

Photon Energy N.V. Announces Second-Quarter 2021 Financial Results

- ▶ Unaudited consolidated revenues of EUR 9.855 million for Q2 2021 (up 11.0% YoY) thanks to a robust 16.1% growth in revenues from the sale of clean electricity
- ▶ Project pipeline expanded to 386 MWp in Hungary, Poland and Romania, the Company's key European markets; procurement for the construction of two projects in Hungary scheduled for this year has commenced
- ▶ The Company has strengthened its equity by placing 5 million of its treasury shares for a total of EUR 7.7 million and was awarded a 'very good' rating by imug | rating for its ESG efforts

Amsterdam – 11 August 2021 – Photon Energy N.V. (WSE&PSE: PEN, FSX: A1T9KW) ('Photon Energy Group' or the 'Company') today reported unaudited financial results for the second quarter of 2021, posting total revenues of EUR 9.855 million, up 11% YoY. This outstanding growth was offset by lower profitability YoY due to a continued capacity expansion and a delay in the grid connection of the Company's two utility-scale solar farms in Leeton, Australia.

Q2 2021 Highlights

In the second quarter of 2021, the Company remained focused on business development. Despite the delay in the commissioning of the Company's 14.6 MWp utility-scale power plants in Leeton, Australia, the Company's second-quarter results reflect a continued commitment to value creation.

The Company has made a major step towards the funding of its recently announced growth strategy, with a focus on expanding its clean electricity generation asset base and building recurring revenue streams from its fully integrated business model through the placement of 5 million treasury shares, for a total of EUR 7.7 million.

'With the new equity recently raised through the placement of company shares, the Company has strengthened its equity, allowing for the acceleration its business growth,' said **Georg Hotar, CEO of Photon Energy Group**. 'The business's robust shape will allow us to deliver on the Company's strategic goals, including the expansion of our proprietary portfolio fuelled by a growing pipeline of PV projects.'

The Company has also placed a significant focus on sustainability, and has been rated 'very good' by imug | rating, validating the Company's view of ESG as a key driver for value creation and formally recognising the Company's responsible commitment to delivering sustainable outcomes.

Financial Metrics

While the Company reported a significant increase in its consolidated revenues, this was offset by lower profitability YoY due to a continued capacity expansion and a delay in the grid connection of its two utility-scale solar farms in Leeton, Australia.

The Company closed the second quarter of 2021 with total revenues amounting to EUR 9.855 million (up 11.0% YoY) thanks to a robust 16.1% increase in revenues from the sale of electricity generated by its proprietary portfolio, while other revenues streams essentially remained unchanged compared to the same quarter last year (up 0.6% YoY).

During the quarter, the Company also continued its capacity expansion, mainly expressed through a growing headcount, leading to a EUR 3.898 million EBITDA in Q2 2021 (down 6.1% YoY). This investment is crucial for the development of both new and activities and existing business lines. In 2021 the Company has expanded its project pipeline to 386 MWp in Hungary, Poland and Romania (approx. 187 MWp added since December 2020) and has started the construction and procurement phase for another two projects in Hungary.

Interest expenses increased by 31.0% to EUR 1.638 million in Q2 2021, due to the refinancing of the Company's most recent additions to its Hungarian portfolio, the two Australian projects, and an additional placement of its EUR bond in the second half of 2020. These costs have been partly offset by a positive revaluation of derivatives.

Consequently, net profit remained in the red, with a net loss of EUR 0.869 million in Q2 2021 compared to a loss of EUR 0.969 million a year ago. Year-to-date, total comprehensive income amounted to EUR 2.297 million compared to a negative figure, EUR -3.142 million, a year ago.

The adjusted equity ratio increased to a comfortable level of 32.0%, further strengthened by the sale of existing treasury shares for EUR 7.7 million, stabilising the Company's financial situation and allowing it to deliver its strategic objectives.

Q2 2021 Results Presentation

The Company will host a live webcast on **Thursday 12 August at 11:00am CEST** to present its second-quarter results followed by a Q&A session. Attendees are invited to submit questions during the session through the chat box or in advance via email to ir@photonenergy.com.

Webcast: <https://tailorsgroup.clickmeeting.com/photon-energy-q2-2021-results-presentation>

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 89.3 MWp in its proprietary portfolio. It is currently developing projects with a combined capacity of 546 MWp in Australia, Hungary, Poland and Romania and provides operations and maintenance services for over 300 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 in Australia, South America and across Europe.

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