

Current report

Company: PHOTON ENERGY N.V.

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Market types: NewConnect - Rynek Akcji GPW

Title: Photon Energy and Canadian Solar enter into co-development financing deal for 1.14 GWp Australian Solar Project Pipeline

Detailed data:

The management of Photon Energy NV announced today that as a result of its development partner selection process managed by its financial advisor Pottinger, the company has signed an agreement for the joint development of five of its utility-scale solar projects with a total capacity of 1.14 GWp in New South Wales, Australia with Canadian Solar, one of the world's largest solar power companies.

Photon Energy's utility-scale solar project pipeline, the largest pipeline in Australia, includes the to-date fully-owned 316 MWp project in Gunning (Photon Energy Generation Australia Pty Ltd.) as well as four projects co-developed with a local partner, namely the 178 MWp project in Mumbil (Photon Energy AUS SPV 5 Pty Ltd.), the 165 MWp project in Gunnedah (Photon Energy AUS SPV 7 Pty Ltd.), the 286 MWp project in Suntop (Photon Energy AUS SPV 8 Pty Ltd.) and the 196 MWp project in Maryvale (Photon Energy AUS SPV 10 Pty Ltd.), all of which will be further co-developed with Canadian Solar.

Canadian Solar will acquire a 51% shareholding in all five project companies. The equity capital contributed by Canadian Solar is subject to certain development milestones, joint management processes and other terms customary for project co-development and covers the development budgets to bring all five projects to the ready-to-build stage. Post-transaction, Photon Energy NV will retain a 49% shareholding in Photon Energy Generation Australia Pty Ltd. (Gunning) and 24.99% shareholdings in the four other project companies.

According to the terms of the transaction, Photon Energy NV will recognize an AUD 4.73 million (EUR 3.09 million, PLN 12.81 million) realised capital gain and an additional contribution to consolidated equity of AUD 1.93 million (EUR 1.26 million, PLN 5.23 million) related to the increased value of the remaining equity stakes in the five project companies in its consolidated financial statements for 2018Q1.

Speaking about the transaction, Photon Energy Australia Managing Director, Michael Gartner, commented "Australia is entering an exciting period where solar power will make a major contribution to Australia's electricity needs. Photon Energy has been a pioneer in large scale solar Down Under reacting ahead of competing developers to the utility-scale opportunities through developing Australia's largest solar pipeline. We are delighted to be combining our strengths with Canadian Solar to achieve this goal".

"This transaction represents a pivotal moment for the Photon Energy Group with our long-term commitment to the Australian market bearing fruit. This cooperation marks a tangible achievement of the entire team in Australia who have gained the trust of a leading global player in the solar industry such as Canadian Solar" added Georg Hotar, CEO of Photon Energy NV.

Photon Energy NV's financial advisor in this transaction was Pottinger, led by John Sheehy and Marcus Davidson, and its legal advisor were law firms Hogan Lovells and Clifford Chance, led by Reuben van Werkum.

Legal basis: § 5 ust. 1 point no.2 of the Appendix 3 to Regulations of the Alternative Trading System - "Current and Periodic Information in the Alternative Trading System".

Attachments: none.

The Company's representatives:

Georg Hotar, Director

Michael Gartner, Director