

Photon Energy N.V.

Monthly Report for February 2022

For the period from 1 to 28 February 2022

1. Information on the occurrence of trends and events in the market environment of the Issuer, which in the Issuer's opinion may have important consequences in the future for the financial condition and results of the Issuer

1.1 Production results of Photon Energy's power plants in the reporting period

The Company reports 14.4 GWh of electricity produced YTD compared to 6.7 GWh one year ago (+114.8%) propelled by the addition of a new power plant in Tolna, Hungary (1.4 MWp added in December 2021) and of our two utility-scale PV power plants in Leeton, Australia (14.6 MWp connected to the grid in August 2021). This represents an avoidance of 6,511 tonnes of CO₂ emissions year-to-date.

In February the proprietary portfolio outperformed the audits by 11.4%.

For more information, please refer to chapter 2. Proprietary PV power plants.

1.2 Photon Energy switches 43.5 MWp of its Hungarian PV portfolio to merchant electricity sales

The Group has temporarily switched all Hungarian PV power plants in its proprietary portfolio receiving support on the basis of KÁT-licenses and METÁR-KÁT-licenses to selling the produced electricity on the Hungarian day-ahead-market to benefit from the currently much higher electricity prices effective from 1 April 2022. Government Decree No 787/2021 (XII.27.), published in the Hungarian Official Gazette on 27 December 2021, which came into effect on 1 January 2022, allows PV power plants to temporarily exit the support schemes and to return to the respective support scheme at any time after a 12-month-period.

The Group also permanently opted out of six of ten METÁR licenses for its PV power plants in Puspokladány and will be selling the produced electricity on the Hungarian day-ahead-market to benefit from the currently much higher electricity prices.

Photon Energy's portfolio of KÁT- and METÁR-KÁT-licensed PV power plants consists of 51 units with a total installed capacity of 35 MWp. The six METÁR-licensed PV power plants which have permanently exited the support scheme have a combined installed capacity of 8.5 MWp and the four METÁR-licensed PV power plants remaining in the support scheme have a total installed capacity of 5.6 MWp.

Based on production forecasts as well as the closing Hungarian baseload futures prices on the European Energy Exchange (EEX) in Leipzig on 25 February 2022, the Management Board of Photon Energy N.V. has calculated that in Q2, Q3 and Q4 2022 the Company's Hungarian PV power plant portfolio (excluding the Tolna merchant PV power plant) is projected to generate electricity sales revenues of EUR 10.3 million compared to EUR 5.0 million (based on the feed-in-tariff/contract-for-difference rate of HUF 35,540/EUR 97.10). More than 95% of these additional revenues are expected

to feed through to the Group's consolidated EBITDA. Energy prices in Hungary just like in the rest of Europe have been highly volatile in recent months, hence, final results may differ materially.

The Management Board of the Group is convinced that based on the current electricity market outlook for the following 24-36 months this mostly reversible exit from the Hungarian support scheme strongly improves the Group's profitability and maximizes the return on investment on its Hungarian portfolio.

1.3 Water quality monitoring and control floats deployed in Mount Gambier, Australia

Two floating solar-powered monitoring and control systems have been installed on the Valley Lake in Mount Gambier, South Australia. This is the first step in helping the City of Mount Gambier to characterize the lake water quality, and ultimately keep the water in this popular recreational lake clean. The floats will measure in real-time several water quality parameters including temperature, dissolved oxygen, pH, algae and oxidation reduction potential. Collecting extensive water data will allow us to determine the best method to restore the water ecosystem balance and prevent excessive algae growth.

1.4 Misconduct reporting policy and SpeakUp Line

In line with current regulations as well as our own values and ESG strategy, the Company instituted the Photon Energy Group SpeakUp Line, as a channel for employees, consultants, suppliers and stakeholders to report misconduct related to Photon Energy Group business and operations. This includes activities which could be interpreted or perceived as illicit or illegal, in contradiction with the values and principles described in the Group's Code of Ethics and other internal policies, or harmful to Photon Energy Group.

This whistleblowing channel is available through internal channels and our corporate website. The system is encrypted and administered by an independent third-party service provider. All whistleblowers have the option to remain anonymous.

1.5 Reporting on Photon Energy's project pipeline

Photon Energy is currently developing PV projects in Australia (300.0 MWp), Hungary (95.2 MWp), Romania (224.6 MWp) and Poland (174.5 MWp) and is evaluating further markets for opportunities. For detailed information, please refer to chapter 3 "Reporting on Photon Energy's project pipeline".

2. Proprietary PV power plants

The table below represents power plants owned directly or indirectly by Photon Energy N.V. as of the date of the report.

Table 1. Production results in February 2022

Project name	Capacity	Revenue	Prod. 2022 February	Proj. 2022 February	Perf.	YTD Prod.	YTD Proj.	Perf.	YTD YoY
Unit	kWp	per MWh, in 2022	kWh	kWh	%	kWh	kWh	%	%
Komorovice	2,354	CZK 14,149+3,422 ¹	130,237	128,195	1.6%	180,615	187,235	-3.5%	41.9%
Zvíkov I	2,031	CZK 14,149+3,457 ¹	138,120	126,764	9.0%	207,578	197,020	5.4%	36.5%
Dolní Dvořiště	1,645	CZK 14,149+3,357 ¹	86,384	80,982	6.7%	131,387	125,902	4.4%	15.8%
Svatoslav	1,231	CZK 14,149+3,585 ¹	63,755	55,577	14.7%	94,641	83,429	13.4%	50.2%
Slavkov	1,159	CZK 14,149+3,570 ¹	86,784	66,424	30.7%	131,884	100,833	30.8%	44.0%
Mostkovice SPV 1	210	CZK 14,149+3,518 ¹	14,288	10,383	37.6%	22,153	16,259	36.3%	73.0%
Mostkovice SPV 3	926	CZK 15,295+3,528 ¹	66,235	45,840	44.5%	95,117	67,752	40.4%	62.4%
Zdice I	1,499	CZK 14,149+3,409 ¹	97,026	86,608	12.0%	140,250	133,887	4.8%	24.3%
Zdice II	1,499	CZK 14,149+3,407 ¹	98,970	87,524	13.1%	143,784	135,997	5.7%	17.7%
Radvanice	2,305	CZK 14,149+3,539 ¹	147,719	115,262	28.2%	226,074	173,998	29.9%	83.1%
Břeclav rooftop	137	CZK 14,149+3,601 ¹	9,788	7,870	24.4%	16,092	12,343	30.4%	52.3%
Total Czech PP	14,996		939,304	811,429	15.8%	1,389,572	1,234,654	12.5%	40.7%
Babiná II	999	EUR 270.98	51,317	40,230	27.6%	87,870	64,582	36.1%	44.7%
Babina III	999	EUR 270.79	51,413	41,543	23.8%	87,764	67,001	31.0%	40.5%
Prša I.	999	EUR 270.32	59,579	43,673	36.4%	100,557	74,013	35.9%	48.6%
Blatna	700	EUR 272.50	39,247	30,587	28.3%	61,663	47,552	29.7%	40.4%
Mokra Luka 1	963	EUR 257.73	80,183	61,769	29.8%	144,463	104,215	38.6%	52.0%
Mokra Luka 2	963	EUR 257.05	83,487	63,741	31.0%	152,247	110,146	38.2%	50.4%
Jovice 1	979	EUR 262.57	49,619	40,101	23.7%	83,068	58,282	42.5%	76.9%
Jovice 2	979	EUR 262.80	48,956	39,555	23.8%	81,576	57,595	41.6%	77.2%
Brestovec	850	EUR 256.92	61,668	50,282	22.6%	98,772	78,430	25.9%	47.2%
Polianka	999	EUR 261.31	51,549	39,458	30.6%	81,900	61,937	32.2%	86.2%
Myjava	999	EUR 258.92	66,982	50,608	32.4%	109,888	76,769	43.1%	78.5%
Total Slovak PP	10,429		643,999	501,546	28.4%	1,089,769	800,523	36.1%	56.4%
Tiszakécske 1	689	HUF 35,540	55,348	45,415	21.9%	94,334	75,033	25.7%	31.7%
Tiszakécske 2	689	HUF 35,540	56,080	46,550	20.5%	96,211	77,119	24.8%	32.1%
Tiszakécske 3	689	HUF 35,540	51,184	43,143	18.6%	84,770	70,216	20.7%	28.8%
Tiszakécske 4	689	HUF 35,540	56,246	46,550	20.8%	97,077	77,119	25.9%	31.9%
Tiszakécske 5	689	HUF 35,540	55,289	45,415	21.7%	94,618	75,033	26.1%	38.3%
Tiszakécske 6	689	HUF 35,540	55,812	46,550	19.9%	95,521	77,119	23.9%	32.0%
Tiszakécske 7	689	HUF 35,540	56,007	45,378	23.4%	96,116	74,928	28.3%	32.2%
Tiszakécske 8	689	HUF 35,540	54,597	45,160	20.9%	92,962	74,035	25.6%	30.9%
Almásfüzitő 1	695	HUF 35,540	53,154	46,883	13.4%	83,428	76,181	9.5%	23.6%
Almásfüzitő 2	695	HUF 35,540	50,943	46,824	8.8%	79,809	76,045	4.9%	22.4%
Almásfüzitő 3	695	HUF 35,540	52,232	46,064	13.4%	84,874	74,747	13.5%	25.7%
Almásfüzitő 4	695	HUF 35,540	53,219	47,110	13.0%	83,335	76,630	8.8%	23.9%
Almásfüzitő 5	695	HUF 35,540	55,586	46,388	19.8%	90,500	75,165	20.4%	25.6%
Almásfüzitő 6	660	HUF 35,540	54,624	44,606	22.5%	87,683	72,324	21.2%	24.4%
Almásfüzitő 7	691	HUF 35,540	54,310	46,076	17.9%	86,155	74,643	15.4%	24.1%
Almásfüzitő 8	668	HUF 35,540	53,214	45,279	17.5%	83,245	73,541	13.2%	23.1%
Nagyecsed 1	689	HUF 35,540	45,753	43,822	4.4%	75,251	71,642	5.0%	16.3%
Nagyecsed 2	689	HUF 35,540	45,165	43,822	3.1%	72,317	71,642	0.9%	12.8%
Nagyecsed 3	689	HUF 35,540	45,606	43,826	4.1%	74,394	71,321	4.3%	15.2%
Fertod I	528	HUF 35,540	43,219	34,477	25.4%	70,104	55,475	26.4%	31.8%
Fertod II No 2	699	HUF 35,540	59,377	47,313	25.5%	100,479	75,920	32.3%	33.2%
Fertod II No 3	699	HUF 35,540	59,067	47,313	24.8%	100,264	75,920	32.1%	33.1%
Fertod II No 4	699	HUF 35,540	59,422	47,313	25.6%	100,466	75,920	32.3%	31.6%

Project name	Capacity	Revenue	Prod. 2022 February	Proj. 2022 February	Perf.	YTD Prod.	YTD Proj.	Perf.	YTD YoY
Unit	kWp	per MWh, in 2022	kWh	kWh	%	kWh	kWh	%	%
Fertod II No 5	691	HUF 35,540	59,257	47,763	24.1%	99,723	78,129	27.6%	33.9%
Fertod II No 6	699	HUF 35,540	59,405	47,313	25.6%	100,123	75,920	31.9%	33.7%
Kunszentmárton I No 1	697	HUF 35,540	58,949	46,098	27.9%	101,022	76,740	31.6%	27.7%
Kunszentmárton I No 2	697	HUF 35,540	57,823	46,117	25.4%	96,749	76,792	26.0%	26.2%
Kunszentmárton II No 1	693	HUF 35,540	59,796	37,014	61.5%	100,482	61,789	62.6%	23.1%
Kunszentmárton II No 2	693	HUF 35,540	59,745	37,113	61.0%	99,678	62,085	60.6%	22.3%
Taszár 1	701	HUF 35,540	59,634	50,618	17.8%	108,934	85,320	27.7%	19.2%
Taszár 2	701	HUF 35,540	59,713	50,618	18.0%	109,375	85,320	28.2%	19.0%
Taszár 3	701	HUF 35,540	59,630	50,618	17.8%	108,989	85,320	27.7%	18.8%
Monor 1	688	HUF 35,540	60,483	44,351	36.4%	102,307	72,041	42.0%	27.4%
Monor 2	696	HUF 35,540	59,275	46,635	27.1%	97,663	74,603	30.9%	21.7%
Monor 3	696	HUF 35,540	60,375	46,635	29.5%	101,492	74,603	36.0%	30.5%
Monor 4	696	HUF 35,540	60,274	46,635	29.2%	101,043	74,603	35.4%	27.0%
Monor 5	688	HUF 35,540	60,121	45,948	30.8%	101,964	73,214	39.3%	26.8%
Monor 6	696	HUF 35,540	60,568	46,635	29.9%	102,292	74,603	37.1%	27.2%
Monor 7	696	HUF 35,540	59,946	46,635	28.5%	100,618	74,603	34.9%	26.2%
Monor 8	696	HUF 35,540	60,557	46,635	29.9%	102,595	74,603	37.5%	29.8%
Tata 1	672	HUF 35,540	46,236	41,402	11.7%	76,272	66,053	15.5%	18.4%
Tata 2	676	HUF 35,540	50,826	47,576	6.8%	83,254	76,634	8.6%	19.7%
Tata 3	667	HUF 35,540	51,231	45,903	11.6%	83,750	72,692	15.2%	21.8%
Tata 4	672	HUF 35,540	47,633	42,640	11.7%	78,082	68,316	14.3%	18.1%
Tata 5	672	HUF 35,540	47,299	42,851	10.4%	78,101	68,671	13.7%	19.5%
Tata 6	672	HUF 35,540	46,392	41,944	10.6%	76,519	67,109	14.0%	19.2%
Tata 7	672	HUF 35,540	46,146	41,435	11.4%	76,201	66,115	15.3%	19.3%
Tata 8	672	HUF 35,540	47,488	42,177	12.6%	78,680	67,522	16.5%	19.6%
Malyi 1	695	HUF 35,540	50,640	42,672	18.7%	87,696	68,313	28.4%	38.9%
Malyi 2	695	HUF 35,540	50,946	42,749	19.2%	89,079	68,493	30.1%	39.9%
Malyi 3	695	HUF 35,540	51,096	42,749	19.5%	89,435	68,493	30.6%	40.2%
Puspokladány 1	1,406	HUF 35,540	92,320	81,786	12.9%	158,715	126,167	25.8%	20.2%
Puspokladány 2	1,420	HUF 35,540	100,906	76,544	31.8%	169,383	116,711	45.1%	26.5%
Puspokladány 3	1,420	HUF 35,540	98,667	74,306	32.8%	163,780	113,083	44.8%	25.3%
Puspokladány 4	1,406	HUF 35,540	98,580	81,227	21.4%	165,833	125,338	32.3%	25.4%
Puspokladány 5	1,420	HUF 35,540	100,961	76,316	32.3%	168,967	116,344	45.2%	25.1%
Puspokladány 6	1,394	HUF 35,540	96,860	77,822	24.5%	161,533	119,979	34.6%	25.8%
Puspokladány 7	1,406	HUF 35,540	98,424	81,161	21.3%	165,595	125,240	32.2%	29.0%
Puspokladány 8	1,420	HUF 35,540	98,379	74,559	31.9%	162,923	113,511	43.5%	24.7%
Puspokladány 9	1,406	HUF 35,540	98,010	81,098	20.9%	165,282	125,143	32.1%	33.1%
Puspokladány 10	1,420	HUF 35,540	98,453	74,226	32.6%	163,059	112,951	44.4%	25.5%
Tolna	1,358	HUF 75,880 ²	113,667	98,207	15.7%	179,818	161,688	11.2%	na
Total Hungarian PP	50,456		3,872,166	3,176,005	21.9%	6,480,918	5,092,569	27.3%	29.8%
Symonston	144	AUD 301.60	15,870	18,092	-12.3%	33,470	40,326	-17.0%	-9.9%
Leeton	7,261	AUD 83+45 ³	1,307,250	1,379,070	-5.2%	2,721,420	2,920,325	-6.8%	na
Fivebough	7,261	AUD 82+45 ³	1,303,300	1,366,135	-4.6%	2,711,660	2,897,440	-6.4%	na
Total Australian PP	14,744		2,626,420	2,763,297	-5.0%	5,466,550	5,858,091	-6.7%	nm
Total	90,547		8,081,888	7,252,277	11.4%	14,426,808	12,985,838	11.1%	114.8%

Notes:

Capacity: installed capacity of the power plant

Prod.: production in the reporting month - Proj.: projection in the reporting month

Perf.: performance of the power plant in reporting month i.e. (production in Month / projection for Month) - 1.

YTD Prod.: accumulated production year-to-date i.e. from January until the end of the reporting month.

YTD Proj.: accumulated projection year-to-date i.e. from January until the end of the reporting month

Perf. YTD: performance of the power plant year-to-date i.e. (YTD prod. in 2022 / YTD proj. in 2022) – 1

YTD YOY: (YTD Prod. in 2022 / YTD Prod. in 2021) – 1.

¹ Green Bonus + Average realized electricity price during the reporting period in the Czech Republic.² Average realized electricity price during the reporting period in Hungary.³ Average realized electricity price during the reporting period + Australian Large-scale Generation Certificate spot closing price at the end of the reporting period.

Chart 1.a Total production of the Czech portfolio

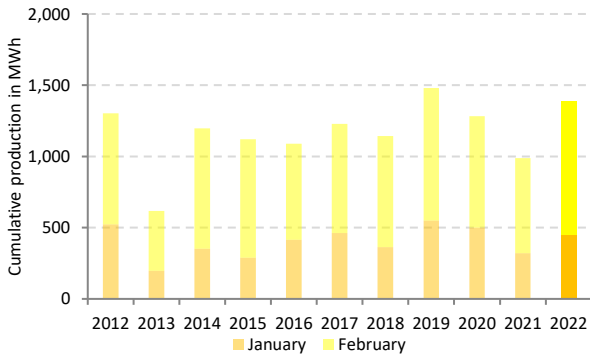


Chart 1.b Total production of the Slovak portfolio

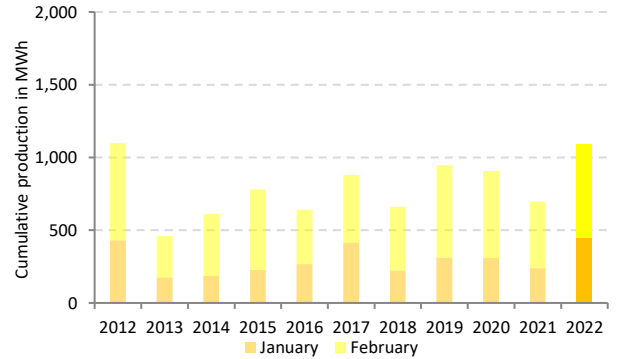


Chart 1.c Total production of Hungarian portfolio

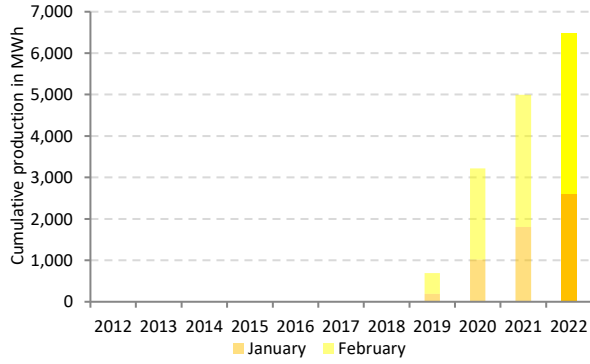


Chart 1.d Total production of Australian portfolio

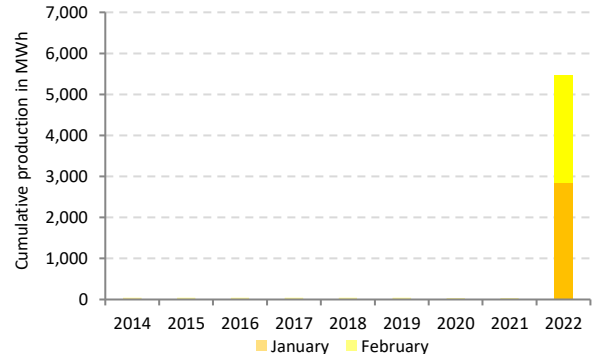


Chart 2. Generation results versus forecast between 1 January 2019 and 28 February 2022

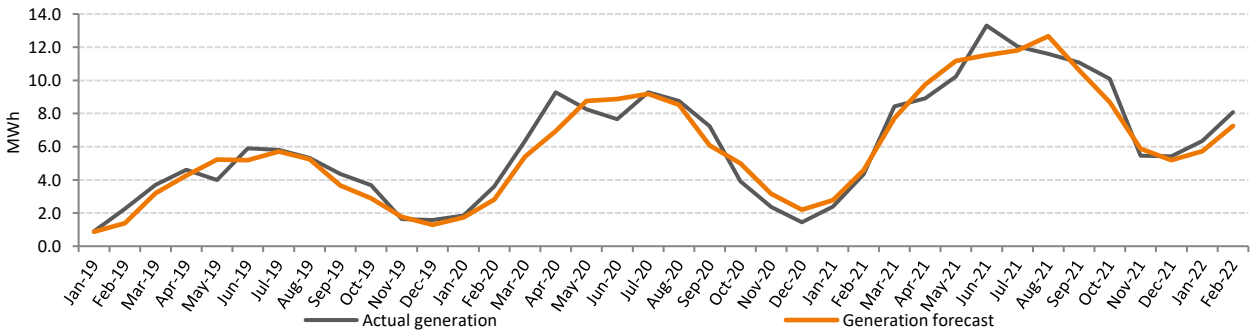
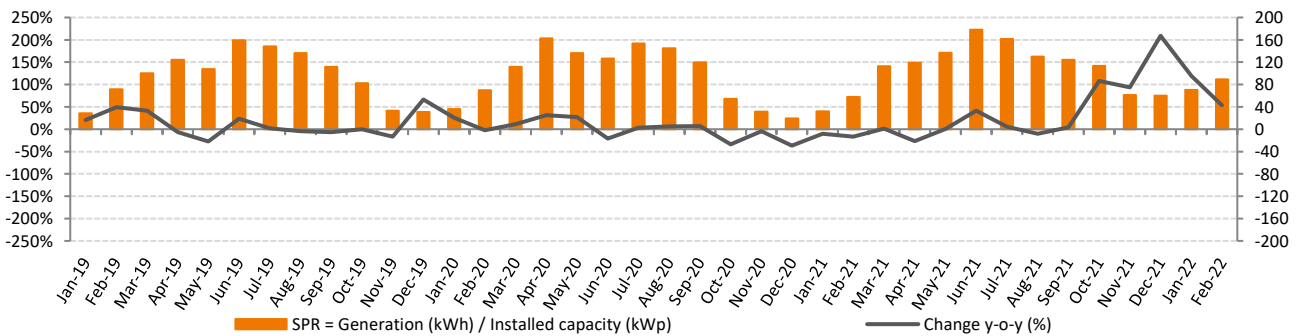


Chart 3. Specific Performance Ratio between 1 January 2019 and 28 February 2022



Specific Performance Ratio is a measure of efficiency which shows the amount of kWh generated per 1 kWp of installed capacity and enables the simple comparison of year-on-year results and seasonal fluctuations during the year.

The Company reports 14.4 GWh of electricity produced YTD compared to 6.7 GWh one year ago (+114.8%) propelled by the addition of a new power plant in Tolna, Hungary (1.4 MWp added in December 2021) and of our two utility-scale PV power plants in Leeton, Australia (14.6 MWp connected to the grid in August 2021). This represents an avoidance of 6,511 tonnes of CO₂ emissions year-to-date.

In February the proprietary portfolio outperformed the audits by 11.4%.

Our Czech, Slovak, and Hungarian portfolios exceeded energy forecasts by 15.8%, 28.4% and 21.9%, respectively, while our Australian portfolio was short of estimates by 5.0%.

The specific performance ratio of the proprietary portfolio (SPR) reached 89.3 kWh/kWp compared to 58.0 kWh/kWp one year ago (+53.9% year-on year).

3. Reporting on Photon Energy’s project pipeline

Project development is a crucial activity in Photon Energy’s business model of covering the entire value chain of PV power plants. The main objective of project development activities is to expand the PV proprietary portfolio, which provides recurring revenues and free cash flows to the Group. For financial or strategic reasons Photon Energy may decide to cooperate with third-party investors either on a joint-venture basis or with the goal of exiting the projects to such investors entirely. Ownership of project rights provides Photon Energy with a high level of control and allows locking in EPC (one-off) and O&M (long-term) services. Hence, project

development is a key driver for Photon Energy’s future growth. The Group’s experience in project development and financing in the Czech Republic, Slovakia, Germany, Italy and Hungary is an important factor in selecting attractive markets and reducing the inherent risks related to project development.

Photon Energy is currently developing PV projects in Australia (300.0 MWp), Hungary (95.2 MWp), Romania (224.6 MWp) and Poland (174.5 MWp) and is evaluating further markets for opportunities.

Country	1. Feasibility*	2. Early development	3. Advanced development	4. Ready-to-build technical	5. Under construction	Total in MWp
Australia	-	300.0	-	-	-	300.0
Hungary	68.0	23.1	2.7	-	1.4	95.2
Romania	33.8	97.6	93.2	-	-	224.6
Poland	150.4	24.1	-	-	-	174.5
Total in MWp	252.2	444.8	95.9	-	1.4	794.3

*Development phases are described in the glossary available at the end of this chapter.

Chart 4.a Australian project pipeline in MWp

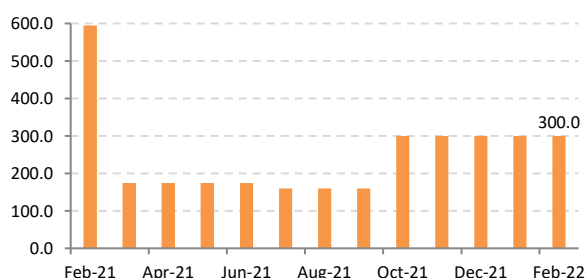


Chart 4.b Hungarian project pipeline in MWp

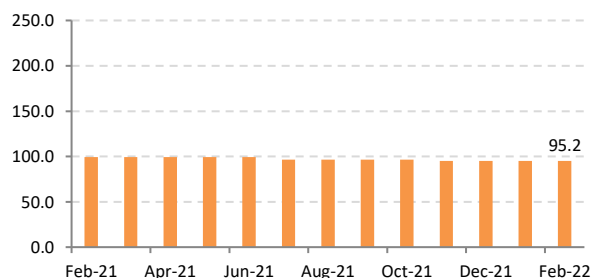


Chart 4.c Romanian project pipeline in MWp

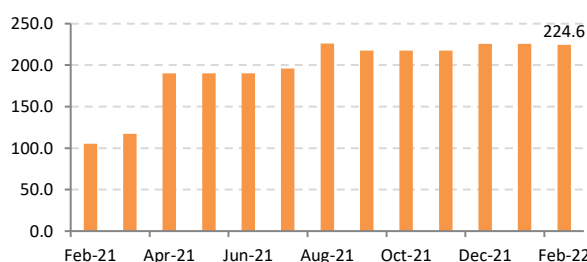
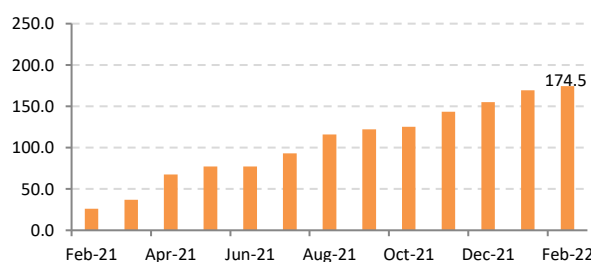


Chart 4.d Polish project pipeline in MWp



PV projects have two definitions of capacity. The grid connection capacity is expressed as the maximum of kilowatts or megawatts which can be fed into the grid at any point in time. Electricity grids run on alternating current (AC). Solar modules produce direct current (DC), which is transformed into AC by inverters. Heat, cable lines, inverters and transformers lead to energy losses in the system between the solar modules and the grid connection point. Cumulatively system losses typically add up to 15-20%. Therefore, for a given grid connection capacity a larger module capacity (expressed in Watt peak – Wp) can be installed without exceeding the

grid connection limit. At times of extremely high production, inverters can reduce the volume of electricity so that the plant stays within the grid connection limits. Photon Energy will refer to the installed DC capacity of projects expressed in Megawatt peak (MWp) in its reporting, which might fluctuate over the project development process.

Projects having reached an advanced development phase, as well as projects for which sufficient details can be disclosed are described in the table below:

Country	Location	Dvt Phase	Project function	Share	MWp	Commercial Model	Land	Grid connection	Construction permit	Expected RTB
Australia	Cleve	2	All options open	100%	300.0	All options open	Secured	Ongoing	Ongoing	Q4 2023
Hungary	Tolna 1a	5	Own portfolio	100%	1.4	Merchant/PPA	Secured	Secured	Secured	Under Construction
Hungary	Tolna 1b	3	Own portfolio	100%	2.7	Merchant/PPA	Secured	Secured	Secured	Q2 2022
Hungary	Tolna 2	2	Own Portfolio	100%	23.1	Merchant/PPA	Ongoing	Secured	Secured	Q3 2022

Australia

During the reporting period, Photon Energy had one large scale solar farms under development.

In November 2021, the Group secured 1,200 hectares of land near Cleve, a small agriculturally based town on Central Eyre Peninsula in South Australia, to develop a 300 MWp solar farm suitable for RayGen's solar technology in combination with its energy storage solution.

- ▶ **Development status Raygen project (300 MWp):** Based on preliminary designs, Photon Energy will develop a solar generation capacity of 300 MWp with a grid connection capacity of 150 MW. The target storage energy storage capacity is 3.6 GWh, equivalent to 24 hours of full load, to the grid, from storage. This will exceed the 3 GWh capacity of the Ouarzazate Solar Power Station in Morocco, which currently has the world's largest energy storage capacity of any type, excluding pumped hydro.

Photon Energy has commenced the permitting and grid-connection processes and expects to reach the ready-to-build stage in Q4 2023.

RayGen recently closed its Series C capital raise for AUD 55 million where Photon Energy participated alongside AGL Energy, Schlumberger New Energy, Chevron Technology Ventures, Equinor Ventures and other investors. RayGen is currently building a 4 MW / 50 MWh solar energy-plus-storage plant in Carwarp, Victoria, Australia due for completion in mid-2022.

Hungary

Below is a short summary of projects and progress achieved in the reporting period.

- ▶ **Tolna (27.3 MWp in development):** the twelve projects with a total planned installed DC capacity of 27.3 MWp are in the Tolna region in the south of Hungary, where a first 1.4 MWp power plant was built and commissioned in December 2021(see details below).

Two power plants have a grid connection capacity of 5.0 MW AC each, whereas 1 MW AC have been secured for each of the remaining ten projects. The grid connection points have been secured and the negotiations for suitable land plots have been finalized for several projects. Grid connection

plans have been initiated and already partially approved, to allow us to conclude grid connection agreements with E.ON. with a validity of two years.

On 8 December 2020, one of the 1MW AC (approx. 1.4 MWp DC) projects was granted a METAR premium of 24,470 HUF/MWh (approx. EUR 68 per MWh) with a maximum supported production of 21,585 MWh over a period of up to 15 years. This achievement results from the approval of the project application to the first pilot tender for the METAR system organized in September 2019.

On 9 December 2021, we have completed and grid-connected the first photovoltaic power plant with a capacity of 1.4 MWp near the municipality of Tolna. This latest addition expands the Company's portfolio of proprietary power plants in Hungary to a total of 62, with a combined capacity of 50.5 MWp. Globally, the Company now owns and operates 87 power plants with a combined capacity of 90.5 MWp.

The new power plant represents the first European utility-scale PV power plant in Photon Energy Group's IPP portfolio that the Company will operate without a support scheme. The total annual production of the power plant is expected to be around 2.1 GWh, which corresponds to expected annual revenues of EUR 420,000 based on current forward prices for electricity base load in Hungary in 2022. Given the power plant's electricity production profile, there is potential for even higher revenues in 2022.

The new power plant extends over 2.2 hectares, uses bi-facial PV modules mounted on single-axis trackers and is connected to the grid of E.ON Dél-dunántúli Áramhálózati Zrt..

The electricity is sold on the national electricity market on a merchant basis. This means no power purchase agreements (PPAs) have been entered into by the Company. However, they may play a role in the plant's future revenue management strategy, alongside other hedging options.

The Company developed the project fully in-house and delivered engineering, procurement and construction services through its subsidiary Photon Energy Solutions HU Kft. Photon Energy Operations HU Kft. – another of the Group's subsidiaries – will provide long-term monitoring, operations and maintenance services to the power plant.

Three other projects have entered advanced development after securing the binding extraction and construction permits. Construction started for one of them.

The revenue model will also be the direct sale of electricity through a trader on the Hungarian electricity market for the time being. The option to still enter into a contract-for-difference based on a METAR license (for the project that has proven successful through the auction process) or entering into PPAs in the future, remains in place. Construction plans

include the use of tracking technology allowing bi-facial solar modules to follow the course of the sun, which are expected to achieve a 15-20% higher specific performance than fixed installations.

Now the team has solidified grid capacity, land, and a commercial structure, the projects will continue to take shape as they move towards construction and realization.

Glossary of terms	Definitions
Development phase 1: “Feasibility”	LOI or MOU signed, location scouted and analyzed, working on land lease/purchase, environmental assessment and application for grid connection.
Development phase 2: “Early development”	Signing of land option, lease or purchase agreement, Environmental assessment (environmental impact studies “EIS” for Australia), preliminary design. Specific to Europe: Application for Grid capacity, start work on permitting aspects (construction, connection line, etc.). Specific to Australia: community consultation, technical studies.
Development phase 3: “Advanced development”	In Europe: Finishing work on construction permitting, Receiving of MGT (HU)/ATR (ROM) Letter, Finishing work on permitting for connection line, etc. In Australia: Site footprint and layout finalised, Environmental Impact Statement and development application lodged. Grid connection studies and design submitted.
Development phase 4: “Ready-to-build technical”	In Europe: Project is technical ready to build, we work on offtake model (if not FIT or auction), securing financing (internal/external). In Australia: Development application approved, offer to connect to grid received and detailed design commenced. Financing and off-take models/arrangements (internal/external) under negotiation.
Development phase 5: “Under construction”	Procurement of components, site construction until the connection to the grid. On top for Australian projects, signature of Financing and off-take agreements, reception of Construction certificate, conclusion of connection agreement, EPC agreement, Grid connection works agreements.

Glossary of terms	Definitions
NSW Department for Planning and Environment (DP&E)	NSW DP&E is a government agency in charge of planning and development of New South Wales, to ensure the balance between the commercial business development and the needs of local communities. Each project submitted to DP&E must include environmental impact studies (EIS) and once it is reviewed by DP&E, the project is published and available for the public opinion to submit their comments. If the project is rejected by more than 25 people it is moved to Independent Planning Committee (IPC) for review. If there is no public opposition, the project is approved and DP&E issues the project Development Approval (DA)
Independent Planning Committee (IPC)	In case more than 25 public petitions against the project are submitted, IPC needs to investigate further into social and environmental impact of the project. IPC might make some recommendations to be made to the project plan to secure the issuance of DA.
Essential Energy	Essential Energy is Distribution Network Service Provider, which operates and manages low voltage electricity network in NSW. The process to secure the grid connection with Essential Energy includes GPS and AEMO’s license.
Transgrid	Transgrid is a Distribution Network Service Provider (DNSP), which operates and manages the NSW high voltage transmission network. Transgrid, in co-operation with Australian Energy Market Operator (AEMO, see description below), is in charge of grid connection approval. To issue its decision Transgrid requires Generation Protection Studies (GPS). GPS is a complete analysis and tests of the impact that a potential power plant would have on the grid. Each power plant is tested under different assumptions (extreme weather conditions, demand/supply changes etc.) and its performance/impact on the grid’s stability is thoroughly analysed. Once GPS are completed and accepted, Transgrid is issuing grid connection terms. Those terms are part of the agreement signed with Transgrid, which together with AEMO license secures and finalizes the grid connection process.
Australian Energy Market Operator (AEMO)	AEMO is responsible for operating Australia’s largest gas and electricity markets and power systems. AEMO is overlooking all energy producers in NSW and is involved in the process of grid connection approval. AEMO reviews the grid connection terms and GPS studies and issues the license to feed electricity to the grid. AEMO also controls the on-going power generation to make sure that grid stability is maintained.

4. Enterprise value & Share price performance

4.1 Main market of the Warsaw Stock Exchange

On 28 February 2022 the Company's shares (ISIN NL0010391108) closed at a price of PLN 7.40 (+6.5% MoM), corresponding to a price to book ratio of 1.72. The monthly trading volume amounted to 477,120 shares (vs. an average monthly volume of 598,721 over the past twelve months).

Trading of the Company's shares on the regulated market of the Warsaw Stock Exchange (WSE) (Giełda Papierów Wartościowych w Warszawie) commenced on 5 January 2021. Prior to that date, data presented in this section have been extracted from the trading activity on NewConnect.

Chart 5. Enterprise value vs. trailing 12 months (TTM) EBITDA

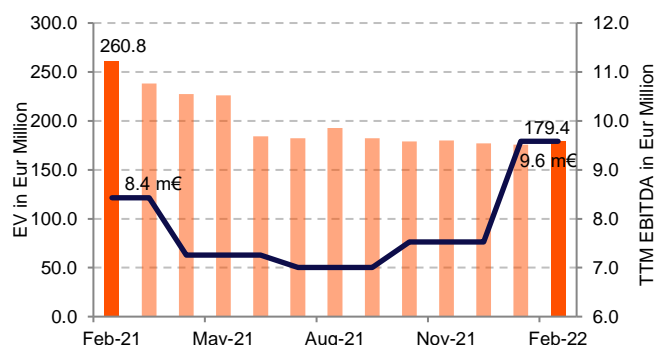
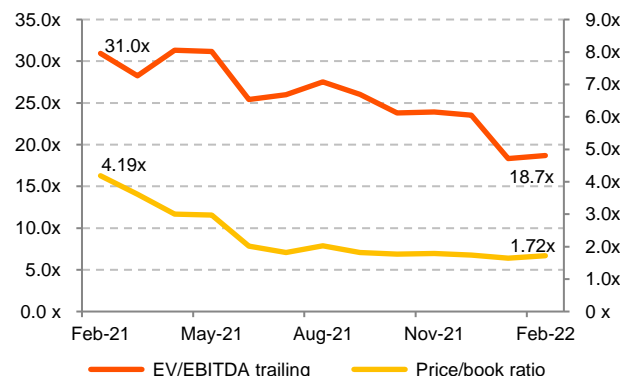


Chart 6. Enterprise value / trailing 12 months EBITDA and price to book ratio



Notes:

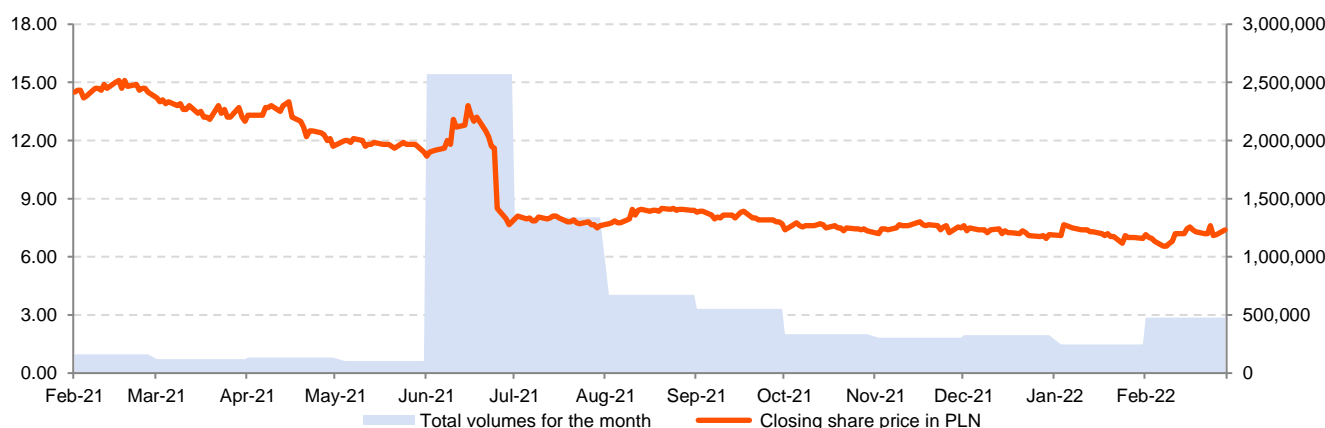
EV – Enterprise value is calculated as the market capitalisation as of the end of the reporting month, plus debt, plus minority interest, minus cash. All the balance sheet data are taken from the last quarterly report.

Trailing 12 months EBITDA – defined as the sum of EBITDA reported in the last four quarterly reports; i.e. the sum of EBITDA reported in Q1 2021, Q2 2021, Q3 2021 and Q4 2021.

Price/book ratio – is calculated by dividing the closing price of the stock as of the end of the reporting period by the book value per share reported in the latest quarterly report.

EV/EBITDA ratio – is calculated by dividing the Enterprise Value by the Trailing 12 months (TTM) EBITDA.

Chart 7. Total monthly volumes vs. daily closing stock prices



4.2 Main market of the Prague Stock Exchange

On 28 February 2022 the share price (ISIN NL0010391108) closed at a level of CZK 38.00 (-2.6% MoM), corresponding to a price to book ratio of 1.65. The Company reports a monthly trading volume of 468,916 shares, compared to an average monthly trading volume of 311,284 over the past twelve months.

Trading of the Company's shares on the regulated market of the Prague Stock Exchange (PSE) (Burza cenných papírů Praha) commenced on 5 January 2021. Prior to that date, Data have been extracted from the trading activity on the Free Market of the Prague Stock Exchange.

4.3 Quotation Board of the Frankfurt stock exchange

On 28 February 2022, the share price (FSX: A1T9KW) closed at a level of EUR 1.49 (-1.2% compared to last month), corresponding to a price to book ratio of 1.62.

The Company reports a monthly trading volume of 38,675 shares, compared to an average monthly trading volume of 39,836 over the past twelve months.

The Company's shares have been traded on the Quotation Board of the Frankfurt Stock Exchange since 11 January 2021.

Since 28 July 2020, the Company's shares have already been traded on the Free Market (Freiverkehr) of the Munich Stock Exchange.

In addition the Company's shares have also been traded on the Free Market (Freiverkehr) of the Berlin Stock Exchange since 13 January 2021 and on the Free Market (Freiverkehr) of the Stuttgart Stock Exchange since 14 January 2021.

5. Bond trading performance

In December 2016 the Company issued a 7-year corporate bond with a 6% annual coupon and monthly payments in the Czech Republic. The corporate bond (ISIN CZ0000000815) with a nominal value of CZK 30,000 has been traded on the Free Market of the Prague Stock Exchange since 12 December 2016.

On 27 October 2017 the Company issued a 5-year corporate EUR bond with a 7.75% annual coupon and quarterly coupon payments in Germany, Austria and Luxemburg. The original target volume of EUR 30 million was successfully increased in two steps with all parameters unchanged, to an outstanding amount of EUR 45.0 million prior to the completion of the exchange offer described below. The corporate bond (ISIN DE000A19MFH4) with a nominal value of EUR 1,000 has been traded on the Open Market of the Frankfurt Stock exchange since 27 October 2017. The bond is also listed on the stock exchanges in Berlin, Hamburg, Hannover, Munich and Stuttgart. The total outstanding bond volume amounts to EUR 23.719 million as of the end of the reporting period.

On 17 November 2021, The Company successfully placed its 6.50% Green EUR Bond 2021/2027 (ISIN: DE000A3KWKY4) in the amount of EUR 50 million. The bond issuance was met with

strong demand from the Company's existing bondholders, who subscribed to EUR 21.281 million in the exchange that was offered for the existing EUR Bond 2017/2022. The green bond – with an interest rate of 6.50% p.a., paid quarterly – was confirmed by imug | rating with regard to its sustainability in a Second Party Opinion, and can be traded on the Open Market of the Frankfurt Stock Exchange.

The Company intends to use the net proceeds of the green bond placement to finance or refinance, in part or in whole, new and/or existing eligible assets, as well as financial instruments that were used to finance such projects or assets, in accordance with the Company's Green Finance Framework, enabling Photon Energy Group to make a significant contribution to an environmentally friendly future.

On 29 November 2021, the Group successfully increased the bond placement by EUR 5.0 million with all parameters unchanged. The total outstanding bond volume amounts to EUR 55.0 million as of the end of the reporting period.

5.1 EUR Bond 2017/22 trading performance

EUR Bond 2017/22 trading performance to date

In the trading period from 25 October 2017 until 28 February 2022, the trading volume amounted to EUR 54.661 million (nominal value, including the volume traded in Berlin, Munich & Stuttgart) with an opening price of 100.00 and a closing price of 100.80 in Frankfurt. During this period the average daily turnover amounted to EUR 49,737.

EUR Bond 2017/22 trading performance in February 2022

In February 2022 the trading volume amounted to EUR 610,000 with an opening price of 101.60 and a closing price of 100.80 in Frankfurt. The average daily turnover amounted to EUR 30,500.

Chart 8. The Company's EUR bond 2017/22 trading on the Frankfurt Stock Exchange in Germany

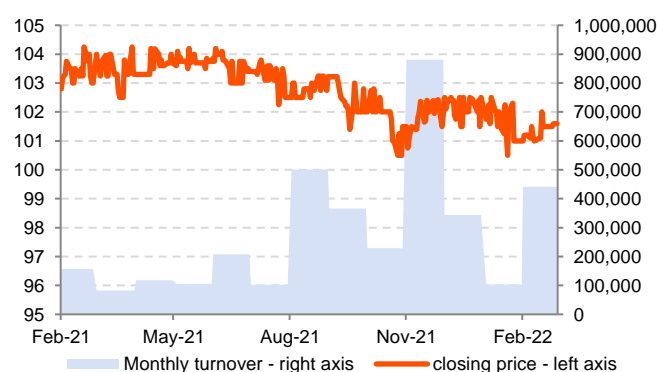
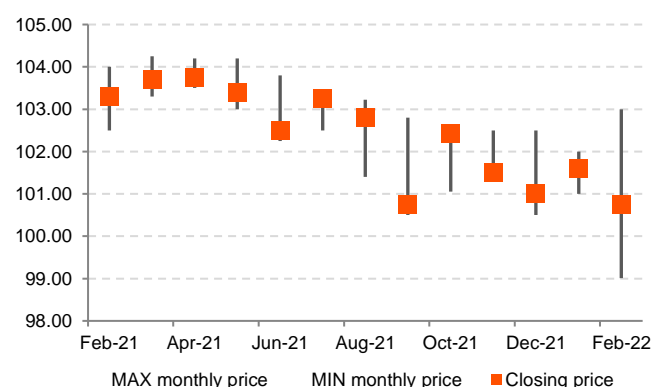


Chart 9. MIN, MAX and closing monthly prices



5.2 Green EUR Bond 2021/27 trading performance

Green EUR Bond 2021/27 trading performance to date

In the trading period from 17 November 2021 until 28 February 2022, the trading volume amounted to EUR 7.828 million (nominal value, including the volume traded in Berlin, Munich, Stuttgart, Hamburg & Dusseldorf) with an opening price of 100.00 and a closing price of 100.10 in Frankfurt. During this period the average daily turnover amounted to EUR 93,190.

5.3 CZK Bond 2016/23 trading performance in Prague

In the trading period from 12 December 2016 until 28 February 2022, the trading volume amounted to CZK 40.500 million with a closing price of 98.00.

Green EUR Bond 2021/27 trading performance in February 2022

In February 2022 the trading volume amounted to EUR 1,157,000 with an opening price of 100.85 and a closing price of 100.10 in Frankfurt. The average daily turnover amounted to EUR 12,550.

6. Summary of all information published by the Issuer as current reports for the period covered by the report

In the period covered by this report the following current report has been published in the EBI (Electronic Database Information) system of the Warsaw Stock Exchange during or after the reporting period.

- ▶ **None**

In the period covered by this report the following current reports have been published in the ESPI (Electronic Information Transmission System) system of the Warsaw Stock Exchange and sent to the Prague Stock Exchange:

- ▶ **ESPI report 3** - 10.02.2022 – Quarterly report for Q4 2021.
- ▶ **ESPI report 4** - 13.02.2022 – Photon Energy considers switching Hungarian PV portfolio to merchant electricity sales.
- ▶ **ESPI report 5** - 15.02.2022 – Monthly report for January 2022.
- ▶ **ESPI report 6** - 28.02.2022 – Photon Energy switches 43.5 MWp of its Hungarian PV portfolio to merchant electricity sales.

After the reporting period, the following reports have been published in the ESPI (Electronic Information Transmission System) system of the Warsaw Stock Exchange and sent to the Prague Stock Exchange:

- ▶ **None**

7. Investors' calendar

- ▶ 13 April 2022: Monthly report for March 2022
- ▶ 11 May 2022: Entity and consolidated quarterly reports for Q1 2022
- ▶ 12 May 2022: Online presentation of Photon Energy Group's Q1 2022 results
- ▶ 13 May 2022: Monthly report for April 2022
- ▶ 14 June 2022: Monthly report for May 2022
- ▶ 14 July 2022: Monthly report for June 2022
- ▶ 11 August 2022: Entity and consolidated reports for Q2 2022 / H1 2022
- ▶ 12 August 2022: Online presentation of Photon Energy Group's Q2 2021/H1 2021 results
- ▶ 12 August 2022: Monthly report for July 2022
- ▶ 14 September 2022: Monthly report for August 2022
- ▶ 13 October 2022: Monthly report for September 2022
- ▶ 10 November 2022: Entity and consolidated quarterly reports for Q3 2022
- ▶ 14 November 2022: Online presentation of Photon Energy Group's Q3 2022 results
- ▶ 14 November 2022 Monthly report for October 2022
- ▶ 14 December 2022 Monthly report for November 2022

8. Investor relations contact

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Georg Hotar, Member of the Board of Directors



Michael Gartner, Member of the Board of Directors