

# Photon Energy Group Reports Record Full-Year 2022 Preliminary Results and Provides Financial Guidance for 2023

- ▶ For the full year of 2022, the Company increased revenues by 159.1% to a record of EUR 94.223 million, exceeding its guidance of EUR 85.0 million and EBITDA by 151.1% to a record of EUR 24.062 million, meeting its guidance of EUR 24.0 million.
- ▶ Year-to-date, the Company's net profit has come in at EUR 2.785 million, compared to a loss of EUR 6.433 million for the same period last year.
- ▶ After delivering on its full-year 2022 financial guidance, the Company has set its full-year financial guidance for 2023 with expected revenues of EUR 150.0 million (+59.2%) and an EBITDA of EUR 29.0 million (+20.5%).

**Amsterdam – 15 February 2023** – Photon Energy N.V. (WSE&PSE: PEN, FSX: A1T9KW) (the 'Group' or the 'Company') today announced unaudited financial results for the fourth quarter of 2022 and for the fiscal year ending on 31 December 2022, posting an all-time Q4 revenue record of EUR 26.438 million (+125.3% YoY) and an EBITDA of EUR 1.209 million (+17.3% YoY). For the full year, revenues increased by 159.1% to EUR 94.223 million, exceeding the Company's EUR 85.0 million full-year 2022 financial guidance, while EBITDA grew to a record number of EUR 24.062 million (+151.1% YoY), meeting the Company's guidance of EUR 24.0 million for 2022.

'We saw a very eventful quarter with robust cash generation, continued project development activities across our key markets and execution of the strategic expansion of our business model through the full acquisition of Lerta, a virtual power plant technology company. We increased EBITDA by over 17% and continued to deliver on our growth strategy by finalising construction works on projects with a combined capacity of 32 MWp in Romania. In addition, we acquired the development rights for a 9.8 MWp/10 MWh solar and battery energy storage system facility in Australia, which represents the Company's first utility-scale solar-plus-storage installation and will serve as a prototype for a future roll-out across Photon Energy Group's European market. We also refinanced our PV assets in the Czech Republic and launched a B2B eCommerce platform to strengthen our position as a leading supplier of PV modules, inverters and batteries across the CEE region at a time of skyrocketing demand. We are very excited to embark on our 2023 journey together and will work hard to increase our 2023 consolidated revenues and EBITDA to EUR 150.0 million and EUR 29.0 million, respectively,' commented **Georg Hotar, CEO of Photon Energy Group**.

## Q4 2022 Highlights

- ▶ The Company tapped its 6.50% Green EUR Bond 2021/2027 in the amount of EUR 12.5 million to a total outstanding amount of EUR 77.5 million. The net proceeds of the tap issuance will be used to finance photovoltaic projects or hybrid solutions combined with energy storage, as well as financial instruments used to finance such projects or assets, in accordance with the Company's Green Financing Framework, which was issued in September 2021.
- ▶ During the reporting period, the Company successfully repaid the outstanding nominal value of EUR 15.232 million for its 7.75% EUR corporate bond 2017/2022 (ISIN: DE000A19MFH4) at the end of the five-year term, in accordance with the bond conditions.
- ▶ Photon Energy Group's shares started trading on the electronic platform XETRA, Germany's leading trading platform for listed companies, provided by Deutsche Börse AG.

- ▶ The Company closed a long-term non-recourse project refinancing agreement with UniCredit Bank Czech Republic and Slovakia a.s. for its proprietary photovoltaic power plants in the Czech Republic. This allowed the Company to free up significant additional liquidity after the repayment of the 2017/2022 bond to finance the expansion of its portfolio.
- ▶ The Company acquired the development rights for a 9.8 MWp/10 MWh solar and battery energy storage system facility in Australia. The facility will generate around 16.4 GWh of renewable energy annually, which will be sold on the energy market on a merchant basis. The Company expects to break ground on the project towards the end of the second quarter of 2023.
- ▶ The Company launched its B2B eCommerce platform at [eshop.photonenergy.com](https://eshop.photonenergy.com) to strengthen its position as a leading supplier of PV modules, inverters and batteries across the CEE region at a time of surging growth in demand.
- ▶ The Company completed a full takeover of Lerta, a Poland-based VPP (Virtual Power Plant) company which aggregates and manages distributed energy resources. In the reporting period, Lerta succeeded in the Polish capacity auction for 2027 with 157 MW of Demand Side Response (DSR), locking in contracted revenues of PLN 63.8 million (EUR 13.6 million) for 2027. Lerta's success in the Polish capacity auction for 2027 is an important milestone towards becoming the market-leading DSR provider in Poland, with a target of 600 MW by 2027 and 900 MW by 2030.

## Financial Metrics

In the fourth quarter of 2022, the Company more than doubled its consolidated revenue to EUR 26.438 million (+125.3% YoY). Despite a lower production volume of 18.6 GWh (-6.6% YoY) due to unfavourable weather conditions, electricity sales revenues from the Company's 91.9 MWp proprietary portfolio of PV power plants increased by 27.0% YoY to EUR 3.820 million. Year-to-date, the Company reports 121.6 GWh of clean electricity produced as compared to 103.3 GWh in 2021 (+17.8% YoY). The Company has achieved record electricity revenues of EUR 35.239 million in 2022 as compared to EUR 19.402 in 2021 (+81.6% YoY).

In addition to electricity generation revenues, the dynamic growth of other revenue streams was mainly attributable to the momentum experienced by the Company's component-trading business line, which distributes modules, inverters and batteries, bringing total other revenues for the quarter to EUR 22.617 million (+159.2%) and increasing full-year other revenues to EUR 58.984 million (+247.8%).

Unaudited consolidated EBITDA improved by 17.3% YoY to EUR 1.209 million in the fourth quarter, while EBIT improved to EUR -0.355 million after EUR -0.621 million one year ago. The Company's quarterly profitability was impacted by a higher contribution of lower margin revenues from the sale of technology, the booking of provisions for the windfall taxes in Hungary adopted by the Hungarian government, and a growing headcount, which is crucial to support the development of the Company's existing business lines as well as new business activities.

Overall interest expenses increased by 34.4% to EUR -2.481 million in Q4 2022, driven by the placement of the Company's 6.50% Green EUR Bond 2021/2027 in November 2021 – tapped up from EUR 50.0 million to EUR 77.5 million during the year – leading to a net loss of EUR 3.768 million (vs. a EUR 0.991 million net loss in Q4 2021). Ultimately, the Company posted a negative Total Comprehensive Income (TCI) for the fourth quarter, amounting to EUR -2.081 million, compared to EUR 0.977 million for the same period last year.

For the full year of 2022, the Company posted a record revenue of EUR 94.223 million (+159.1%) and hit a record EBITDA of EUR 24.062 million (+151.1% YoY). EBIT swung from a loss of EUR

0.712 million to a EUR 14.549 million profit. The Company reported a net profit of EUR 2.785 million compared to a loss of EUR 6.433 million in 2021. At the bottom line, TCI amounted to EUR 4.277 million compared to EUR 2.096 million a year ago, while the adjusted equity ratio increased at a sound level of 29.3%.

## Outlook

The Company met its full-year 2022 financial guidance to increase its consolidated revenues to EUR 85.0 million from EUR 36.4 million in 2021, and EBITDA to EUR 24.0 million from EUR 9.6 million in 2021.

Based on the Company's operating leverage manifesting across all its business lines, consolidated revenues for 2023 are expected to increase to EUR 150.0 million from EUR 94.2 million in 2022, representing a 59.2% increase YoY, leading to an increase of EBITDA to EUR 29.0 million from EUR 24.1 million in 2022 (+20.5% YoY).

View the Company's financial report for the fourth quarter of 2022 [here](#).

## Q4 2022 Results Presentation

The Company will host a live webcast on **Thursday 16 February at 11:00 am CET** to present its third-quarter results followed by a Q&A session. Attendees are invited to submit questions during the session through the chat feature or in advance via email to [ir@photonenergy.com](mailto:ir@photonenergy.com).

Webcast: <https://www.photonenergy.com/en/photon-energy-group/news/webcast-presentation-of-photon-energy-groups-q4-2022-results.html>

## About Photon Energy Group – [photonenergy.com](https://www.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 120 MWp and has power plants with a combined capacity of 91.9 MWp in its proprietary portfolio. It is currently developing projects with a combined capacity of 920 MWp in Australia, Hungary, Poland and Romania and provides operations and maintenance services for 380 MWp worldwide. Through its fully owned subsidiary Lerta, the Group has electricity trading licenses in Poland, the Czech Republic, Slovakia, Hungary, Romania and Serbia. Lerta is the third largest provider of DSR services to the Polish TSO with a contracted capacity of 134 MW for 2023, and through its Virtual Power Plant (VPP) aggregates energy generators and consumers with a total capacity of nearly 300 MW. The Group's other 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, as well as XETRA, Germany's leading online trading platform. Photon Energy Group is headquartered in Amsterdam, with offices in Australia and across Europe.

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