



# Q4 2020 Results

**with Georg Hotar, CEO  
and Clemens Wohlmuth, CFO**

Photon Energy N.V.

15 February 2021

# Disclaimer

This presentation is for information purposes only and may not be copied in whole or in part for any purpose, or forwarded to third parties or published. This presentation includes written material or slides for a presentation on Photon Energy N.V. ("the Company") and their business activities. This presentation does not constitute a solicitation or offer to buy, sell or subscribe for any shares or bonds in the Company. The information contained herein is not used as the basis for any contract or investment decision.

This presentation contains forward-looking statements, i.e. statements that are not based on historical facts, including statements about the opinions and expectations of the Company and the Company's objectives for the future development of its business. These statements are based on current plans, estimates and projections and should not be overvalued by investors. Forward-looking statements speak only as of the date of their publication and the Company is under no obligation to update these statements with respect to new information or future developments and to publish any amended statements.

Although this presentation was prepared with the greatest care in terms of the accuracy of the facts and the appropriateness of the statements, this presentation was not reviewed by the Company in sight of its content. Neither the Company nor its directors nor any third party assumes any warranty, expressively or implied, for the accuracy or completeness of the information or opinions underlying this presentation. Neither the Company nor its members, directors, authorized representatives or employees or third parties assume any liability for any damage resulting from the use of this presentation or its content or in connection therewith.



**Business Model**

**Strategy and Outlook**

**Financials Q4 & FY 2020**

**Q&A Session**



# Business Model

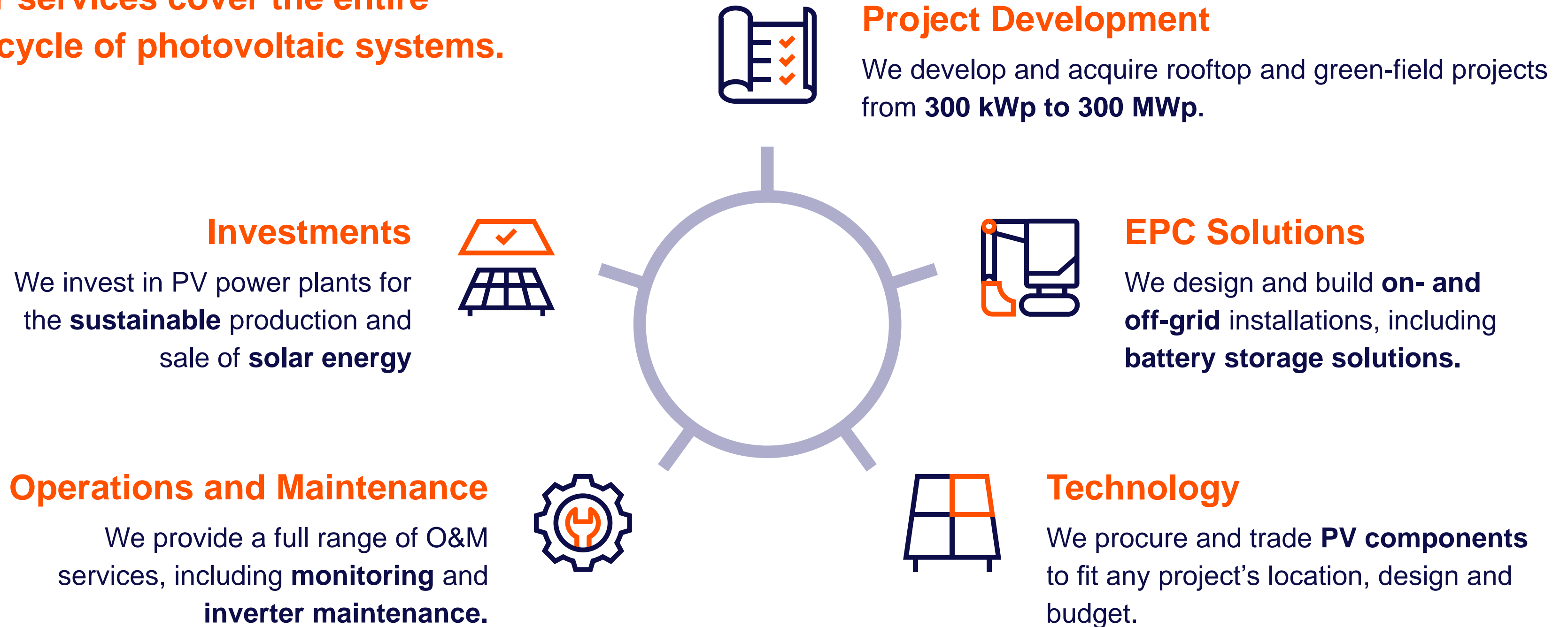
Strategy and Outlook

Financials Q4 & FY 2020

Q&A Session

# Business Model: Solar Services

Our services cover the entire lifecycle of photovoltaic systems.

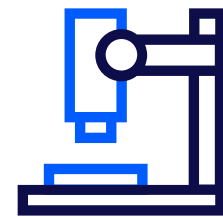


# Business Model: Water Services

Our comprehensive services and solutions help to make clean water accessible to everyone.

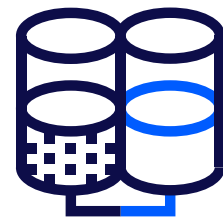
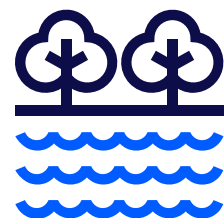
## Research and Development

We work with leading academic institutions and participate in governmental research programmes to develop cutting-edge clean water solutions.



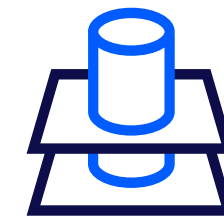
## Resource Management

We help our customers make the best use of their water resources, lakes and ponds



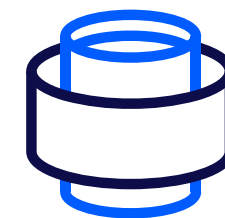
## Treatment

We deliver treatment solutions including potable and wastewater treatment, hazardous liquid waste and industrial water treatment.



## Remediation

We offer a range of remediation services, including our unique **nanoremediation** solution, to eliminate contaminants from water and soil



## Wells and Resources

We provide complete services for wells and water resources, from planning and design to maintenance and decommissioning

# Our Global Presence

## Focus on Europe and Australia

### Project development

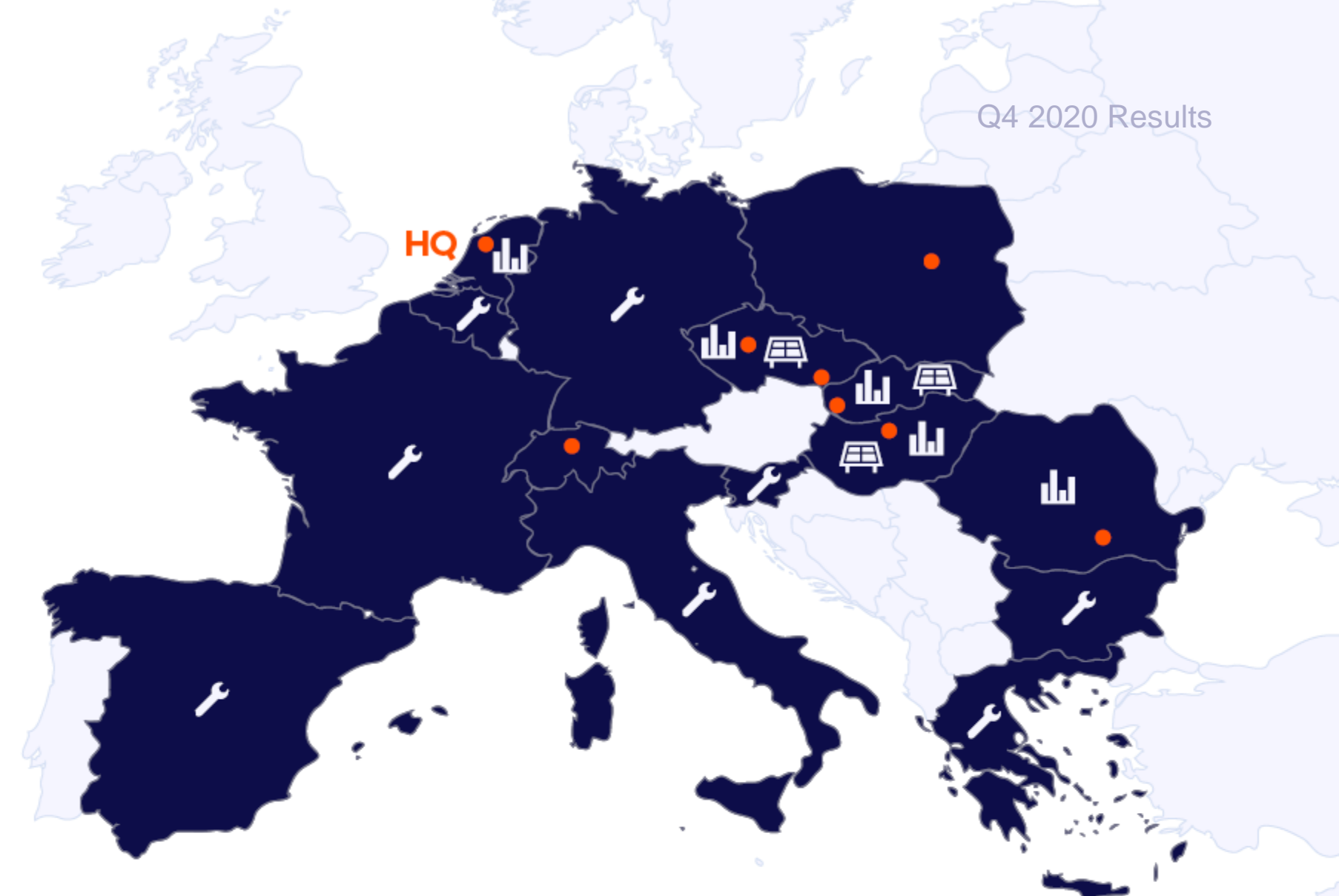
- ▶ Project pipeline with a combined capacity of 821 MWp
- ▶ Focus on Australia, Hungary, Poland and Romania

### Electricity production (74.7 MWp)

- ▶ 11 proprietary power plants in the Czech Republic (15.0 MWp), 11 in Slovakia (10.5 MWp), 61 in Hungary (49.1 MWp) and 1 in Australia (0.1 MWp)

### O&M (300+ MWp)

- ▶ Full Operations and Maintenance services in the Czech Republic, Slovakia, Romania, Hungary and Australia (250+ MWp)
- ▶ Specialised technical services for PV inverters in other European countries (60+ MWp)



-  Power Plants Owned by Photon Energy Group
-  O&M Services for Power Plants
-  Inverter Maintenance Services
-  Photon Energy Group Offices





Business Model

# Strategy and Outlook

Financials Q4 & FY 2020

Q&A Session



# Strategy and Outlook

## SOLAR

- ▶ **Project development** in-house, through co-development, and acquisitions. Clear focus on **Australia, Hungaria, Poland and Romania**.
- ▶ **Expansion of proprietary power plant portfolio** supporting the growth of recurring revenue from electricity generation.
- ▶ **Expansion of the PPA-business** and construction of commercial „behind-the-meter“ PV projects for industrial customers and off-takers in Australia and in Europe.
- ▶ **Further development of EPC projects**, relying on the leverage brought from the hybrid systems installed in Australia.
- ▶ Further expansion of our position as **leading operations & maintenance provider in CEE**.
- ▶ Increasing volumes in the sale of **PV technology**.

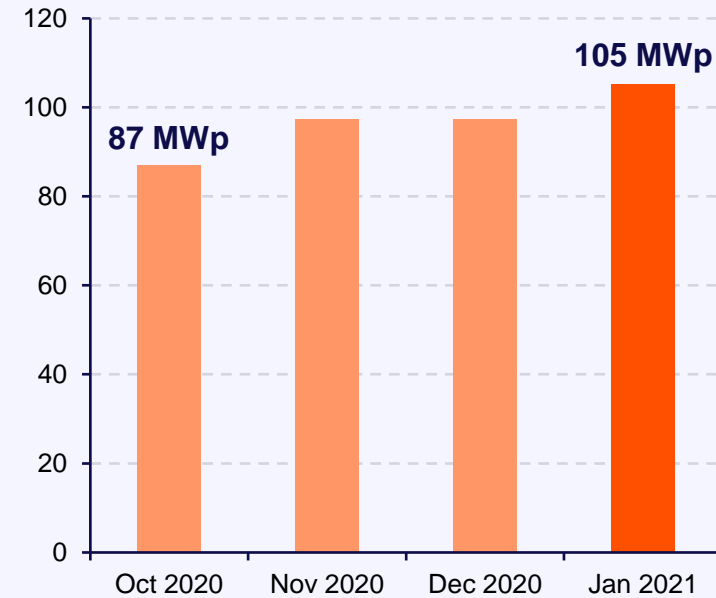
## WATER

- ▶ **Remediation** of contaminated sites and ground water pollution deploying water treatment technology.
- ▶ Focus on **PFAS nano-remediation** solutions as illustrated by the ongoing trial with the Australian Department of Defence.

# Project Development

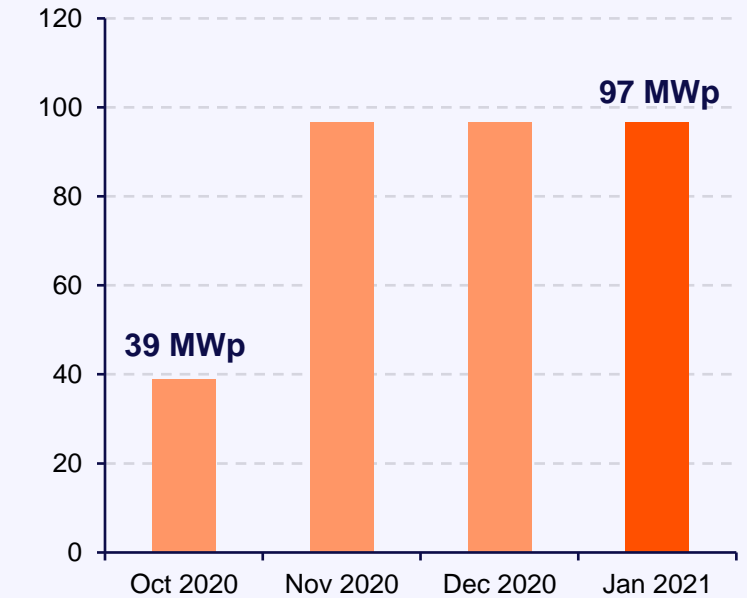
## Romania

- ▶ First projects secured in feasibility stage and early development.
- ▶ Focus on acquiring and reviving projects developed under the Romanian Green Certificate expired in 2016.



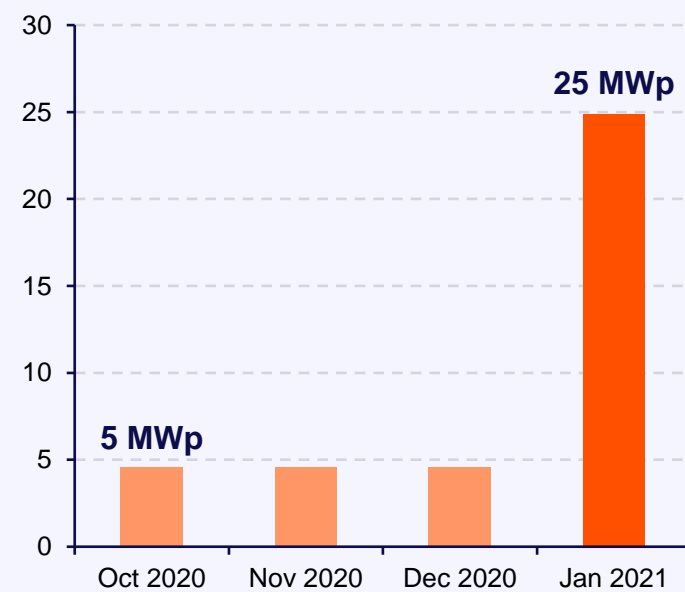
## Hungary

- ▶ 31.5 MWp in Tolna currently under development and submitted to auctions.
- ▶ The most advanced Project has received positive results in the METAR tender.
- ▶ Other commercial options considered (PPA, market).



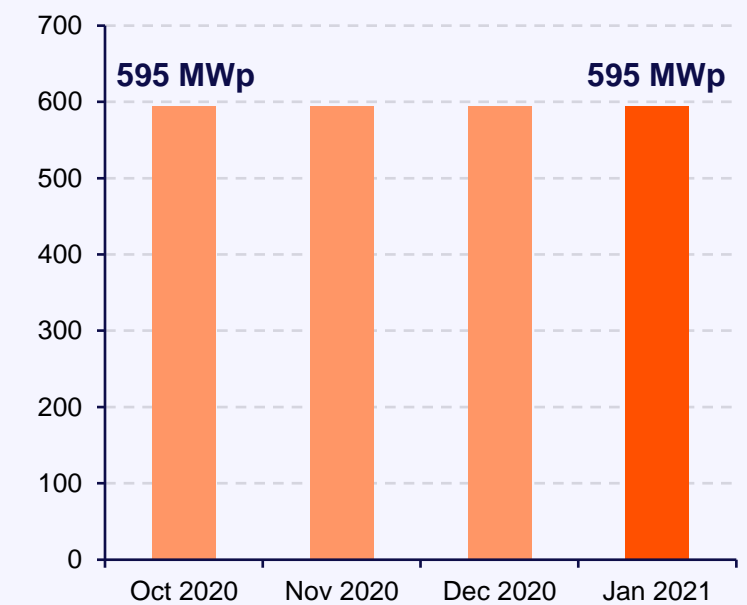
## Poland

- ▶ First projects secured in feasibility stage and early development with application to grid-connection.
- ▶ We intend to build with trackers to make the difference on a competitive market.
- ▶ Continuously evaluating development partners to expand our pipeline.



## Australia

- ▶ Two projects of 200 MWp and 150 MWp sold to Canadian Solar after connection agreement.
- ▶ 146 MWp Project in Brewongle sold in development process.
- ▶ Remaining three projects with 580 MWp under development.





Business Model

Strategy and Outlook

**Financials Q4 & FY 2020**

Q&A Session

## Highlights of Q4 2020

- ▶ **Commissioning** of 14.1 MWp in Püspökladány, Hungary.
- ▶ **Long-term financing** secured for additional 17.6 MWp in Hungary.
- ▶ In Australia, two utility-scale power plants with **14.6 MWp in Leeton** brought to the commissioning stage.
- ▶ Finish line reached in the construction of a hybrid solar and battery storage system on **Lord Howe Island**.
- ▶ **Shares admitted to trading** on the regulated markets of Warsaw and Prague, and to the Quotation Board of the Frankfurt Stock Exchange.
- ▶ Strategic equity investment concluded with **Lerta**, developing Virtual Power Plant technologies and services.

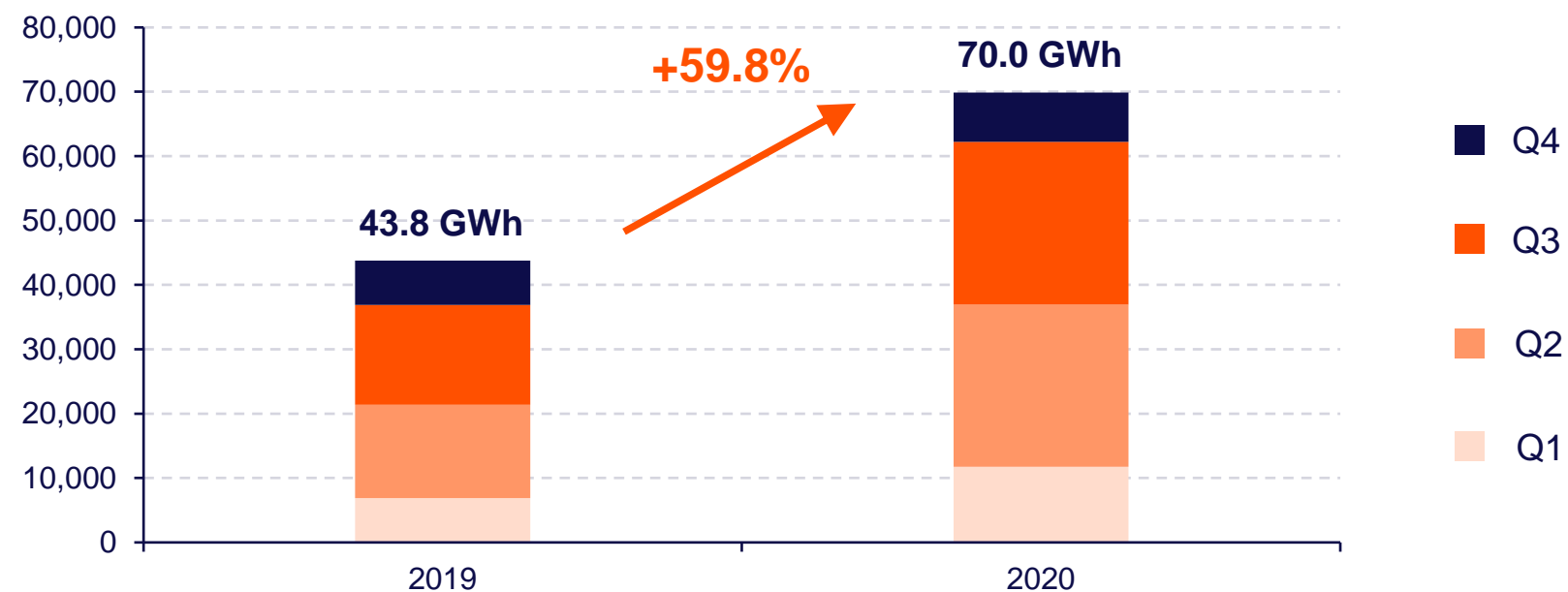


# Business Development in Q4 2020

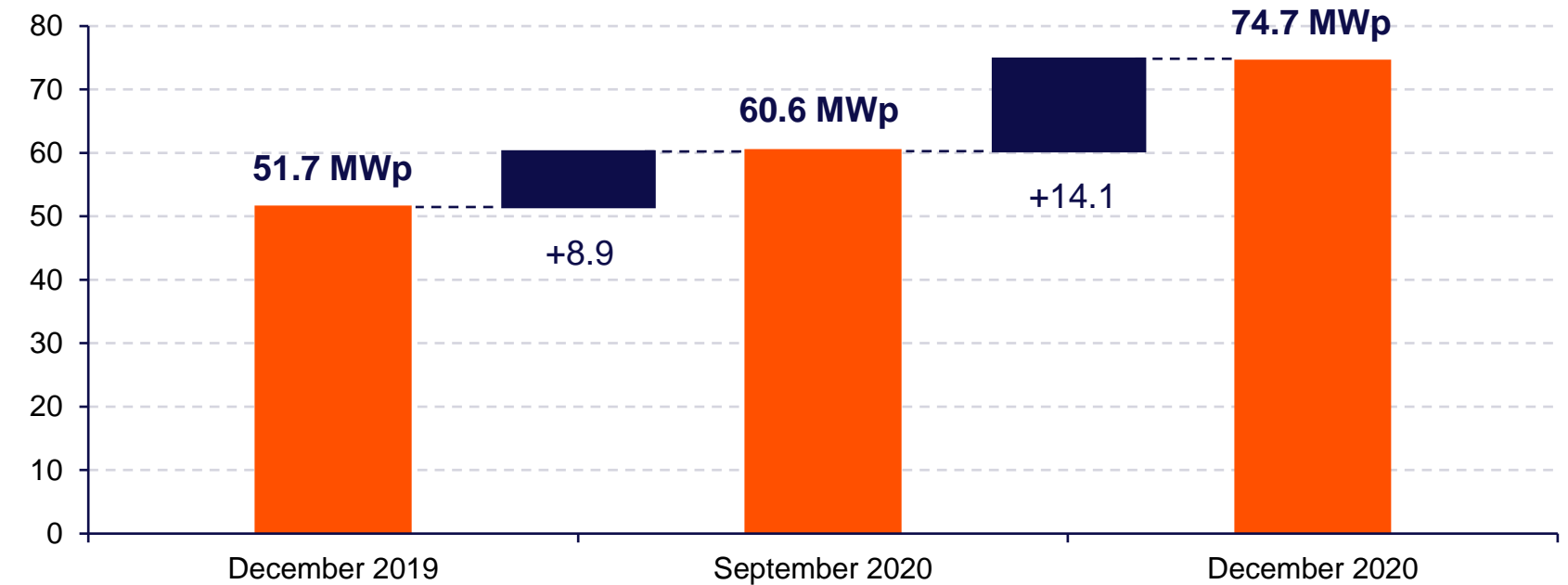
## Continued progress across all segments

- ▶ **23.0 MWp** of PV power plants grid-connected in Hungary in 2020, of which **14.1 MWp** during Q4 2020.
- ▶ **70.0 GWh of electricity (+59.9% YoY)** generated by our proprietary power plant portfolio in 2020, of which **7.7 GWh** in Q4 2020 (+11.2% vs. Q4 2019).
- ▶ **33 MWp of O&M contracts** added in 2020, of which **14 MWp** in Q4 2020.

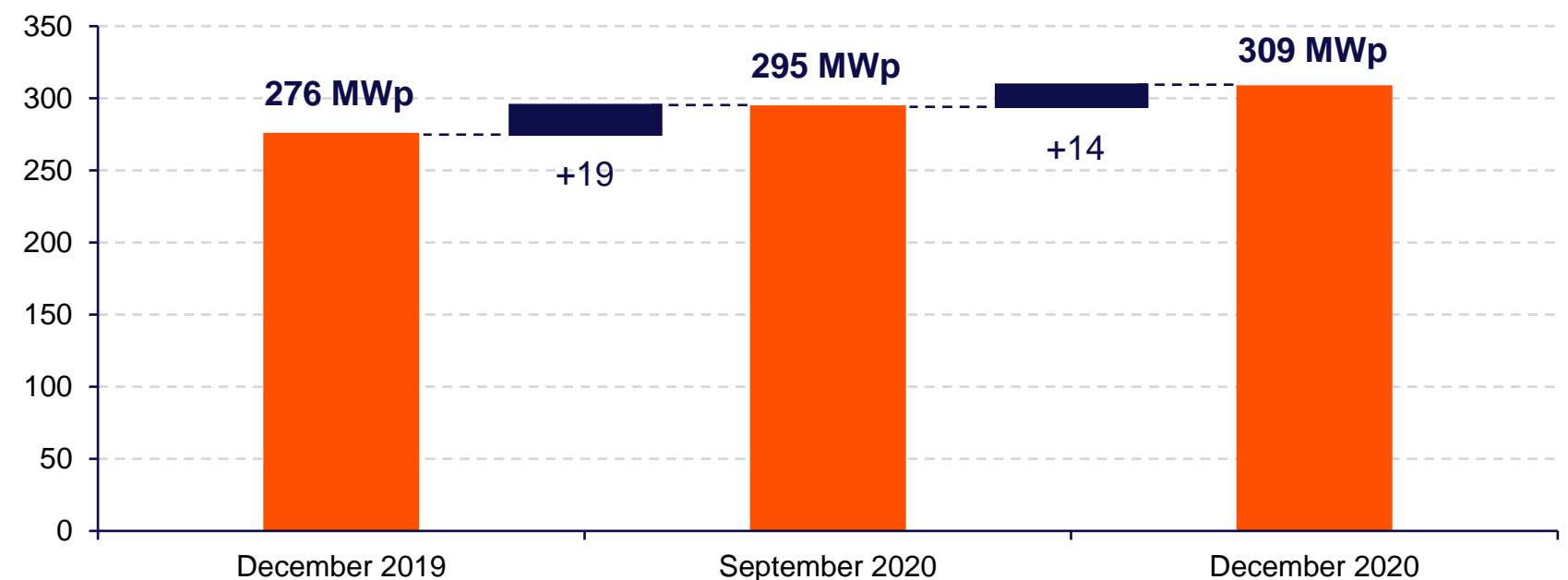
## Electricity generation total portfolio (GWh)



## Proprietary portfolio, cumulated (MWp)



## Assets under O&M, cumulated (MWp)



# Q4 2020 Financial Results

## Income Statement

In thousand EUR	Q1–Q4 2020	Q1–Q4 2019	Change in %	Q4 2020	Q4 2019	Change in %
<b>Total revenues</b>	<b>28,258</b>	<b>30,154</b>	<b>-6.3%</b>	<b>5,096</b>	<b>7,749</b>	<b>-34.2%</b>
Gross profit	17,677	15,439	14.5%	1,822	2,243	-18.8%
<b>EBITDA</b>	<b>8,195</b>	<b>7,942</b>	<b>3.2%</b>	<b>-997</b>	<b>260</b>	<b>-483.8%</b>
<b>EBIT</b>	<b>-116</b>	<b>1,147</b>	<b>-110.1%</b>	<b>-2,930</b>	<b>-1,203</b>	<b>143.6%</b>
Net profit/Net loss	-8,693	-726	1096.9%	-4,361	-2,622	66.3%
<b>Total comprehensive income (TCI)</b>	<b>2,084</b>	<b>8,064</b>	<b>-74.2%</b>	<b>922</b>	<b>3,036</b>	<b>-69.6%</b>

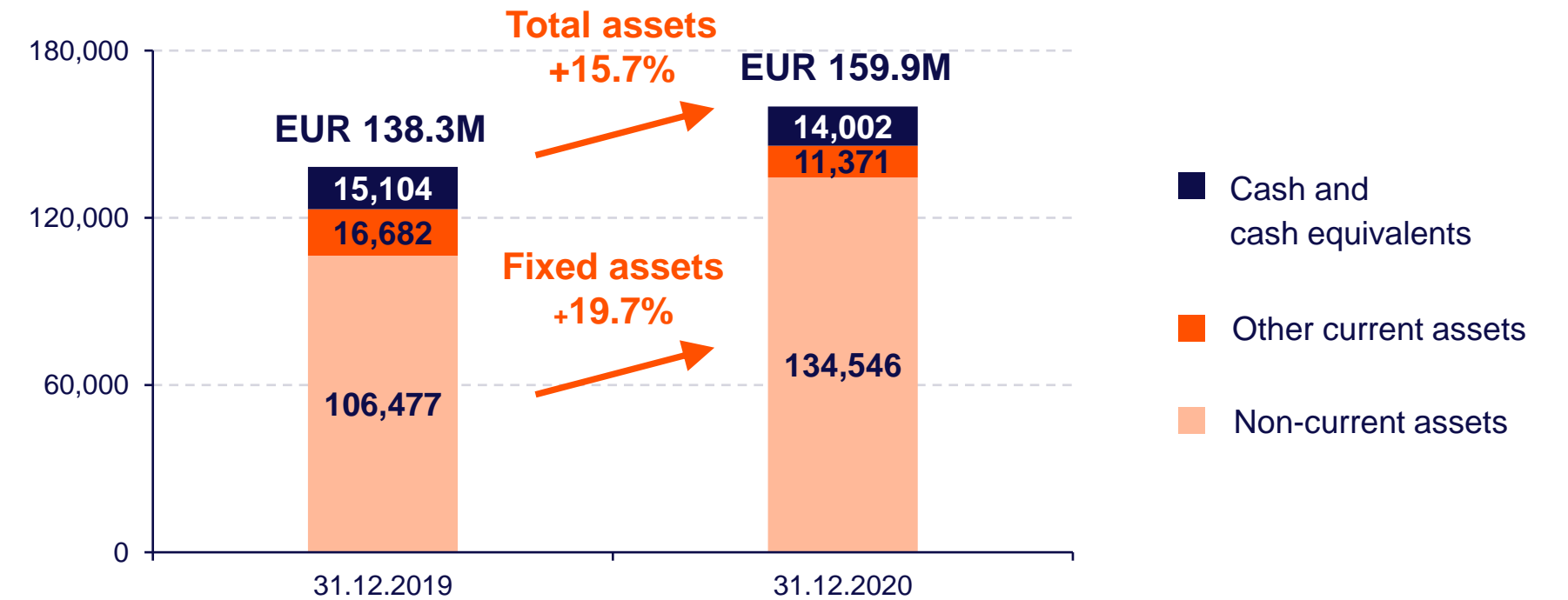
- ▶ 4<sup>th</sup> quarter traditionally modest due to seasonality, affected by challenging conditions for the sale of technology.
- ▶ **Increased revenue from electricity generation in 2020 (+17.6% YOY)** driven by our expansion in Hungary compensated a decline in other revenues.
- ▶ **EBITDA 2020 grew YOY by 3.2%** despite higher operating costs.
- ▶ **Increased financial expenses** linked to the expansion of proprietary PV portfolio.
- ▶ Revaluation of our proprietary portfolio, volatility of the FX markets generated a **EUR 2.1 million TCI in 2020**.

# Q4 2020 Financial Results

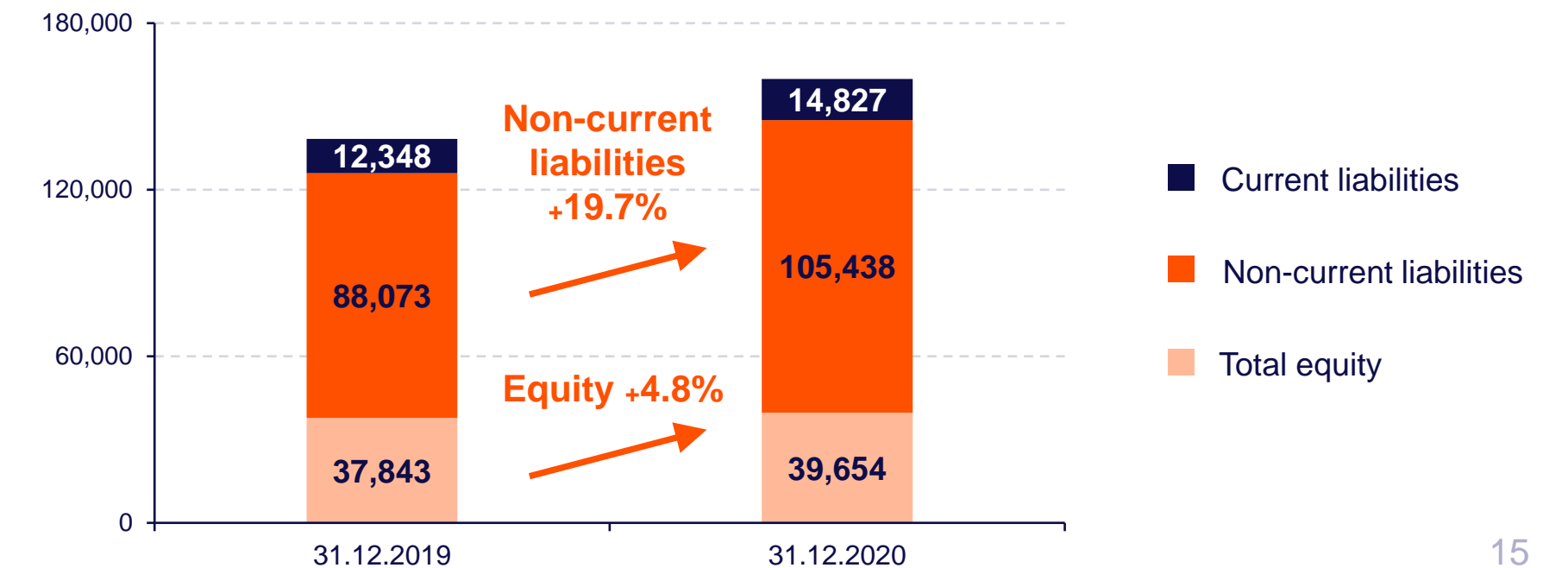
## Balance Sheet

- ▶ **Increase in fixed assets** connected to **PV power plants** constructed/in progress in Hungary and in Australia, an update made to our revaluation model in Q3, partly offset by ongoing depreciation, and equity **investments in Raygen and Lerta**.
- ▶ Equity increase reflecting the TCI for the period bringing our **adjusted equity ratio to 29.0%**.
- ▶ Long-term liabilities increase resulting from **additional Bond placements and bank loans** draw-downs/repayments in accordance with project refinancing plans.

### Assets



### Total liabilities and equity



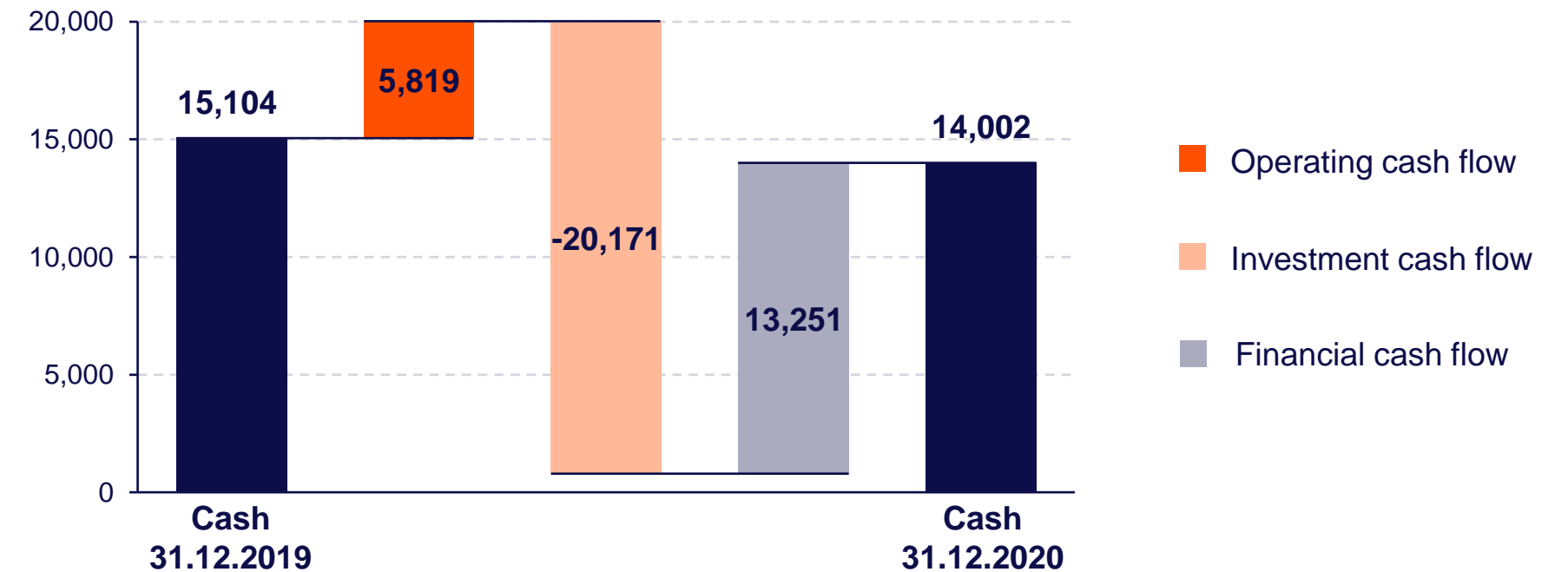
# Q4 2020 Financial Results

## Cash Flow Statement

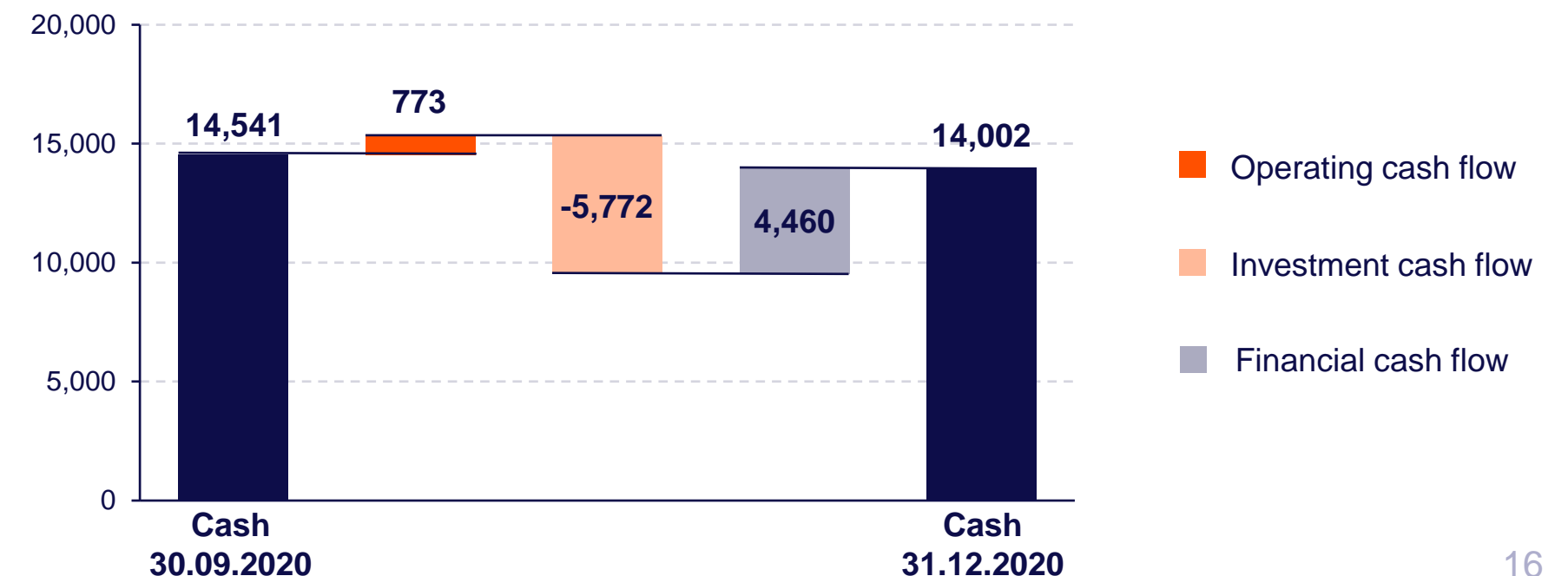
In thousand EUR	Q1–Q4 2020	Q1–Q4 2019
Operating cash flow	5,819	6,536
Investment cash flow	-20,171	-14,410
Financial cash flow	13,251	10,641
<b>Net change in cash</b>	<b>-1,101</b>	<b>2,767</b>

- ▶ **Sound operating cash flow** in Q4 and Y2D.
- ▶ **Increased investment cash flow** mainly into proprietary portfolio.
- ▶ **Aligned financial cash flow** in accordance with financing plans for our proprietary portfolio.
- ▶ With **additional EUR 12,9 million project finance secured**, stable liquidity for future growth.

### Cash flow profile in 2020



### Cash flow profile in Q4 2020







**Business Model**

**Strategy and Outlook**

**Financials Q4 & FY 2020**

**Q&A Session**