

Photon Energy N.V.

Monthly Report for July 2022

For the period from 1 to 31 July 2022

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 Photon Energy achieves outstanding energy generation volume and record revenues in July

In July the Company produced 11.5 GWh (+22.9% YOY) of renewable energy and generated estimated record monthly revenues of EUR 5.565 million (+108% YOY).

YTD the Company reports 80.5 GWh of electricity produced compared to 59.6 GWh one year ago (+35.1% YOY) propelled by the addition of two new power plants in Tolna, Hungary (1.4 MWp added in December 2021 and 1.4 MWp added in May 2022) and of our two utility-scale PV power plants in Leeton, Australia (14.6 MWp connected to the grid in August 2021). This represents an avoidance of 31,647 tonnes of CO₂ emissions year-to-date.

With over 80% of the Company's power plant portfolio selling electricity directly to the grid at market prices, the Company expects revenues of EUR 21.301 million in the first seven months of 2022, compared to EUR 19.402 million for the full year 2021 (+9.8% YOY).

In July the proprietary portfolio outperformed the audits by 5.1%. Our Czech, Slovak, and Hungarian portfolios exceeded energy forecasts by 3.8%, 4.3% and 6.8%, respectively, while our Australian portfolio was short of estimates by 2.0%.

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

1.2 Construction of five solar projects with 16.5 Mwp in Romania

During the reporting period, the Company announced that it started the construction of another four Romanian PV power plants, bringing the total number of projects under construction in the country to five, with a combined generation capacity of 16.5 MWp.

The five power plants are scheduled to commence operations in the fourth quarter of 2022 and to sell electricity on the energy market on a merchant basis, that is without any support or a power purchase agreement with an energy offtaker.

Upon the commissioning of these plants, the Company will own and operate 93 solar power plants with a combined generation capacity of 108.3 MWp in its IPP portfolio. A combined 92 MWp will

be selling subsidy-free clean electricity directly on the energy market.

The Company is currently developing utility-scale solar PV projects with a combined capacity of 235.4 MWp in Romania. The remaining project development pipeline is expected to be built and commissioned in 2023 and 2024 and thus the Romanian market will significantly contribute to the Company's goal of expanding its IPP portfolio to at least 600 MWp globally by the end of 2024.

1.3 Photon Energy Group reports strong second quarter 2022 growth and updates its 2022 financial guidance

In the second quarter of 2022 the Company more than doubled its revenue to EUR 23.229 million (up 135.7% YoY) leading to a record consolidated Q2 EBITDA of EUR 8.119 million (up 108.3% YoY). In the first half of 2022, revenues rose to EUR 32.367 million (up 124.4%), while EBITDA grew by 146.2% to EUR 10.143 million. The Group turned on pre-tax and after-tax levels into the positive in both Q2 and H1 2022.

Driven by the great momentum in direct electricity sales into the market, the Company has increased its full-year 2022 revenue expectations from the previously communicated EUR 65 million to EUR 85 million (up 133.8% YoY) and EBITDA from the previous EUR 18 million to EUR 24 million (up 150.4% YoY).

1.4 Reporting on Photon Energy's project pipeline

Photon Energy is currently developing PV projects in Australia (300.0 MWp), Hungary (25.8 MWp), Romania (235.4 MWp) and Poland (263.9 MWp) and is evaluating further markets for opportunities.

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

2. Proprietary PV power plants

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

Table 1. Production results in July 2022

Project name	Capacity	Revenue ¹	Prod. 2022 July	Proj. 2022 July	Perf.	YTD Prod.	YTD Proj.	Perf.	YTD YoY
Unit	kWp	per MWh, in July	kWh	kWh	%	kWh	kWh	%	%
Komorovice	2,354	850 EUR	339,348	322,028	5.4%	1,770,784	1,639,166	8.0%	14.3%
Zvíkov I	2,031	859 EUR	264,737	292,097	-9.4%	1,540,671	1,508,136	2.2%	6.5%
Dolní Dvořiště	1,645	852 EUR	235,385	220,761	6.6%	1,127,293	1,087,831	3.6%	5.0%
Svatoslav	1,231	848 EUR	173,456	166,639	4.1%	847,110	789,240	7.3%	11.7%
Slavkov	1,159	849 EUR	178,886	166,978	7.1%	968,754	877,521	10.4%	11.3%
Mostkovice SPV 1	210	844 EUR	30,109	28,346	6.2%	160,805	146,076	10.1%	14.0%
Mostkovice SPV 3	926	891 EUR	137,679	126,512	8.8%	726,092	648,136	12.0%	13.3%
Zdice I	1,499	851 EUR	229,198	216,188	6.0%	1,197,885	1,114,386	7.5%	11.9%
Zdice II	1,499	851 EUR	230,918	219,586	5.2%	1,215,442	1,130,942	7.5%	10.8%
Radvanice	2,305	851 EUR	341,600	323,886	5.5%	1,812,840	1,655,239	9.5%	14.2%
Břeclav rooftop	137	847 EUR	21,376	18,975	12.7%	114,942	103,012	11.6%	11.1%
Total Czech PP	14,996		2,182,692	2,101,997	3.8%	11,482,617	10,699,686	7.3%	11.1%
Babiná II	999	271 EUR	141,719	137,655	3.0%	706,321	635,105	11.2%	9.7%
Babina III	999	271 EUR	140,568	137,187	2.5%	700,887	641,682	9.2%	6.4%
Prša I.	999	270 EUR	152,407	147,232	3.5%	740,849	687,403	7.8%	13.4%
Blatna	700	273 EUR	107,852	101,678	6.1%	518,053	475,422	9.0%	7.4%
Mokra Luka 1	963	258 EUR	152,641	144,941	5.3%	853,894	721,672	18.3%	13.0%
Mokra Luka 2	963	257 EUR	152,490	144,134	5.8%	865,954	754,384	14.8%	12.8%
Jovice 1	979	263 EUR	130,861	123,814	5.7%	639,195	576,799	10.8%	15.0%
Jovice 2	979	263 EUR	130,085	123,315	5.5%	634,220	568,928	11.5%	14.8%
Brestovec	850	257 EUR	134,266	131,473	2.1%	731,733	665,070	10.0%	17.5%
Polianka	999	261 EUR	142,575	136,649	4.3%	701,004	640,852	9.4%	9.3%
Myjava	999	259 EUR	154,290	148,532	3.9%	796,482	732,927	8.7%	7.9%
Total Slovak PP	10,429		1,539,755	1,476,611	4.3%	7,888,593	7,100,244	11.1%	11.6%
Tiszakécske 1	689	366 EUR	111,888	106,046	5.5%	607,101	547,624	10.9%	8.2%
Tiszakécske 2	689	366 EUR	112,121	106,184	5.6%	610,440	550,381	10.9%	8.5%
Tiszakécske 3	689	366 EUR	111,030	105,411	5.3%	591,072	538,449	9.8%	8.1%
Tiszakécske 4	689	366 EUR	112,159	106,184	5.6%	607,253	550,381	10.3%	7.4%
Tiszakécske 5	689	366 EUR	111,785	106,046	5.4%	607,573	547,624	10.9%	17.0%
Tiszakécske 6	689	366 EUR	111,807	106,184	5.3%	608,359	550,381	10.5%	8.2%
Tiszakécske 7	689	366 EUR	111,955	106,012	5.6%	609,431	547,335	11.3%	8.2%
Tiszakécske 8	689	366 EUR	111,370	105,896	5.2%	600,159	545,882	9.9%	7.4%
Almásfüzitő 1	695	358 EUR	112,766	103,159	9.3%	599,967	544,046	10.3%	7.6%
Almásfüzitő 2	695	357 EUR	109,801	103,117	6.5%	582,794	543,715	7.2%	7.2%
Almásfüzitő 3	695	357 EUR	108,923	102,952	5.8%	584,268	541,595	7.9%	7.7%
Almásfüzitő 4	695	358 EUR	112,846	103,285	9.3%	601,013	545,082	10.3%	7.4%
Almásfüzitő 5	695	358 EUR	112,879	103,007	9.6%	610,375	542,280	12.6%	7.7%
Almásfüzitő 6	660	358 EUR	112,693	98,949	13.9%	605,881	522,051	16.1%	7.5%
Almásfüzitő 7	691	357 EUR	112,096	102,418	9.4%	603,594	539,230	11.9%	7.4%
Almásfüzitő 8	668	358 EUR	113,618	100,015	13.6%	587,736	527,928	11.3%	4.1%
Nagyecséd 1	689	366 EUR	116,619	98,577	18.3%	592,799	533,276	11.2%	7.3%
Nagyecséd 2	689	365 EUR	115,465	98,577	17.1%	589,141	533,276	10.5%	6.3%
Nagyecséd 3	689	365 EUR	116,144	98,761	17.6%	594,640	533,789	11.4%	7.1%
Fertod I	528	352 EUR	84,591	75,378	12.2%	465,348	401,849	15.8%	5.1%
Fertod II No 2	699	356 EUR	112,661	103,004	9.4%	605,856	545,574	11.0%	7.6%
Fertod II No 3	699	356 EUR	111,392	103,004	8.1%	601,261	545,574	10.2%	4.1%
Fertod II No 4	699	357 EUR	110,328	103,004	7.1%	597,442	545,574	9.5%	4.6%

Project name	Capacity	Revenue	Prod. 2022 July	Proj. 2022 July	Perf.	YTD Prod.	YTD Proj.	Perf.	YTD YoY
Unit	kWp	per MWh, in July	kWh	kWh	%	kWh	kWh	%	%
Fertod II No 5	691	356 EUR	111,323	103,064	8.0%	599,083	548,723	9.2%	4.4%
Fertod II No 6	699	355 EUR	106,095	103,004	3.0%	593,926	545,574	8.9%	3.7%
Kunszentmárton I No 1	697	363 EUR	114,824	110,562	3.9%	627,025	570,782	9.9%	7.5%
Kunszentmárton I No 2	697	363 EUR	114,903	110,568	3.9%	622,834	570,847	9.1%	7.1%
Kunszentmárton II No 1	693	361 EUR	116,163	110,447	5.2%	630,100	545,289	15.6%	6.1%
Kunszentmárton II No 2	693	362 EUR	116,428	110,447	5.4%	633,302	545,585	16.1%	6.3%
Taszár 1	701	359 EUR	111,179	108,980	2.0%	602,275	572,138	5.3%	5.6%
Taszár 2	701	357 EUR	114,719	108,980	5.3%	613,310	572,138	7.2%	7.4%
Taszár 3	701	357 EUR	115,502	108,980	6.0%	615,130	572,138	7.5%	6.7%
Monor 1	688	359 EUR	114,719	108,386	5.8%	619,682	553,720	11.9%	7.3%
Monor 2	696	359 EUR	114,338	107,987	5.9%	611,443	561,961	8.8%	7.6%
Monor 3	696	359 EUR	115,057	107,987	6.5%	619,610	561,961	10.3%	8.7%
Monor 4	696	359 EUR	114,876	107,987	6.4%	619,275	561,961	10.2%	7.9%
Monor 5	688	359 EUR	114,883	107,894	6.5%	619,417	551,852	12.2%	7.8%
Monor 6	696	359 EUR	114,494	107,987	6.0%	619,031	561,961	10.2%	7.9%
Monor 7	696	359 EUR	114,935	107,987	6.4%	617,598	561,961	9.9%	7.5%
Monor 8	696	359 EUR	115,484	107,987	6.9%	622,156	561,961	10.7%	8.5%
Tata 1	672	365 EUR	137,032	127,837	7.2%	660,949	616,992	7.1%	8.6%
Tata 2	676	358 EUR	108,094	104,151	3.8%	576,157	543,147	6.1%	8.4%
Tata 3	667	358 EUR	108,838	102,417	6.3%	577,299	531,789	8.6%	8.7%
Tata 4	672	365 EUR	139,543	130,428	7.0%	673,270	630,914	6.7%	9.2%
Tata 5	672	365 EUR	139,067	130,817	6.3%	668,349	632,906	5.6%	16.7%
Tata 6	672	365 EUR	139,376	128,971	8.1%	649,379	623,472	4.2%	5.7%
Tata 7	672	365 EUR	138,985	127,902	8.7%	665,911	617,370	7.9%	9.3%
Tata 8	672	365 EUR	139,077	129,468	7.4%	673,675	626,148	7.6%	8.3%
Malyi 1	695	364 EUR	115,233	104,332	10.4%	589,859	541,257	9.0%	6.9%
Malyi 2	695	364 EUR	114,943	104,434	10.1%	608,203	541,899	12.2%	10.1%
Malyi 3	695	365 EUR	114,576	104,434	9.7%	608,724	541,899	12.3%	10.2%
Puspokladány 1	1,406	88 EUR	276,778	269,207	2.8%	1,384,334	1,264,977	9.4%	4.3%
Puspokladány 2	1,420	363 EUR	282,646	266,015	6.3%	1,426,831	1,233,252	15.7%	6.4%
Puspokladány 3	1,420	381 EUR	278,936	260,480	7.1%	1,400,645	1,206,758	16.1%	5.3%
Puspokladány 4	1,406	375 EUR	275,610	267,583	3.0%	1,389,863	1,257,053	10.6%	4.8%
Puspokladány 5	1,420	376 EUR	282,322	265,648	6.3%	1,422,970	1,230,960	15.6%	5.0%
Puspokladány 6	1,394	88 EUR	274,507	266,836	2.9%	1,382,166	1,245,492	11.0%	5.1%
Puspokladány 7	1,406	88 EUR	275,628	267,467	3.1%	1,387,373	1,256,399	10.4%	4.7%
Puspokladány 8	1,420	372 EUR	277,901	261,110	6.4%	1,397,322	1,210,015	15.5%	4.9%
Puspokladány 9	1,406	88 EUR	276,264	267,350	3.3%	1,389,486	1,255,751	10.6%	9.9%
Puspokladány 10	1,420	377 EUR	278,194	260,290	6.9%	1,398,279	1,205,760	16.0%	5.0%
Tolna 1	1,358	368 EUR	307,193	286,560	7.2%	1,463,709	1,389,319	5.4%	na
Tolna 2	1,358	367 EUR	316,700	286,560	10.5%	855,352	801,155	6.8%	na
Total Hungarian PP	51,814		9,294,299	8,704,697	6.8%	47,398,802	42,848,134	10.6%	12.5%
Symonston	144	240 EUR	8,240	8,088	1.9%	80,212	90,976	-11.8%	-10.4%
Leeton	7,261	217 EUR	755,856	772,120	-2.1%	6,891,976	7,685,380	-10.3%	na
Fivebough	7,261	216 EUR	740,152	755,205	-2.0%	6,800,052	7,578,915	-10.3%	Na
Total Australian PP	14,744		1,504,248	1,535,413	-2.0%	13,772,240	15,355,271	-10.3%	Nm
Total	91,905		14,520,994	13,818,718	5.1%	80,533,201	76,003,334	6.0%	35.1%

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 2022 / YTD proj. in 2022) - 1.

YTD YOY: (YTD Prod. in 2022 / YTD Prod. in 2021) - 1.

¹ - Green Bonus + realized electricity price during the reporting period in the Czech Republic.

- Realized electricity price in Hungary.

- Realized electricity price + Australian Large-scale Generation Certificate spot closing price in Australia.

Chart 1.a Total production of the Czech portfolio

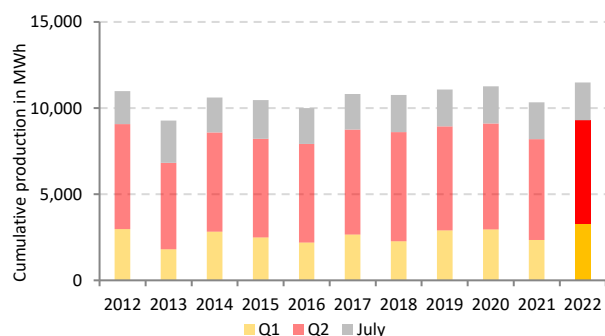


Chart 1.b Total production of the Slovak portfolio

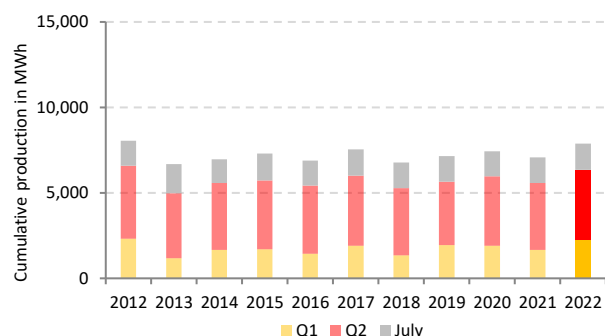


Chart 1.c Total production of Hungarian portfolio

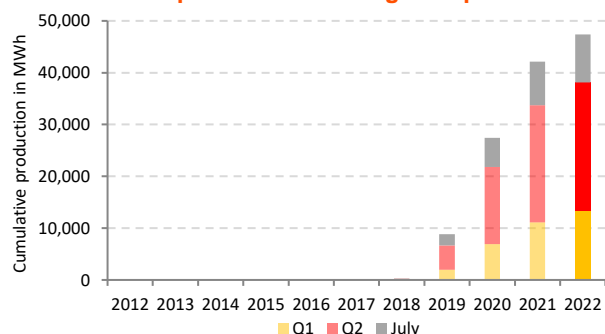
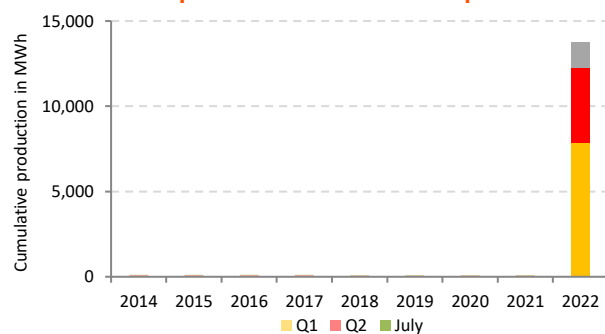


Chart 1.d Total production of Australian portfolio



The Company reports 80.5 GWh of electricity produced YTD compared to 59.6 GWh one year ago (+35.1%) propelled by the addition of two new power plants in Tolna, Hungary (1.4 MWp added in December 2021 and 1.4 MWp added in May 2022) and of our two utility-scale PV power plants in Leeton, Australia (14.6 MWp connected to the grid in August 2021). This represents an avoidance of 31,647 tonnes of CO₂ emissions year-to-date.

With over 80% of the Company’s power plant portfolio selling electricity directly to the grid at market prices, the Company achieved a revenue of EUR 21.301 million in the first seven months of 2022, compared to EUR 19.402 million for the full year 2021.

In July the proprietary portfolio outperformed the audits by 5.1%. Our Czech, Slovak, and Hungarian portfolios exceeded energy

forecasts by 3.8%, 4.3% and 6.8%, respectively, while our Australian portfolio was short of estimates by 2.0%. The specific performance ratio of the proprietary portfolio (SPR) reached 158.0 kWh/kWp compared to 161.4 kWh/kWp one year ago (-2.1% year-on-year).

Further to the release of its second quarter and first half results for 2022, and driven by the great momentum in direct electricity sales into the market, Photon Energy’s management board raised its full-year 2022 guidance with revenue expectations of EUR 85 million from the previously communicated EUR 65 million (up 133.8% YoY) leading to an EBITDA of EUR 24 million from the previous EUR 18 million (up 150.4% YoY).

Table 2. Estimated Revenues from Electricity Generation in July 2022*

Portfolio	Capacity	Prod. July	Avg. Revenue July	Total Revenue July	YTD Avg. Revenue	YTD Revenue
Unit	MWp	MWh	EUR/MWh	In Euro thousand	EUR/MWh, in 2022	In Euro thousand
Czech Republic	15.0	2,183	854	1,864	780	8,951
Slovakia	10.4	1,540	264	294	263	1,500
Hungary	51.8	9,294	331	3,081	191	9,062
Australia	14.7	1,504	217	326	130	1,787
Total Portfolio	91.9	14,521	391	5,565	201	21,301

* Estimates for revenues are based on management reporting and may deviate from published financial statements due to exchange rates.





** Slovak joint-ventures SK SPV 1 s.r.o., Solarpark Polianka s.r.o., and Solarpark Myjava s.r.o. are consolidated at equity only and therefore not presented in the above table.

3. 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 (300.0 MWp), Hungary (25.8 MWp), Romania (235.4 MWp) and Poland (263.9 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
 Romania	33.2	81.5	87.9	16.3	16.5	235.4
 Poland	234.0	29.9	-	-	-	263.9
 Hungary	-	23.1	2.7	-	-	25.8
 Australia	-	300.0	-	-	-	300.0
Total in MWp	267.2	434.5	90.6	16.3	16.5	825.1

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

Chart 4.a Romanian project pipeline in MWp

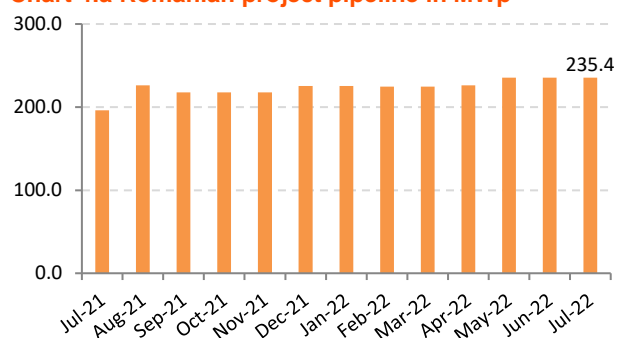


Chart 4.b Polish project pipeline in MWp

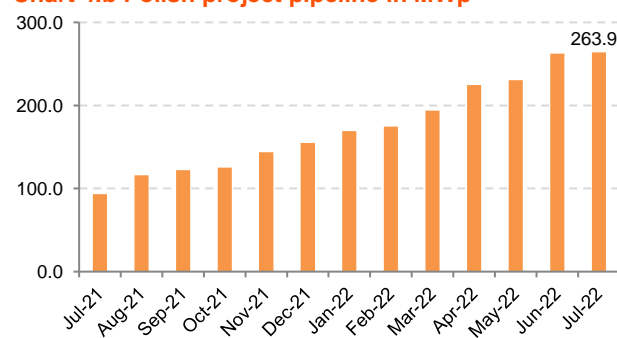


Chart 4.c Australian project pipeline in MWp

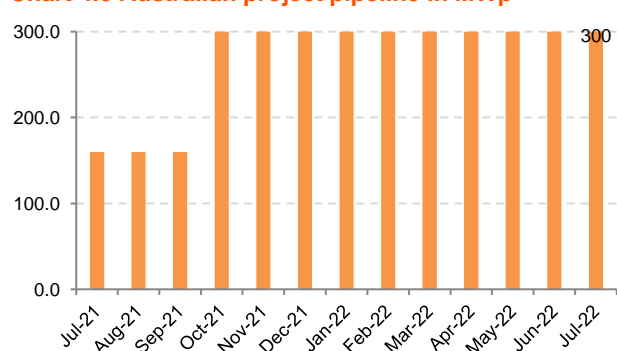
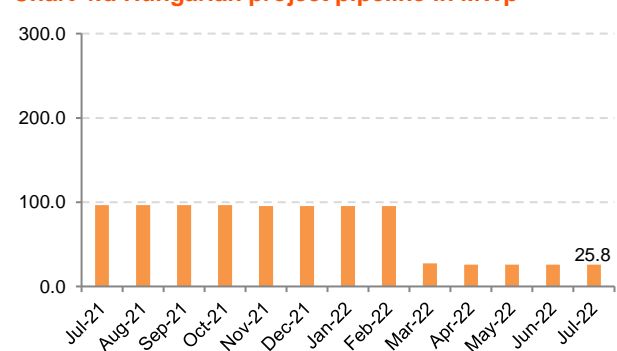


Chart 4.d Hungarian project pipeline in MWp



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
Romania	Siria	5	Own portfolio	100%	5.7	Merchant/PPA	Secured	Secured	Secured	Under construction
Romania	Aiud	5	Own portfolio	100%	4.7	Merchant/PPA	Secured	Secured	Secured	Under construction
Romania	Calafat	5	Own portfolio	100%	6.1	Merchant/PPA	Secured	Secured	Secured	Under construction
Romania	Teius	3	Own portfolio	100%	4.7	Merchant/PPA	Secured	Ongoing	Secured	Q3 2022
Romania	Sahateni	3	Own portfolio	100%	12.0	Merchant/PPA	Secured	Secured	Secured	Q3 2022
Hungary	Tolna 3-4	3	Own portfolio	100%	2.7	Merchant/PPA	Secured	Secured	Secured	Q3 2022
Hungary	Tolna 5-13	2	Own portfolio	100%	23.1	Merchant/PPA	Ongoing	Secured	Secured	Q4 2022
Australia	Yadnarie	2	All options open	100%	300.0	All options open	Secured	Ongoing	Ongoing	Q4 2023

Australia

During the reporting period, Photon Energy had one large scale solar farm under development.

In November 2021, the Group secured 1,200 hectares of land in South Australia to develop a 300 MWp solar farm suitable for RayGen's solar technology in combination with its energy storage solution.

- **Development status Raygen project (300 MWp):** Based on preliminary designs, Photon Energy will develop a solar generation capacity of 300 MWp with a grid connection capacity of 150 MW. The target storage energy storage capacity is 3.6 GWh, equivalent to 24 hours of full load, to the grid, from storage. This will exceed the 3 GWh capacity of the Ouarzazate Solar Power Station in Morocco, which currently has the world's largest energy storage capacity of any type, excluding pumped hydro.

The project received Crown Sponsorship from the South Australian Government for development approval. Crown Sponsorship is a development process undertaken directly with, in this case, the Department of Energy and Mining, as a development of public infrastructure under section 49(2)(c) of the Development Act 1993 for the approval of the project with the South Australian Government. The proposed development complies with the requirements of the Technical Regulator in relation to the security and stability of the State's power system. In parallel, Photon Energy has applied for grid connection for the project to the Electranet transmission network and has engaged a grid connection consultant to manage the process and conduct Grid Performance Studies which will be submitted for approval.

In Q1 2022, Photon Energy conducted already Community consultation sessions with very positive response from both the community and the local council. The local council is very supportive of the project and has expressed interest in working with Photon Energy on accommodation and local supply chain in any areas that will be mutually beneficial to both the local community and the project.

Hungary

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

- **Tolna 3-13 projects (25.8 MWp under development, 1.4 MWp commissioned on 9 December 2021 and 1.4 MWp commissioned on 5 May 2022):** In total 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.

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. Outside this project, two power plants have been constructed and commissioned to date, with a third one in advanced development after securing the binding extraction and construction permits.

The revenue model will be the direct sale of electricity through a trader on the Hungarian electricity market for the time being. Entering into a contract-for-difference based on a METAR license (for the project that has proven successful through the auction process) or entering into PPAs in the future, remain possible options. 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.

On 9 December 2021, we completed and grid-connected the first photovoltaic power plant with a capacity of 1.4 MWp near the municipality of Tolna.

On 5 May 2022, we completed and grid-connected the second photovoltaic power plant with a capacity of 1.4 MWp near Tolna.

These latest additions expand the Company's portfolio of proprietary power plants in Hungary to a total of 63, with a combined capacity of 51.8 MWp.

The new power plants represent the first European utility-scale PV power plants in Photon Energy Group's IPP portfolio that the Company operates without a support scheme. The total annual production of each power plant is expected to be around 2.1 GWh, which corresponds to expected annual revenues of EUR 440,000 based on current forward prices for electricity base load in Hungary.

Each of these new power plants extends over 2.2 hectares, uses bi-facial PV modules mounted on single-axis trackers and is connected to the grid of E.ON Dél-dunántúli Áramhálózati Zrt.

The electricity is sold on the national electricity market on a merchant basis. This means no power purchase agreements (PPAs) have been entered into by the Company. However, they may play a role in the plant's future revenue management strategy, alongside other hedging options.

The Company developed the projects fully in-house and delivered engineering, procurement and construction services through its subsidiary Photon Energy Solutions HU Kft. Photon Energy Operations HU Kft. – another of the Group's subsidiaries – will provide long-term monitoring, operations and maintenance services to the power plants.

Romania

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

► **Siria (5.7 MWp) project:**

In June 2022, the Company broke ground on the construction of its very first Romanian PV power plant with a generation capacity of 5.7 MWp. High efficiency bifacial solar modules mounted on single-axis trackers will deliver around 8.7 GWh of renewable energy annually to the grid of Enel E-Distributie Banat. Located near Şiria in Romania's Arad County, the power plant will extend over 9.3 hectares of greenfield land and will be equipped with some 10,600 solar panels. The project is starting to take shape as we have just completed the mounting structures and installed half of the total of 10,600 solar modules.



► **Aiud (4.7 MWp) project:**

In July 2022, the Company announced that it started the construction of its second Romanian PV power plant in Aiud with a capacity of 4.7 MWp and an expected annual generation of 6.8 GWh that will be delivered to the grid of Distribuție Energie Electrică România. Located near Aiud in Romania's Alba County, the power plant will extend over 6.6 hectares of greenfield land and will be equipped with around 8,700 solar panels.



► **Calafat (6.1 MWp) project:**

In July 2022, the Company announced that it started the construction of another three Romanian PV power plant in Calafat with a combined capacity of 6.1 MWp and an expected annual generation of 9.6 GWh that will be delivered to the grid of Distribuție Energie Oltenia.

The five power plants are scheduled to commence operations in the fourth quarter of 2022 and to sell electricity on the

energy market on a merchant basis, that is without any support or a power purchase agreement with an energy offtaker.

Upon the commissioning of these plants, the Company will own and operate 93 solar power plants with a combined generation capacity of 108.3 MWp in its IPP portfolio. A combined 92 MWp will be selling subsidy-free clean electricity directly on the energy market.

The Company is currently developing utility-scale solar PV projects with a combined capacity of 235.4 MWp in Romania. The remaining project development pipeline is expected to be built and commissioned in 2023 and 2024 and thus the Romanian market will significantly contribute to the Company's goal of expanding its IPP portfolio to at least 600 MWp globally by the end of 2024.

All projects to be built in Romania will be selling electricity after grid connection on a merchant basis into the grid.

Glossary of terms	Definitions
Development phase 1: "Feasibility"	LOI or MOU signed, location scouted and analyzed, working on land lease/purchase, environmental assessment and application for grid connection.
Development phase 2: "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.
Development phase 3: "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.
Development phase 4: "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.
Development phase 5: "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.

4. Enterprise value & Share price performance

4.1 Main market of the Warsaw Stock Exchange

On 31 July 2022 the Company's shares (ISIN NL0010391108) closed at a price of PLN 13.13 (+34.7% MoM), corresponding to a price to book ratio of 3.06. The monthly trading volume amounted to 708,097 shares (vs. an average monthly volume of 412,196 over the past twelve months).

Trading of the Company's shares on the regulated market of the Warsaw Stock Exchange (WSE) (Giełda Papierów Wartościowych w Warszawie) commenced on 5 January 2021. Prior to that date, data presented in this section have been extracted from the trading activity on NewConnect.

Chart 5. Enterprise value vs. trailing 12 months (TTM) EBITDA

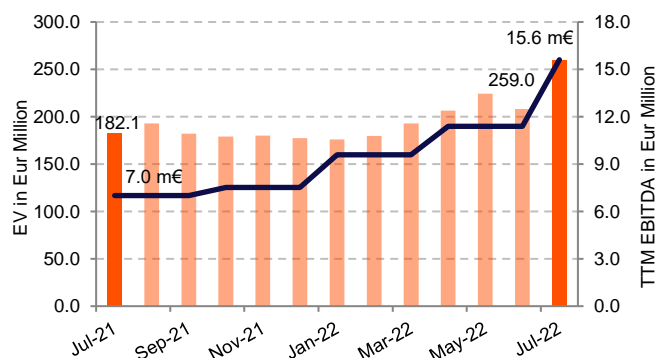
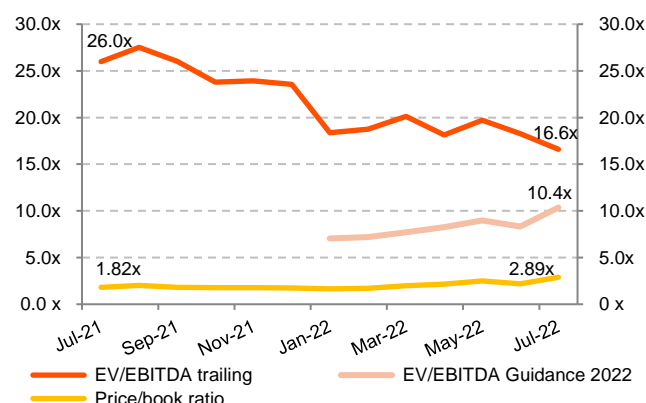


Chart 6. Enterprise value / EBITDA and price to book ratio



Notes:

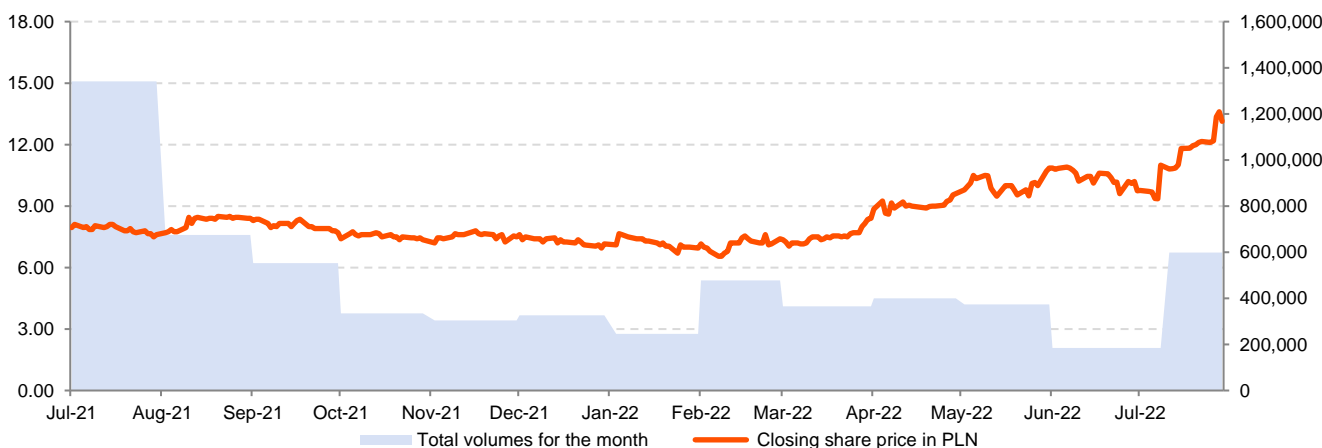
EV – Enterprise value is calculated as the market capitalisation as of the end of the reporting month, plus debt, plus minority interest, minus cash. All the balance sheet data are taken from the last quarterly report.

Trailing 12 months EBITDA – defined as the sum of EBITDA reported in the last four quarterly reports; i.e. the sum of EBITDA reported in Q3 2021, Q4 2021, Q1 2022 and Q2 2022.

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 7. Total monthly volumes vs. daily closing stock prices



4.2 Main market of the Prague Stock Exchange

On 31 July 2022 the share price (ISIN NL0010391108) closed at a level of CZK 68.20 (+31.7% MoM), corresponding to a price to book ratio of 2.89. The Company reports a monthly trading volume of 364,050 shares, compared to an average monthly trading volume of 395,107 over the past twelve months.

Trading of the Company's shares on the regulated market of the Prague Stock Exchange (PSE) (Burza cenných papírů Praha) commenced on 5 January 2021. Prior to that date, Data have been extracted from the trading activity on the Free Market of the Prague Stock Exchange.

4.3 Quotation Board of the Frankfurt stock exchange

On 31 July 2022, the share price (FSX: A1T9KW) closed at a level of EUR 2.92 (+41.4% compared to last month), corresponding to a price to book ratio of 3.04.

The Company reports a monthly trading volume of 73,055 shares, compared to an average monthly trading volume of 34,068 over the past twelve months.

The Company's shares have been traded on the Quotation Board of the Frankfurt Stock Exchange since 11 January 2021.

Since 28 July 2020, the Company's shares have already been traded on the Free Market (Freiverkehr) of the Munich Stock Exchange.

In addition the Company's shares have also been traded on the Free Market (Freiverkehr) of the Berlin Stock Exchange since 13 January 2021 and on the Free Market (Freiverkehr) of the Stuttgart Stock Exchange since 14 January 2021.

5. 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 was successfully increased in two steps with all parameters unchanged, to an outstanding amount of EUR 45.0 million prior to the completion of the exchange offer described below. 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 total outstanding bond volume amounts to EUR 20.956 million as of the reporting date.

On 17 November 2021, The Company successfully placed its 6.50% Green EUR Bond 2021/2027 (ISIN: DE000A3KWKY4) in the amount of EUR 50 million. The bond issuance was met with strong demand from the Company's existing bondholders, who subscribed to EUR 21.281 million in the exchange that was offered

for the existing EUR Bond 2017/2022. The green bond – with an interest rate of 6.50% p.a., paid quarterly – was confirmed by imug | rating with regard to its sustainability in a Second Party Opinion, and can be traded on the Open Market of the Frankfurt Stock Exchange.

On 29 November 2021, the Group successfully increased the bond placement by EUR 5.0 million with all parameters unchanged. The total outstanding bond volume amounts to EUR 55.0 million as of the end of the reporting period.

In May 2022, the Company successfully tapped its 6.50% Green EUR Bond 2021/2027 (ISIN: DE000A3KWKY4) in the amount of EUR 10 million to a total outstanding amount of EUR 65 million.

The Company intends to use the net proceeds of the green bond placement to finance or refinance, in part or in whole, new and/or existing eligible assets, as well as financial instruments that were used to finance such projects or assets, in accordance with the Company's Green Finance Framework, enabling Photon Energy Group to make a significant contribution to an environmentally friendly future.

5.1 EUR Bond 2017/22 trading performance in Frankfurt

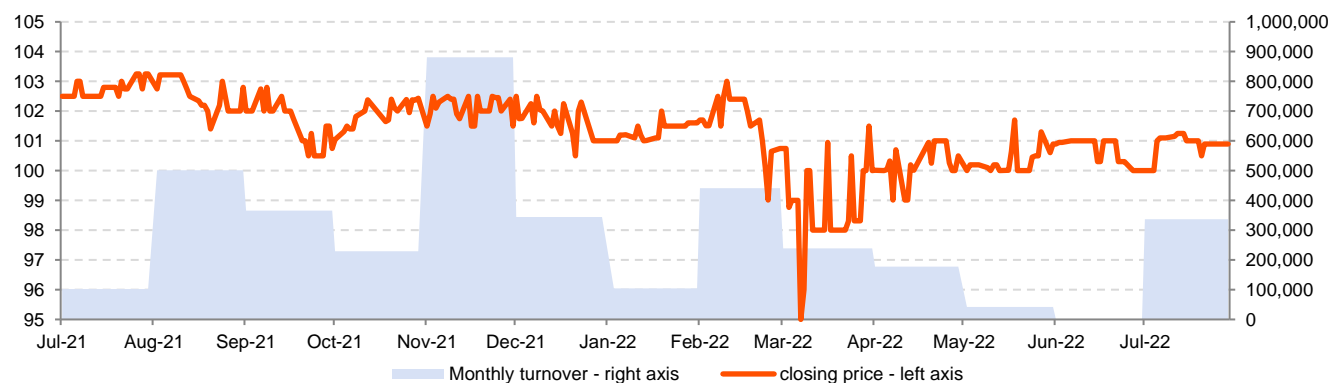
EUR Bond 2017/22 trading performance to date

In the trading period from 25 October 2017 until 31 July 2022, the trading volume amounted to EUR 32.125 million with an opening price of 100.00 and a closing price of 100.90 in Frankfurt. During this period the average daily turnover amounted to EUR 26,638.

EUR Bond 2017/22 trading performance in July 2022

In July 2022 the trading volume amounted to EUR 337,000 in Frankfurt with an opening price of 100.00 and a closing price of 100.90. The average daily turnover amounted to EUR 16,048.

Chart 8. The Company's EUR bond 2017/22 trading on the Frankfurt Stock Exchange in Germany



5.2 Green EUR Bond 2021/27 trading performance in Frankfurt

Green EUR Bond 2021/27 trading performance to date

In the trading period from 17 November 2021 until 31 July 2022, the trading volume amounted to EUR 7.015 million with an opening price of 100.00 and a closing price of 99.99 in Frankfurt. During this period the average daily turnover amounted to EUR 36,728.

Green EUR Bond 2021/27 trading performance in July 2022

In July 2022 the trading volume amounted to EUR 344,000 in Frankfurt with an opening price of 99.00 and a closing price of 99.99. The average daily turnover amounted to EUR 16,381.

5.3 CZK Bond 2016/23 trading performance in Prague

In the trading period from 12 December 2016 until 31 July 2022, the trading volume amounted to CZK 40.500 million with a closing price of 98.00.

6. Investors' calendar

- ▶ 5-6 September 2022: Equity Forum in Frankfurt
- ▶ 13 September 2022: AlsterResearch Renewables Conference, online presentation
- ▶ 14 September 2022: Monthly report for August 2022
- ▶ 27 September 2022: Pekao RES Energy Conference
- ▶ 13 October 2022: Monthly report for September 2022
- ▶ 10 November 2022: Entity and consolidated quarterly reports for Q3 2022
- ▶ 14 November 2022: Online presentation of Photon Energy Group's Q3 2022 results
- ▶ 14 November 2022: Monthly report for October 2022
- ▶ 28-30 November 2022: Deutsches Eigenkapitalforum, Frankfurt
- ▶ 14 December 2022: Monthly report for November 2022

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Georg Hotar, Member of the Board of Directors



Michael Gartner, Member of the Board of Directors