

Photon Energy Group Leads Series A Equity Round in Lerta

- ▶ The equity financing round is part of a deepening strategic partnership between the companies and has raised PLN 12.75 million for Lerta. Photon Energy Group invests PLN 8.75 million and increases its equity stake to 24%
- ▶ The newly raised capital will help Lerta grow its Virtual Power Plant (VPP) business and roll out its energy trading activities after obtaining electricity trading licenses in Poland, Hungary, Romania and the Czech Republic. Photon Energy Group's recently commissioned merchant PV plant in Hungary is selling electricity to the market through Lerta.
- ▶ Both companies are advancing the integration of Photon Energy Group's behind-the-meter electricity offering with Lerta's electricity trading and VPP services to corporate customers throughout the CEE region.

Amsterdam – 30 December 2021 – Photon Energy N.V. (WSE&PSE: PEN, FSX: A1T9KW) ('Photon Energy Group', the 'Group' or the 'Company'), an Amsterdam-based renewable energy company delivering solar energy and clean water solutions around the world, today announced that the Company has been the lead investor along two other investors in Lerta S.A.'s Series A equity financing round, investing PLN 8.75 million and increasing its ownership stake from 12% to 24%.

Lerta raised a total of PLN 12.75 million in new equity. Photon Energy Group's new investment goes hand in hand with the deepening cooperation with Lerta in the areas of electricity trading for the Company's utility-scale PV power plant portfolio, an integrated approach to the exploding behind-the-meter market segment combining on-site energy generation, electricity trading and VPP services all the way to jointly exploring new business models in the dynamically developing energy market.

Since Photon Energy Group's first investment in December 2020 Lerta has obtained electricity trading licenses in Poland, Hungary, Romania and the Czech Republic and managed to expand its presence on the Polish capacity market to over 50 MW of demand side response (DSR) assets under management.

Since 9 December Lerta has been providing electricity trading and balancing services to Photon Energy Group's first European merchant PV power plant with an installed capacity of 1.35 MWp in Tolna, Hungary.

The new capital will be allocated to the development of Lerta's Virtual Power Plant in Poland and to the growth of operations in its new markets within the CEE region, where the company will work closely with Photon Energy Group.

'Over the past year the strategic rationale for both our investment in and cooperation with Lerta has only strengthened. Volatile and rising energy prices coupled with the insatiable demand for green energy is revolutionizing how energy consumers procure energy. Our combined financial, technical and human capabilities put Photon Energy Group and Lerta into a unique position to support SME and corporate energy users in the CEE region to navigate this dynamic situation,' said **Georg Hotar, CEO of Photon Energy Group**.

'We are pleased to tighten our relationship with Photon Energy Group through the latest Series A equity financing. This transaction comes at the time of skyrocketing energy prices and growing risk of imbalance on European markets,' said **Borys Tomala, Founder and CEO of Lerta**. 'To preserve the grid reliability and their economic profitability, consumers need to become active participants of the market – produce their own green energy and provide the grid with real-time flexible response (e.g. reduction of demand). Together with Photon Energy Group we will help them to earn and save more by joining our Virtual Power Plant.'

Lerta is a Polish energy-tech startup developing a Virtual Power Plant, the aggregate of distributed generation sources and controllable loads managed by Lerta on different energy-related markets

simultaneously. Lerta builds its competitive advantage, among others, on proprietary technology including a software platform with sophisticated forecasting, balancing and optimization methods as well as algo trading. The company provides its services to industrial energy consumers, and since it obtained the necessary licenses, also to independent power producers as an energy trader.

Currently, the Lerta VPP consists of almost 100 sites with a total capacity of 60 MW. Lerta strives for dynamic development in the CEE region by combining its offer with Photon Energy Group's solutions. To achieve the strategic goals of both companies Lerta has recently opened new offices in Budapest, Bucharest and Prague.

'As our business and revenues grow dynamically, we will look for further financing options on capital markets,' said **Borys Tomala**. 'In 2022 we plan to raise more equity and become a public company by debuting on one of the European stock exchanges. Together with our shareholders we are exploring a few options now,' emphasizes **Borys Tomala**.

Photon Energy Group had already indirectly invested in Lerta through its investment in the ValueTech Seed Fund that led Lerta's first financing round in 2018. The investment in the ValueTech Seed Fund is what originally brought Lerta to Photon Energy Group's attention, followed by extensive discussions about a strategic alignment between the companies, which has convinced Photon Energy Group's management to lead Lerta's second and third equity rounds.

About Photon Energy Group – photonenergy.com

Photon Energy Group delivers solar energy and clean water solutions around the world. Its solar power services are provided by Photon Energy; since its foundation in 2008, Photon Energy has built and commissioned solar power plants with a combined capacity of over 110 MWp and has power plants with a combined capacity of 90.6 MWp in its proprietary portfolio. It is currently developing projects with a combined capacity of over 750 MWp in Australia, Hungary, Poland and Romania and provides operations and maintenance services for over 330 MWp worldwide. The group's second major business line, Photon Water, provides clean water solutions including treatment and remediation services, as well as the development and management of wells and other water resources. Photon Energy N.V., the holding company for Photon Energy Group, is listed on the Warsaw, Prague and Frankfurt Stock Exchanges. The company is headquartered in Amsterdam, with offices across Europe and in Australia.

About Lerta – lerta.energy

Lerta develops modern energy services helping consumers and producers of energy to effectively manage their production and consumption. Based on the automation of supply and demand control, they can additionally monetize the possibility of adapting the operation of assets to market requirements in real time. Lerta's activities help minimizing the carbon footprint, to increase green energy production and to protect the planet. In 2016 Lerta was named one of the 30 best young technology companies in the world creating solutions for the energy sector by experts and investors from Silicon Valley. In 2017 the company completed the prestigious MIT Enterprise Forum Poland acceleration program targeted at the most innovative Polish technology companies. In 2018 PGE Ventures (the venture arm of Polska Grupa Energetyczna) and the ValueTech Seed Fund invested in the company. Since 2019 Lerta is the only independent DSR aggregator operating on the Polish market.

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