



Q1 2022 Results

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

Photon Energy N.V.

12 May 2022

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Business Model

Strategy and Outlook

Q1 2022 Financials

Q&A Session



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About Us

We are dedicated to ensuring that everyone has access to clean energy and water

Photon Energy Group



Founded in
2008



Headquartered in
Amsterdam



150+
Employees



Active in
10+ countries



Shares traded
in PL, CZ and DE



Sustainability
Rating*



BUY Recommendation
From AlsterResearch

Solar Business Line

(Current core activity and strategic area of development)



~ 775 MWp
PV project pipeline



120+ MWp
constructed



91.9 MWp
proprietary portfolio



103 GWh
produced in 2021



~ 280 MWp
O&M portfolio



605 ha
of lakes and
ponds managed



3,500 m of wells
drilled, maintained
or decommissioned



PFAS
patent pending

* Rating report can be found under <https://www.photonenergy.com/en/photon-energy-group/our-esg-commitments.html>

Business Model: Solar Services

Our services cover the entire lifecycle of photovoltaic systems.



Project Development

We **develop projects** in-house and **acquire them** at all stages of development.



Operations and Maintenance

We provide a full range of O&M services, including **monitoring** and **inverter maintenance**.



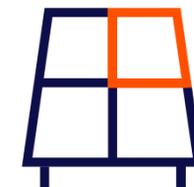
Engineering (EPC)

We design and build **on- and off-grid** installations, including **energy storage solutions**.



Electricity Generation

We invest in PV power plants for the **sustainable** production and sale of **solar energy**.



Technology

We procure and trade **PV components** to fit any project's location, design and budget.

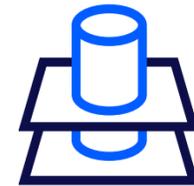
Business Model: Water Services

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



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 (including PFAS*), to eliminate contaminants from water and soil.



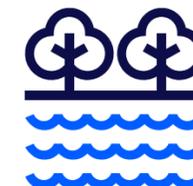
Wells and Resources

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



Research and Development

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



Water Resource Management

We help our customers make the best, most efficient use of their water resources, such as lakes, ponds and industrial water bodies.

* Per- and polyfluoroalkyl substances.

Our Global Presence

Focus on Europe and Australia

Project development

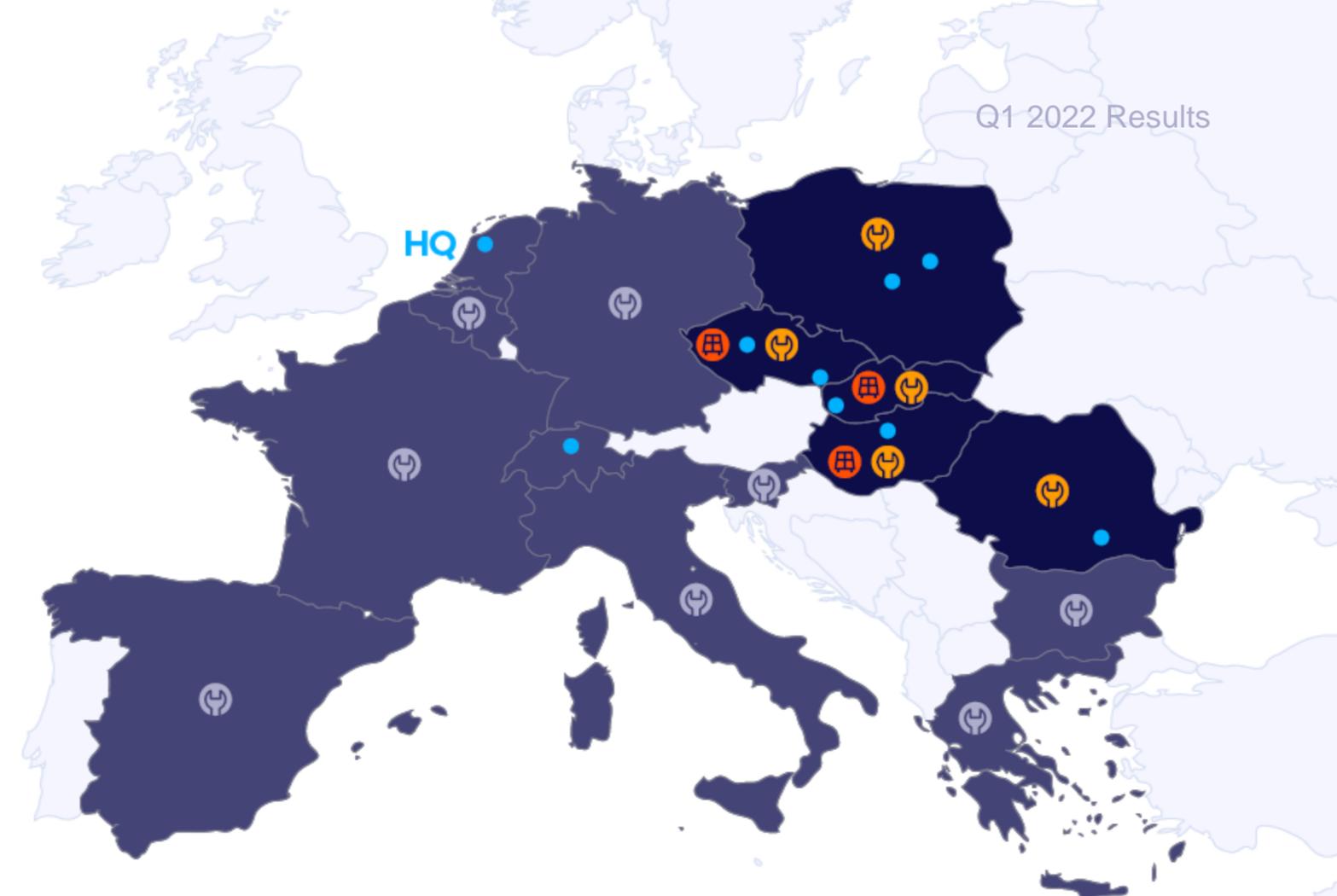
- ▶ Project pipeline with a combined capacity of 775 MWp
- ▶ Focus on Australia, Hungary, Poland and Romania

Electricity production (91.9 MWp)

- ▶ 11 proprietary power plants in the Czech Republic (15.0 MWp), 11 in Slovakia (10.5 MWp), 63 in Hungary (51.8 MWp) and 3 in Australia (14.6 MWp)

O&M (~280 MWp)

- ▶ Full Operations and Maintenance services in the Czech Republic, Slovakia, Romania, Hungary and Australia (~220 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





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Key Strategy Drivers

Expansion of recurring revenue streams to increase Group value:

- I. **Electricity generation: Develop pipeline of projects**, in-house or through co-development, to expand our PV proprietary portfolio and increase stable revenues from clean electricity generation and grid support services.
- II. **Engineering (EPC):** Design and construct customized, **decentralized** clean energy **generation solutions** using the Group's integrated approach, cutting edge PV technology and **energy storage solutions**.
- III. **O&M:** Maximise the energy generation output of proprietary and clients' PV power plants and optimise the useful life of PV assets.
- IV. **Technology:** Utilise existing economies of scale to generate additional trading revenues from PV modules, inverters, batteries and other components.
- V. **Water:** Become a leading worldwide player in the PFAS remediation industry and grow the share of the water activity to a material scale.



The Future of Our Business is the Energy Market

Increasing energy prices and declining LCOE in our key markets

Key Figures	Electricity spot price / daily average 10 May 2022	Electricity Forward price 2023E	Current Photon's LCOE excl. balancing
Romania	~206 EUR per MWh	~219 EUR per MWh	~56 EUR per MWh
Poland	~139 EUR per MWh	~205 EUR per MWh	~61 EUR per MWh
Hungary	~208 EUR per MWh	~225 EUR per MWh	~59 EUR per MWh
Czech Republic	~190 EUR per MWh	~216 EUR per MWh	~57 EUR per MWh
Slovakia	~194 EUR per MWh	~219 EUR per MWh	~57 EUR per MWh
Australia	~131 EUR per MWh	n/a	n/a

Increasing energy prices and declining LCOE give a chance of operating on mentioned PV markets **independently of support schemes** – similarly to conventional energy sources through „**market approach**“. This fact may significantly boost further development of local solar markets.

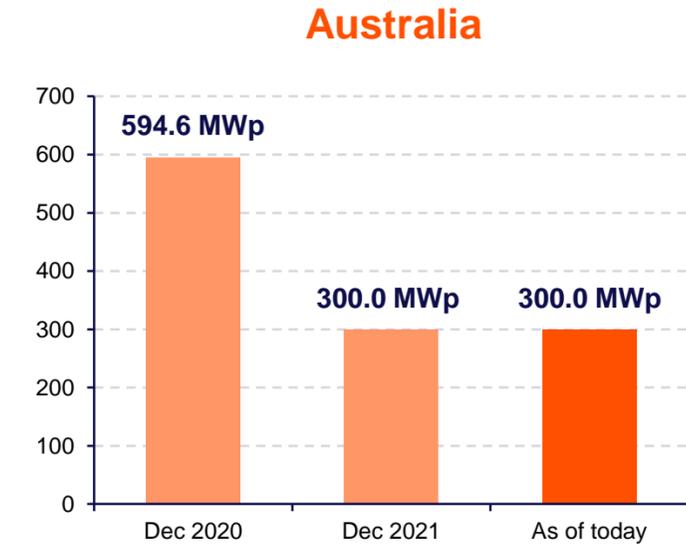
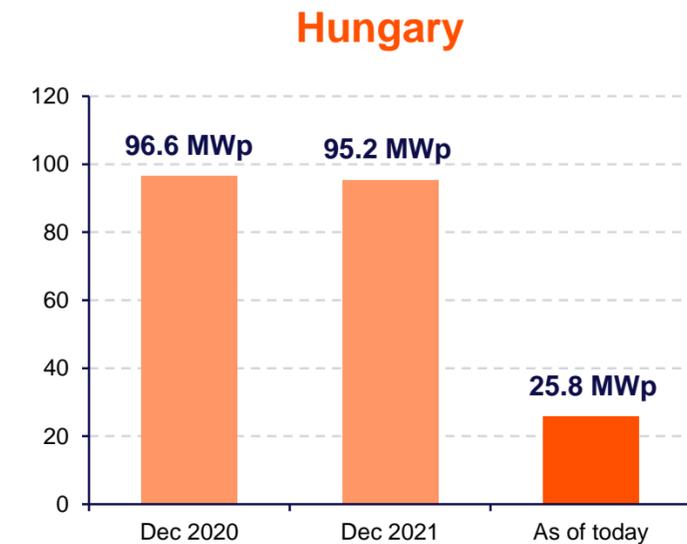
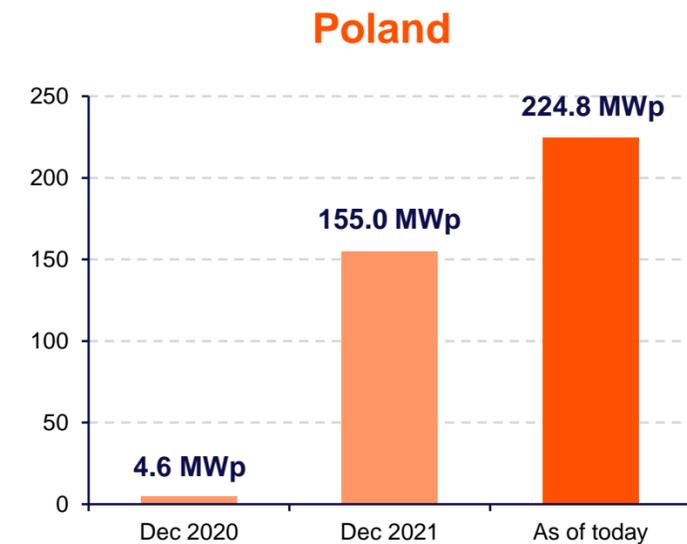
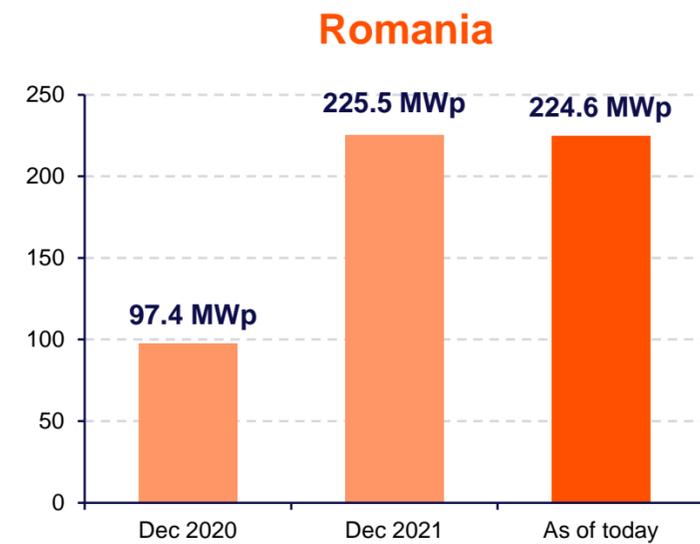
Project Development

Pipeline in development (in MWp)

Country	1. Feasibility	2. Early development	3. Advanced development	4. Ready-to-build technical	5. Under construction	Total in MWp
 Romania	29.5	75.8	119.3	-	-	224.6
 Poland	192.4	32.4	-	-	-	224.8
 Hungary	-	23.1	2.7	-	-	25.8
 Australia	-	300.0	-	-	-	300.0
Total pipeline	221.9	431.3	122.0	-	-	775.2

Pipeline development

- ▶ The typical development period of new PVPPs is 12–24 months and the construction period – additional 6–12 months.
- ▶ European projects under development expected to be launched in years 2022/2023, subject i.a. to availability of financing.
- ▶ After achieving Ready-to-build stage the Company has an option to sell the project rights, reporting capital gains and raising funds to finance new projects with a greater potential of value creation.
- ▶ New developments in Australia to be analysed, prepared and carried out using the innovative PV technology and energy storage system provided by RayGen, a Company in which the Group has a minority equity investment of 9.0%



Innovative PV technology and energy storage system



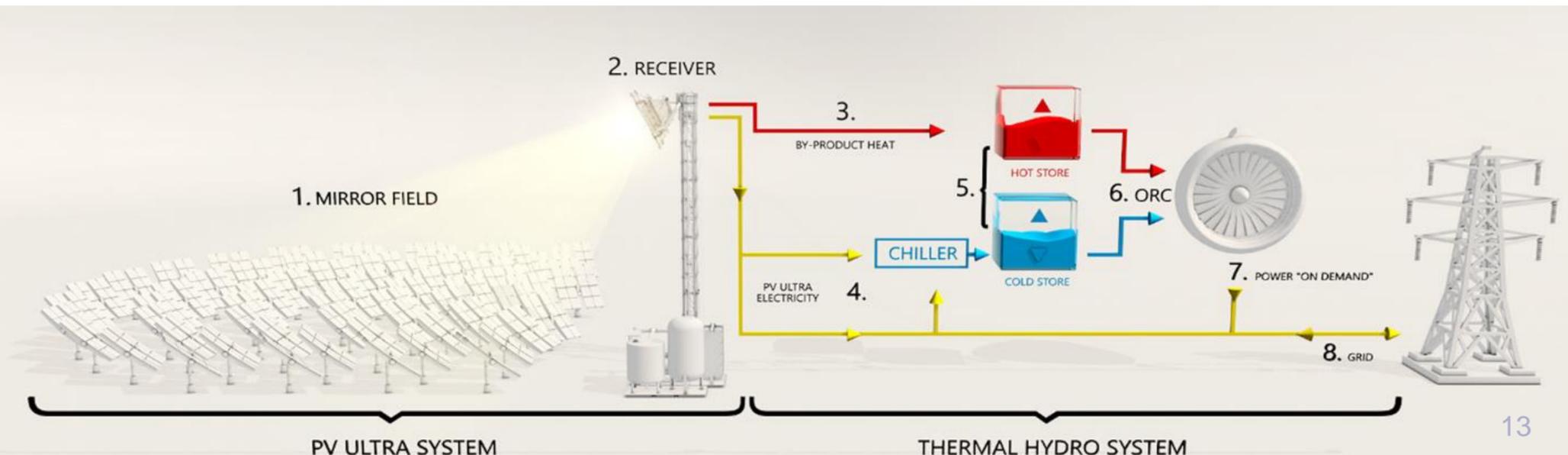
We have partnered with RayGen to develop projects using the Melbourne-based company's innovative solar-plus-storage technology.

About the partnership

- ▶ Photon Energy will act as a project developer and EPC contractor and a potential equity investor.
- ▶ Photon Energy made a minority equity investment in the company in April 2020 and participated in second financing round with AGL, Schlumberger, Chevron and others in April 2021.
- ▶ We are currently working on the development of a 300 MWp / 3.6 GWh solar-plus-storage project.

About the technology

- ▶ RayGen has combined its proprietary solar technology, **PV Ultra**, with its unique storage system, **Thermal Hydro**.
- ▶ The PV Ultra system generates both electricity and heat by focusing sunlight onto tower-mounted PV receivers.
- ▶ Thermal Hydro uses hot- and cold-water reservoirs to store the thermal and electrical energy generated by PV Ultra.
- ▶ The storage system can then be used to drive a heat-to-power engine, which provides reliable, on-demand power.



Photon Energy: Outlook for our Business

Our Guidance for 2022

- ▶ **Revenues** projected to reach **EUR 65.0 million**, representing a 78.8% increase YoY
- ▶ Leading to an increase of **EBITDA** to **EUR 18.0 million** (+87.8% YoY)

Our 2024E Targets and KPIs

- ▶ **Proprietary portfolio**: at least 600 MWp
- ▶ **Additional projects in pipeline**: ~1.5 GWp
- ▶ **Portfolio under O&M***: at least 1.0 GWp
- ▶ **EBITDA growth from 2020**: ~5x (EUR 42 million) + additional upside from targeted roll-out of the nanoremediation technology
- ▶ **Equity ratio**: >25%

** Includes both the internal and the external portfolio*





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Recent Highlights

- ▶ Our two utility-scale power plants with **14.6 MWp in Leeton commissioned in August 2021** mitigated the seasonality of our business in Q4 2021 and Q1 2022.
- ▶ **Two First merchant power plants in Europe**, built and commissioned in Tolna, Hungary with a 2.8 MWp capacity in December 2021 and May 2022.
- ▶ **Switch of Czech portfolio** to market-linked **“Green Bonus”** support scheme as of January and **switch of 43.5 MWp of our Hungarian PV portfolio** to merchant electricity sales as of April.
- ▶ Crown Sponsorship received for the development of a **300 MW / 3.6 GWh RayGen solar storage project** in Australia.
- ▶ **6.50% Green Bond 2021/27 placed through a public offering for EUR 55 million** with strong demand from the Company’s existing bondholders who subscribed to **EUR 21 million** in the exchange offer as well as from numerous institutional and private investors including EBRD.
- ▶ Our share received **‘Buy’ Recommendation** from AlsterResearch Analysts.



<p>KfM-Barometer Mittelstandsanleihen November 2021</p> <p>6,50%-Anleihe Photon Energy N.V. Anleihe 21/27, WKN A3KWKY</p>	<p>★★★★☆</p> <p>Attraktiv (4 von 5)</p>	<p>1</p> <p>Best Issuer Green SME Bonds 2021</p> <p>Photon Energy Group</p> <p>BOND MAGAZINE</p>	<p>BUY (INITIATION)</p> <table><tr><td>Target price</td><td>EUR 4.10 (none)</td></tr><tr><td>Current price</td><td>EUR 1.90</td></tr><tr><td>Up/downside</td><td>115.5%</td></tr></table> <p>ResearchHub</p>	Target price	EUR 4.10 (none)	Current price	EUR 1.90	Up/downside	115.5%
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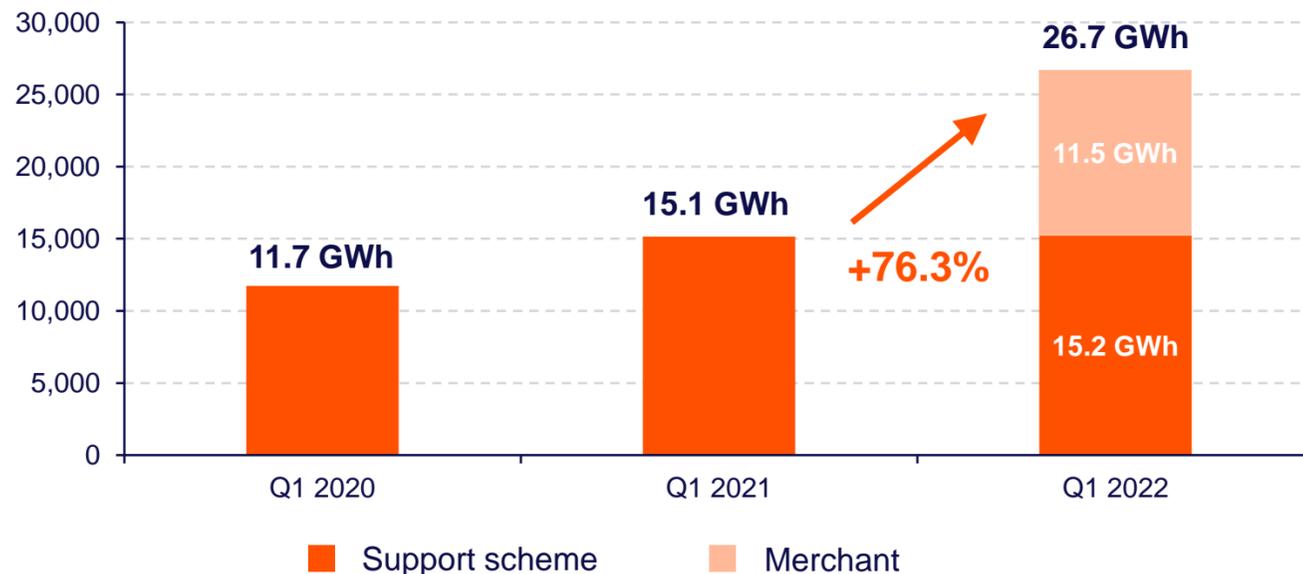


Business Development in Q1 2022

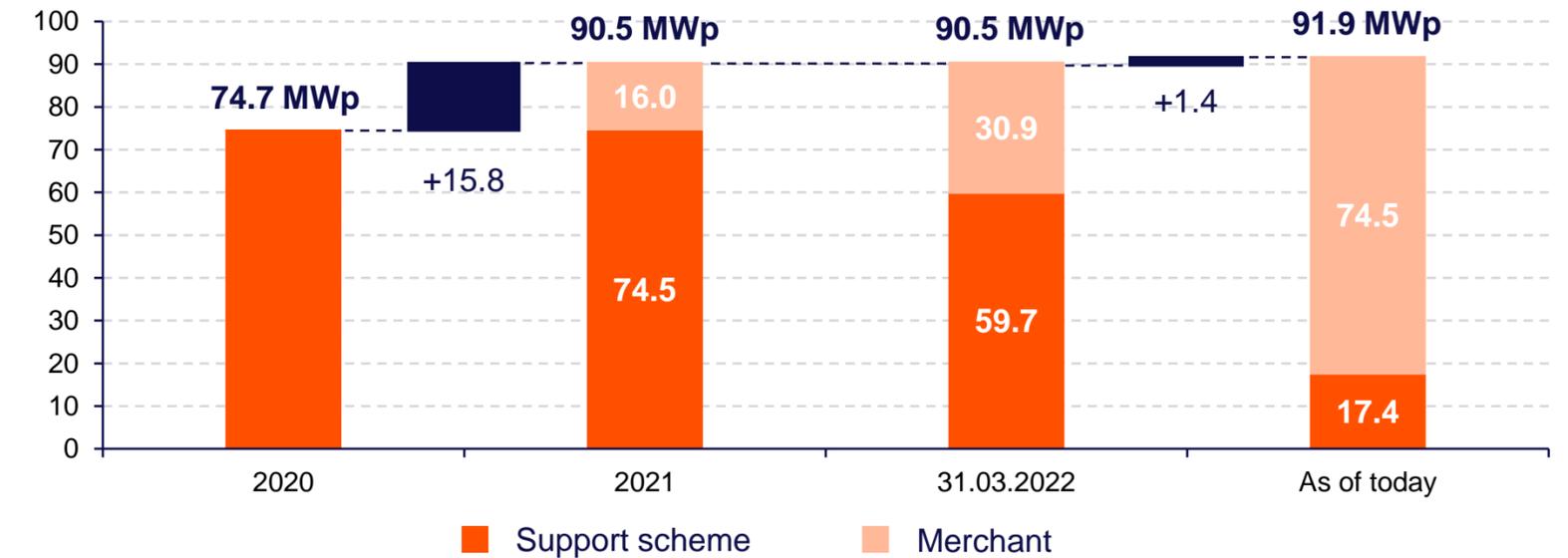
Continued progress across all segments

- ▶ **26.7 GWh of electricity (+76.3% YoY) generated** by our proprietary power plant portfolio in Q1 2022:
- ▶ Connection of **14.6 MWp in Leeton, Australia** in August, our first fully merchant projects
- ▶ Connection of **1.4 MWp in Hungary** in December 2021 the Group's first project in Europe that will be fully merchant and **additional 1.4 MWp** was connected in May 2022.

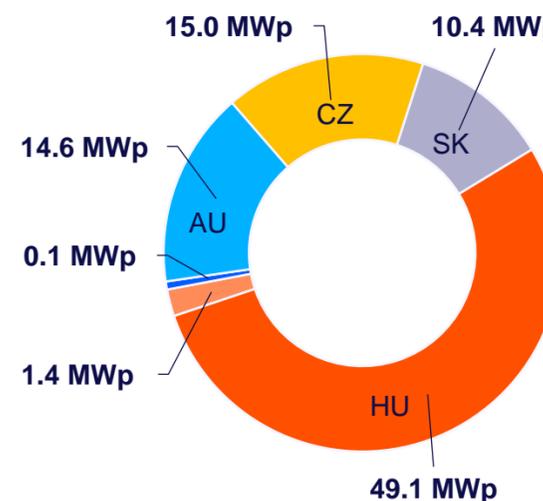
Electricity generation total portfolio



Proprietary portfolio, cumulated (MWp)



Market exposure in Q1 2022



Country	Revenue model	Realized Revenue per MWh
Czech Republic	Green Bonus + Merchant	EUR 766.3
Slovakia	FIT	EUR 262.8
Hungary	FIT	EUR 96.8
Hungary	Merchant	EUR 218.4
Australia	FIT	EUR 225.4
Australia	Merchant	EUR 80.0

Q1 2022 Financial Results

Income Statement

In thousand EUR	Q1 2022	Q1 2021	Change in %	2021
Total revenues	9,137	4,571	99.9%	36,359
<i>of which from electricity generation</i>	4,951	2,942	68.2%	19,402
EBITDA	2,024	222	811.7%	9,584
EBIT	528	-1,475	<i>nm</i>	-712
Net profit/Net loss	-1,491	-3,169	<i>nm</i>	-6,433
Other comprehensive income (OCI)	3,279	4,961	-33.9%	8,528
Total comprehensive income (TCI)	1,789	1,792	-0.2%	2,095

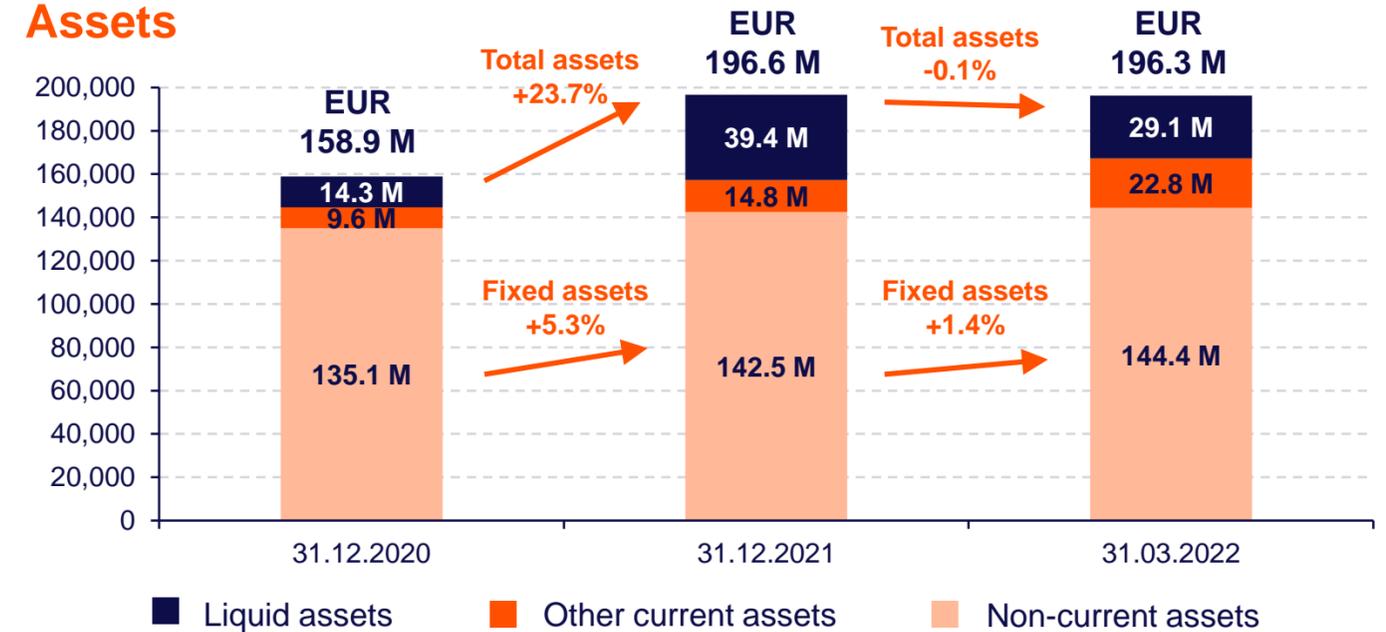
- ▶ **Record Q1 revenues** from electricity generation due to additional installed capacity, high electricity prices and solid growth in other revenues (mainly technology sales).
- ▶ Significantly **improved EBITDA** despite higher business development costs.
- ▶ **Lower depreciation** due to prolongation of economic life of Czech and Slovak portfolio to 25 years.
- ▶ **Increased financial expenses** linked to financing of growing proprietary PV portfolio in Hungary in Q1 2021 and our Green bond placement in Q4 2021.
- ▶ **Recurring positive total comprehensive income** in line with last year's Q1 2021 TCI influenced by positive valuation of derivatives and foreign currency translation differences..
- ▶ **Management confirms its full-year 2022 guidance** of consolidated revenues of **EUR 65 million** and **EBITDA** of **EUR 18 million**.

Q1 2022 Financial Results

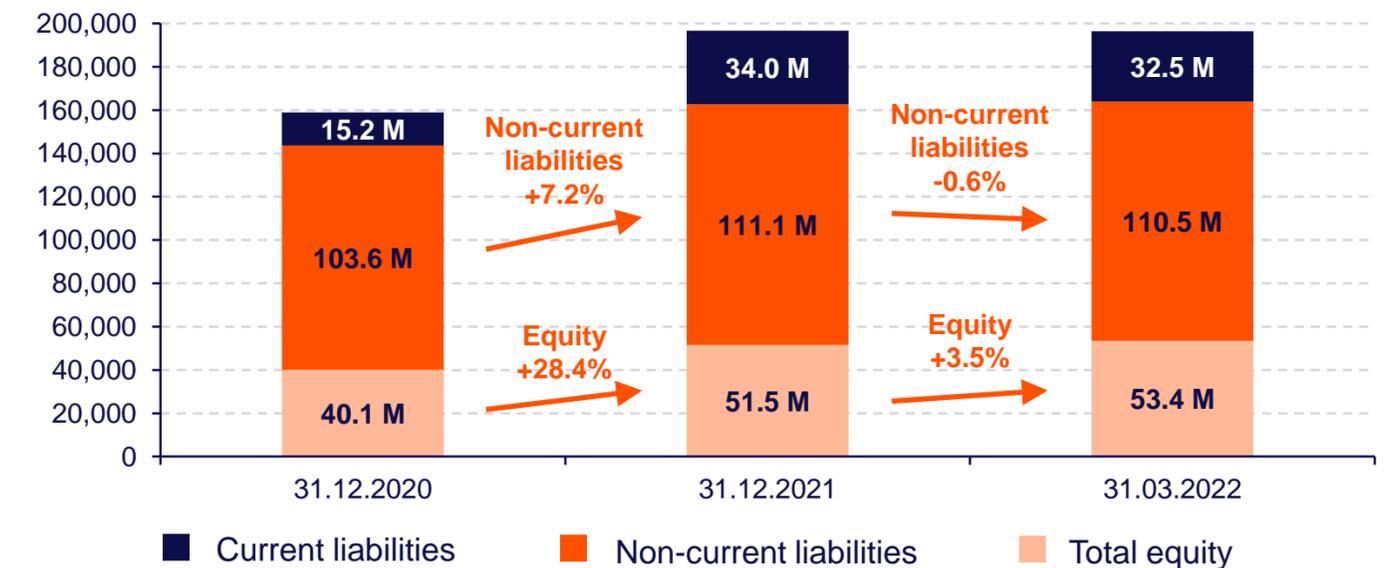
Balance Sheet

- ▶ Increase in **Fixed assets** resulting from an **increase of our assets in progress** partly offset by a **decreased depreciation** of our Czech and Slovak portfolios.
- ▶ Increase of **Current assets** caused by increase of trade and other receivables.
- ▶ **Equity** increase reflecting the **TCI** for the period **improving the adjusted equity** ratio to **29.4%** from 28.6% at year end.
- ▶ Decrease in **Long-term liabilities** in accordance with the financing plans of our portfolio.

Assets



Total liabilities and equity



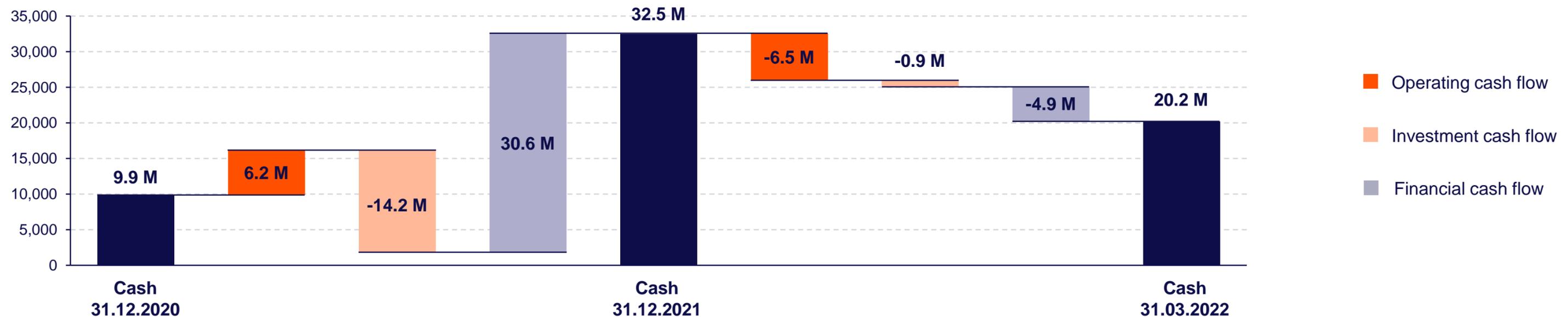
Q1 2022 Financial Results

Cash Flow Statement

<i>In thousand EUR</i>	Q1 2022	Q1 2021
Operating cash flow	-6,502	-2,810
Investment cash flow	-904	-4,055
Financial cash flow	-4,916	11,573
Net change in cash	-12,321	4,709

- ▶ **Negative operating cash flow** driven by adjustments in the net working capital mainly caused by increased receivables and advance payments.
- ▶ **Investment cash flow** related to work in progress for our proprietary portfolio in Poland, Romania and Hungary.
- ▶ **Financial cash flow** in line with scheduled repayments of bank financing and interest expenses.

Cash flow profile





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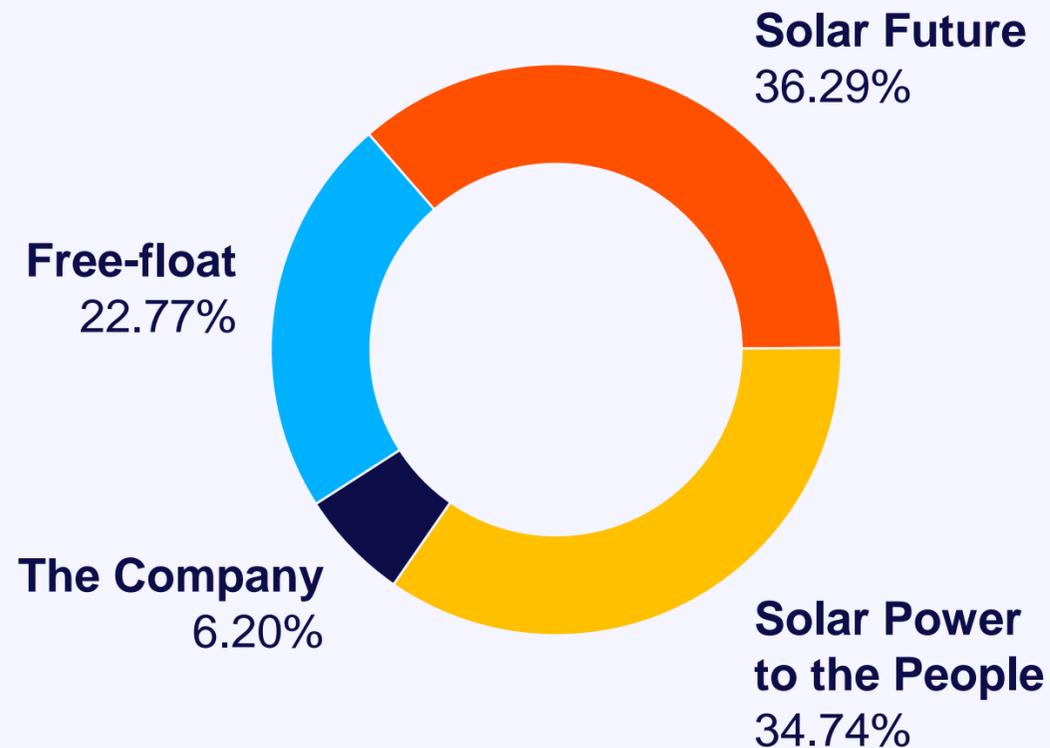


Annex



Our Shares

Shareholding Structure



Solar Future and Solar Power to the People are controlled by the co-founders of Photon Energy N.V.

Shares

ISIN	NL0010391108
Shares outstanding	56,282,304
Free-float shares	13,663,854
Market cap 10.05.2022	EUR 126,128 thousand
Net debt 31.03.2022	EUR 91,054 thousand
Enterprise value 10.05.2022	EUR 217,181 thousand

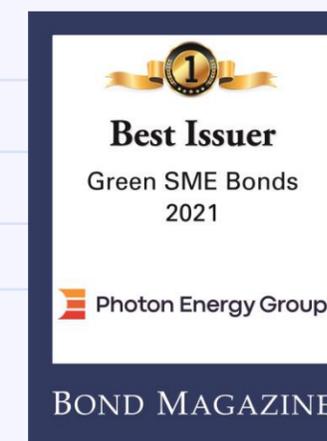
- ▶ Photon Energy is listed on the **regulated markets of Prague and Warsaw Stock Exchanges**.
- ▶ Additionally, it is listed on the **Frankfurt Quotation Board** and in alternative system of trading on stock exchanges in Berlin, Munich and Stuttgart.
- ▶ Photon Energy is following the Dutch **Corporate Governance Code** and the Best Practices of the Warsaw Stock Exchange.

BUY (INITIATION)

Target price	EUR 4.10 (none)
Current price	EUR 1.90
Up/downside	115.5%

GREEN Bond 2021/27

Bond	EUR Bond 2017/2022	New GREEN EUR Bond 2021/2027
Volume	EUR 23.7 million outstanding	EUR 55 million
Coupon	7.75% p.a., quarterly payment	6.50% p.a., quarterly payment
Initial offering	27 October 2017	23 November 2021
Ratings/Awards	KFM Barometer 4,5 of 5 stars	<ul style="list-style-type: none"> ▶ IMUG rating – <u>second party opinion</u>, ▶ KFM Barometer 4 of 5 stars ▶ Best Issuer Green SME Bonds 2021
Segment	Secondary market: traded on Open Market of the Frankfurt Stock Exchange since 27 October 2017	Secondary market: trading on Open Market of the Frankfurt Stock Exchange since 23 November 2021
Covenants	<ul style="list-style-type: none"> ▶ Dividend restriction ▶ Group Equity ratio $\geq 25\%^*$ ▶ Cross default ▶ Negative pledge ▶ Pari passu – Equal seniority of existing and future unsecured claims ▶ Change of Control-Clause 	<ul style="list-style-type: none"> ▶ Dividend restriction (max 50% if EBITDA/ICR > 2) ▶ Group Equity ratio $\geq 25\%^*$ ▶ Cross default ▶ Negative pledge ▶ Pari passu ▶ Change of Control-Clause ▶ Transparency clause
Denomination	EUR 1,000	EUR 1,000
Term / Redemption	Five years / 27 October 2022 at par	Six years / 23 November 2027 at par
ISIN	DE 000A19MFH42	DE 000A3KWKY4



* The Group defines and calculates adjusted equity ratio as total equity divided by the sum of interest-bearing debt and equity.

Management



Georg Hotar

CEO and Co-founder

Georg co-founded Photon Energy in 2008. He has extensive knowledge of the solar energy industry and international finance. In 2000 he established Central European Capital, a regional finance and strategy advisory boutique. He has also held various positions in financial services in London, Zurich and Prague.



Michael Gartner

CTO and Co-founder

Michael developed one of the first large PV installations in the Czech Republic before co-founding Photon Energy in 2008. He relocated to Australia in 2011 to start Photon Energy Australia, and is now instrumental in driving Photon Energy's off-grid and solar-hybrid power solutions.



Clemens Wohlmuth

CFO

Clemens joined Photon Energy in 2012 and is responsible for the group's overall financial strategy and direction. He brings many years of experience in financial management, having started his career in Ernst & Young in Austria and worked as CFO for Telekom Austria in the Czech Republic.