EBITDA reported in the last four quarterly reports; i.e. as of 31.07.2016, the sum of EBITDA reported in 2015 Q3, Q4, 2016 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.

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

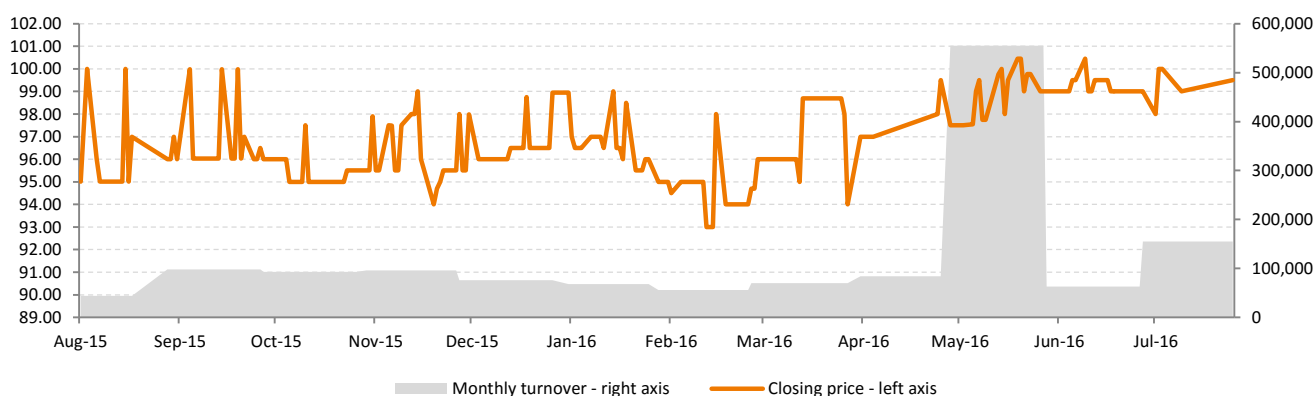


4. Bond trading performance.

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 1,000 EUR (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 101.00%.

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



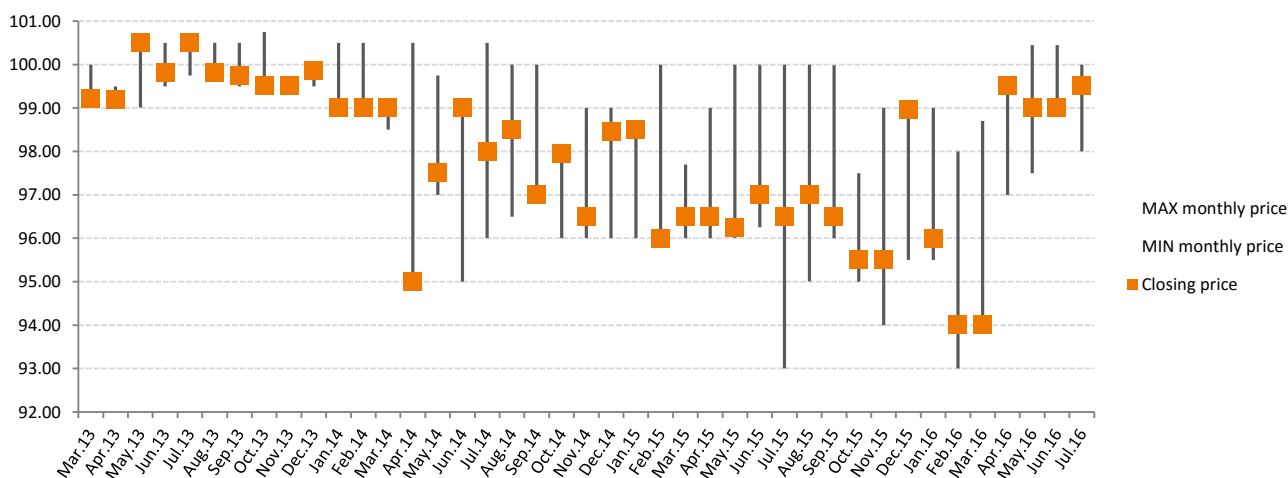
Bond trading performance to date

In the trading period from 12 March 2013 until 31 July 2016 the trading volume amounted to EUR 7.498 Mio (nominal value) with an opening price of 100.00 and a closing price of 99.50. During this period the average daily turnover amounted to EUR 8,770.

Bond trading performance in July 2016

In July 2016 the trading volume amounted to EUR 155,000 with an opening price of 99.00 and a closing price of 99.50. The average daily turnover amounted to EUR 7,750. Since the beginning of the year, the Company issued an additional 1,725 bonds with a corresponding nominal value of EUR 1.725 million, bringing the total amount of subscribed bonds to EUR 9.785 million as of end of July.

Chart 8. MIN, MAX and closing monthly prices



5. 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 18/2016 published on 11 July 2016: Monthly report for June 2016.
- ▶ EBI 19/2016 published on 21 July 2016: Photon Energy adds further 28.5 MWp to O&M portfolio.
- ▶ EBI 20/2016 published on 8 August 2016: Quarterly report for 2016 Q2.

In the period covered by this report the following current report was published in the ESPI (Electronic Information Transmission System) system of Warsaw Stock Exchange: none.

6. 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.

7. Investors' calendar.

- ▶ 12 September 2016 Monthly report for August 2016
- ▶ 12 September 2016 Payment of bond coupon
- ▶ 12 October 2016 Monthly report for September 2016
- ▶ 07 November 2016 Entity and consolidated quarterly reports for 2016 Q3
- ▶ 10 November 2016 Monthly report for October 2016
- ▶ 12 December 2016 Monthly report for November 2016.

8. Investor relations contact.

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Amsterdam, 10 August 2016



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