Photon Energy to Add 14 MWp to its PV portfolio in Australia

- *The Company has reached financial close for the construction of two PV power plants with a combined capacity of 14 MWp in Leeton, New South Wales*
- *Photon Energy has developed the projects, will perform all engineering works and upon completion will operate the power plants as part of its proprietary IPP portfolio*
- *The power plants are expected to be commissioned in Q4 2020 and will supply approx. 26.8 GWh of cost-competitive energy to the National Energy Market via the distribution network operated by Essential Energy*

Amsterdam/Sydney – 29 May 2020 – Photon Energy N.V. (WSE: PEN, the 'Group' or 'Company') announces that its fully-owned project companies Leeton Solar Farm Pty Ltd. and Fivebough Solar Farm Pty Ltd. have signed agreements with Infradebt for the project debt financing of two PV power plants with a combined installed capacity of 14 MWp in Leeton, New South Wales.

'These are the two largest projects to be added to Photon Energy's portfolio to date, and our first merchant projects providing competitive energy into the market. The experience we gain in operating the power plants will be used to maximise revenues in the energy market,' said Michael Gartner, CTO of the Group and Managing Director of Photon Energy Australia.

Photon Energy has a full-lifecycle approach to PV power plants, and in accordance with this, both projects have been developed in-house and will represent the first Australian utility-scale PV power plants in the Group's IPP portfolio. Photon Energy Engineering Australia Pty Ltd. will act as engineering, procurement and construction (EPC) contractor for both projects. Commissioning is expected in Q4 2020, after which long-term O&M services will be provided by Photon Energy Operations Australia Pty Ltd.

Each power plant has a grid connection capacity of 4.95 MWp AC and an installed capacity of 7 MWp DC. The plants' bi-facial PV modules will be mounted on single-axis trackers and will supply the produced electricity to Essential Energy's distribution network as non-scheduled generators. The combined annual electricity production of both PV power plants is forecast to be 26.8 GWh, and will be sold on the National Electricity Market on a merchant basis, as will the Large Generation Certificates (LGCs) generated by the plants. This means that no power purchase agreements (PPAs) have been entered into by Photon Energy. PPAs may, however, play a role in the plants' future revenue management strategy, alongside other price-hedging options.

'We will be actively managing the plants in response to changes in market pricing, as well as planning for the addition of energy storage, to enable the plants to position themselves in the market as it transitions from centralised fossil-fuel-burning power plants to distributed low cost renewables,' concluded Michael Gartner.

The Leeton and Fivebough PV power plants will be located on the outskirts of Leeton, in the heart of the Murrumbidgee Irrigation Area. The region is one of the most diverse in Australia, famous for the production of citrus fruits and wine. It is also an area of significant energy use, which has traditionally imported energy from large coal power plants located hundreds of kilometres away.

'Today is another milestone for Photon Energy, with the start of construction on the first two utility-scale power plants in Australia to be added to our portfolio, which will help the Group in reducing the seasonality of electricity-generation revenues globally. Our merchant approach in Australia paves the way

for grid-competitive assets to be developed and added to our European markets and elsewhere in the world. In these challenging times, we are proud that our Australian team has made another major achievement, representing an important step towards the implementation of our development strategy', added Georg Hotar, CEO of Photon Energy.

'Infradebt is pleased to finalise its part in financing the Leeton Solar Farms. We have worked closely with Photon Energy over the past few months to provide a senior debt facility that supports their strategy in Australia. We look forward to working with Photon Energy in the future and assisting them with their future development pipeline,' said Alexander Austin, CEO of Infradebt.

ABOUT PHOTON ENERGY

Photon Energy N.V. is a global solar energy solutions and services company covering the entire lifecycle of solar energy systems. Additionally, its subsidiary, Photon Water Technology (PWT), focuses on developing and providing water purification, remediation, and treatment systems for worldwide deployment. Since its foundation in 2008, Photon Energy has built and commissioned over 80 MWp of solar power plants across two continents and 60.6 MWp as part of its own portfolio. Current project development includes a project pipeline of 738 MWp in Australia (580 MWp in partnership with Canadian Solar) and 14.2 MWp in Hungary. The O&M division provides operations and maintenance services for 300 MWp worldwide. Photon Energy is headquartered in Amsterdam and has offices in Europe and Australia. For more information, please visit www.photonenergy.com.

ABOUT INFRADEBT

Infradebt is a specialist fund manager providing clients with direct access to infrastructure private debt markets. Infrastructure debt benefits from the stable and secure revenue streams inherent in the asset class. There is a natural alignment between long-term investment horizons of superannuation funds and the borrowing needs of infrastructure projects. Infradebt has an experienced team with decades of global infrastructure investment experience. We have invested across the capital structure and through market cycles. As an independent manager owned by its senior staff, our interests are aligned with the long-term returns we deliver for our investors. Our focus is simple, we deliver secure yield. For more information on Infradebt please visit www.infradebt.com.au

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