

Photon Energy Reports Record Revenue and Net Income for Third Quarter 2019

- *Record revenues of EUR 10.267 million, up by 66.3% YOY on the back of robust business growth across all business lines*
- *Record net income of EUR 2.966 million, up by 143.6% YOY, reflects improved profitability*
- *Strengthened asset base by adding new installed capacity of 12.6 MWp, expanding the total proprietary portfolio of PV power plants to 49.7 MWp*

Amsterdam – 8 November 2019 – Photon Energy N.V. (WSE: PEN, the 'Group') today announced financial results for the third fiscal quarter ended 30 September 2019, posting record figures with consolidated revenues of EUR 10.267 million, up by 66.3% YOY, and net income of EUR 2.966 million, up by 143.6% YOY.

In 2019Q3, consolidated unaudited revenues increased by 66.3% to EUR 10.267 million compared with EUR 6.173 million in 2018Q3. This record growth is attributable to a significant increase of electricity generation, up by 49.1% YOY, driven primarily by the expansion of the Group's proprietary portfolio of power plants in Hungary as well as the good performance of the remaining power plants in the Czech Republic and Slovakia. Revenues from the engineering business (EPC services), technology wholesale, and operations and maintenance services (O&M) equally contributed to that growth, proving that our vertically integrated business model with diversified revenue streams allows us to generate revenues from various phases of the photovoltaic project lifespan.

EBITDA amounted to EUR 3.088 million in 2019Q3, representing a mild compression compared to EUR 3.282 million in 2018Q3. In the broader context of our business model and project lifecycle, growing overhead cost related to project development works in Australia and investments in Hungary will be offset by future capital gains and other comprehensive income (OCI) and an increase in electricity production revenues. EBIT declined from EUR 1.371 million in 2018Q3 to EUR 0.734 million as a result of the growing proprietary portfolio of power plants and related depreciation expenses.

Consolidated net profit amounted to EUR 2.966 million compared to EUR 1.217 million in 2018Q3 (+143.6% YOY). This strong profitability expansion has been achieved due to a net capital gain of EUR 4.121 million on top of the book value of EUR 1.109 million related to the exit from two utility-scale projects (approx. 339 MWp of the planned capacity) developed jointly with, and sold to, Canadian Solar Inc. These

successful project exits prove the Group's capabilities to design, develop and execute large-scale projects and generate sound returns, boosting profitability across all business lines. In 2019Q3, total comprehensive income amounted to EUR 3.189 million, with EUR 0.798 million reflecting positive proprietary portfolio revaluation according to IAS 16.

In and after the reporting period, the Group grid-connected additional 18 PV power plants with a combined capacity of 12.6 MWp expanding its proprietary portfolio to 49.7 MWp. The newly added PV plants are expected to generate additional annual revenues of EUR 1.530 million. Equity amounted to EUR 34.744 million translating into an adjusted equity ratio of 31%.

"We are pleased to deliver another quarter of robust growth. We achieved record revenues and net profit in the Group's history as we continued to expand across all business segments. With our development and engineering capabilities paired with our solid capital position, we are poised and looking forward to implementing further projects in Hungary, Poland and Australia in the short term," said Georg Hotar, CEO of Photon Energy N.V.

ABOUT PHOTON ENERGY

Photon Energy N.V. is a global solar energy solutions and services company covering the entire lifecycle of solar energy systems. Since its foundation in 2008, Photon Energy has built and commissioned over 75 MWp of solar power plants across two continents including 49.7 MWp in our own portfolio. Current project development includes a project pipeline of 884 MWp in Australia (out of which 580 MWp is in partnership with Canadian Solar) and 25.3 MWp in Hungary, with a target of 75 MWp by 2021. The O&M division provides operations and maintenance services for over 260 MWp worldwide. Additionally, its subsidiary Photon Water Technology (PWT), focuses on developing and providing water purification, remediation and treatment systems for worldwide deployment. Photon Energy is headquartered in Amsterdam and has offices across Europe and in Australia. For more information, please visit www.photonenergy.com.

MEDIA CONTACT

Martin Kysly

T +420 774 810 670

E martin.kysly@photonenergy.com