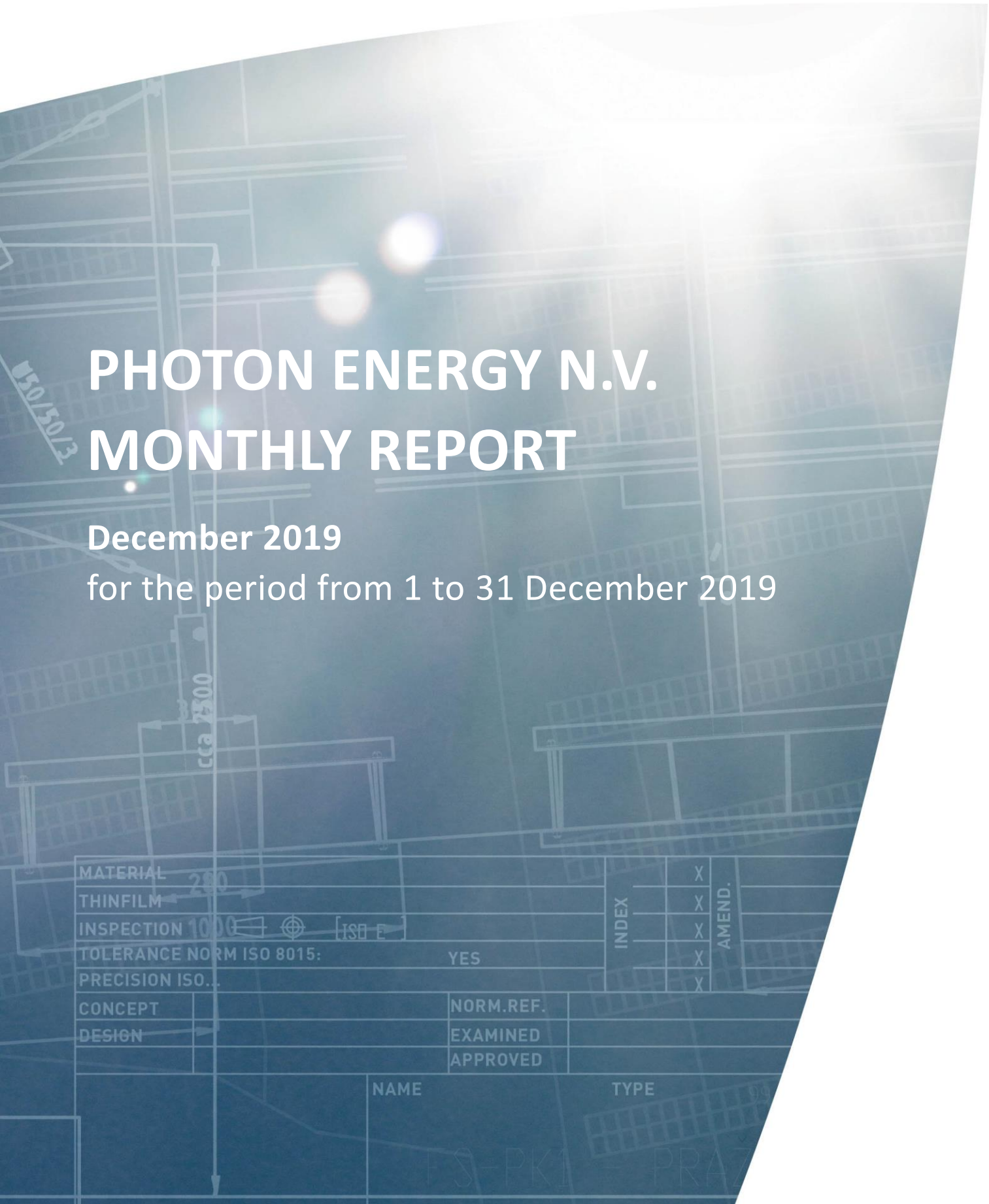
PHOTON ENERGY N.V.
MONTHLY REPORT

December 2019

for the period from 1 to 31 December 2019



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 N.V.'s power plants in the reporting period

In December generation results of Photon Energy's proprietary PV power plants amounted to 1.6 GWh of electricity, which was 22.8% above the monthly energy forecasts. These excellent results were driven primarily by superior outperformance of our Czech power plants, which delivered 84.7% more electricity than projected. The Slovak and Hungarian power plants also recorded sound electricity output with totals 15.2% and 10.4% above energy forecasts, respectively.

On a cumulative year-to-date basis the electricity production results were solid and amounted to 43.8 GWh, which is 8.2% above energy forecasts. The additions of new Hungarian power plants during the course of the year have boosted electricity generation by 54.4% year-on-year.

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

1.2 Development Approval granted on Maryvale project

On 4 December the New South Wales government has given the green light to the 160-MW solar project in Maryvale. The Development Approval has been granted by the State Department of Planning, Industry and Environment (DPIE) after regulators decided that the power plant would have "minimal impact" on the local environment and agricultural land.

The Maryvale project is one of three remaining projects in New South Wales being co-developed with Canadian Solar.

1.3 Additional 2.1 MWp in Hungary connected, bringing global portfolio to 51.8 MWp

On 4 December Photon Energy Group completed and grid-connected another three photovoltaic power plants with a total installed capacity of 2.1 MWp in the municipality of Taszár, Hungary. These latest additions expand the Group's installed base in Hungary to 26.1 MWp and its global proprietary portfolio of PV power plants to 51.8 MWp.

More details can be found in ESPI 29/2019 published on 5 December 2019.

1.4 Photon Energy secures long-term financing for additional 20.1 MWp in Hungary

On 10 December Photon Energy Group signed another long-term non-recourse project financing agreement for an additional 20.1 MWp of its proprietary PV power plant portfolio in Hungary. The portfolio is comprised of 29 individual KÁT-licensed PV power plants in the locations of Monor, Fertőd, Kunszentmárton, Taszár, Mályi and Tata. Project financing amounting to 5.93 billion HUF (17.9 million EUR) is being provided by K&H Bank, the Hungarian subsidiary of Belgian KBC Group N.V., for a period of 15 years.

Photon Energy has been pre-financing the construction of the power plants with the proceeds of the EUR bond placement. This refinancing allows Photon Energy to free up again significant liquidity to build further projects in Hungary in 2020. More details about the refinancing agreements can be found in ESPI 30/2019 published on 10 December 2019.

1.5 Photon Energy sells its 51% interest in the Brewongle Solar Farm

On 27 December Photon Energy N.V. sold its 51% interest in the project company which holds all project rights for the Brewongle Solar Farm. The project was still at an early development stage and is expecting Development Approval to be granted in the course of the year 2020. Financial terms were agreed not to be disclosed but will not have a material impact on the 2019Q4 Profit and Loss Statement.

1.6 Photon Energy signed an O&M agreement for 17.6 MWp in Hungary

After the reporting period in early January 2020 Photon Energy Operations HU Kft., the Hungarian O&M subsidiary of Photon Energy N.V., signed an agreement for the provision of operations and maintenance services for a 17.6 MWp PV power plant located in Hungary.

With this latest addition, Photon Energy Group is currently providing O&M services to 65.2 MWp of PV power plants in Hungary, reinforcing its position in its second largest O&M market after the Czech Republic. In total, Photon Energy is providing O&M services to over 293 MWp of PV power plants located in six European countries.

1.7 Lord Howe Island project is commencing

During the reporting period Photon Energy has continued working on the Lord Howe Island renewable energy project, awarded by the island's management board, to install a hybrid solar and battery-storage system. The system, specifically designed for this remote location, will be integrated with the existing local micro-grid and diesel generator and will deliver cost-effective renewable energy with added security via dispatchable battery power. This project will serve as an example for other remote communities looking at alternative ways to generate energy. Photon Energy is excited to have been selected as the EPC partner for this project. The system is expected to be operational in the third quarter of 2020.

2. Proprietary PV 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 December 2019

Project name	Capacity	Feed-in-Tariff	Prod. 2019 December	Proj. 2019 December	Perf.	YTD Prod.	YTD Proj.	Perf.	YTD YoY
Unit	kWp	per MWh, 2019	kWh	kWh	%	kWh	kWh	%	%
Komorovice	2,354	CZK 14,530	56,474	32,255	75.1%	2,577,174	2,238,667	15.1%	-0.1%
Zvíkov I	2,031	CZK 14,530	56,854	28,271	101.1%	2,334,151	1,962,084	19.0%	0.9%
Dolní Dvořiště	1,645	CZK 14,530	43,408	23,518	84.6%	1,729,494	1,632,292	6.0%	2.6%
Svatoslav	1,231	CZK 14,530	24,729	17,467	41.6%	1,214,685	1,212,304	0.2%	-4.6%
Slavkov	1,159	CZK 14,530	32,387	16,634	94.7%	1,363,360	1,154,453	18.1%	-1.3%
Mostkovice SPV 1	210	CZK 14,530	5,887	4,455	32.1%	227,319	187,315	21.4%	-0.4%
Mostkovice SPV 3	926	CZK 15,610	17,575	13,640	28.8%	1,004,863	870,974	15.4%	-0.5%
Zdice I	1,499	CZK 14,530	46,429	20,734	123.9%	1,709,774	1,427,722	19.8%	-2.9%
Zdice II	1,499	CZK 14,530	47,472	20,734	129.0%	1,750,959	1,427,722	22.6%	-1.9%
Radvanice	2,305	CZK 14,530	57,212	31,927	79.2%	2,612,024	2,215,892	17.9%	1.2%
Břeclav rooftop	137	CZK 14,530	4,748	3,217	47.6%	129,226	129,533	-0.2%	-19.3%
Total Czech PP	**14,996**		**393,175**	**212,852**	**84.7%**	**16,653,028**	**14,458,957**	**15.2%**	**-0.6%**
Babiná II	999	EUR 425.12	20,693	22,249	-7.0%	939,069	956,246	-1.8%	-3.7%
Babina III	999	EUR 425.12	21,621	22,249	-2.8%	972,484	956,246	1.7%	-1.5%
Prša I.	999	EUR 425.12	22,614	16,689	35.5%	1,048,222	951,220	10.2%	-0.6%
Blatna	700	EUR 425.12	16,053	16,176	-0.8%	711,888	699,583	1.8%	-1.7%
Mokra Luka 1	963	EUR 382.61	33,033	26,969	22.5%	1,170,061	996,646	17.4%	16.0%
Mokra Luka 2	963	EUR 382.61	34,978	26,969	29.7%	1,183,354	996,646	18.7%	2.4%
Jovice 1	979	EUR 382.61	16,670	13,217	26.1%	918,266	918,446	0.0%	3.0%
Jovice 2	979	EUR 382.61	16,358	13,217	23.8%	913,982	918,446	-0.5%	2.5%
Brestovec	850	EUR 382.61	22,386	20,681	8.2%	1,016,184	836,376	21.5%	-2.0%
Polianka	999	EUR 382.61	20,370	13,487	51.0%	967,644	940,098	2.9%	-3.0%
Myjava	999	EUR 382.61	23,466	23,575	-0.5%	1,103,139	997,441	10.6%	-2.6%
Total Slovak PP	**10,429**		**248,242**	**215,479**	**15.2%**	**10,944,293**	**10,167,395**	**7.6%**	**0.8%**
Tiszakécske 1	689	HUF 32,590	24,019	23,019	4.3%	859,499	858,861	0.1%	na
Tiszakécske 2	689	HUF 32,590	24,500	23,686	3.4%	862,490	864,395	-0.2%	na
Tiszakécske 3	689	HUF 32,590	24,699	23,000	7.4%	858,660	858,231	0.0%	na
Tiszakécske 4	689	HUF 32,590	24,728	23,686	4.4%	866,182	864,395	0.2%	na
Tiszakécske 5	689	HUF 32,590	25,217	23,686	6.5%	868,622	864,395	0.5%	na
Tiszakécske 6	689	HUF 32,590	24,193	23,019	5.1%	861,903	858,861	0.4%	na
Tiszakécske 7	689	HUF 32,590	23,701	22,193	6.8%	857,902	855,358	0.3%	na
Tiszakécske 8	689	HUF 32,590	20,460	20,707	-1.2%	833,063	840,912	-0.9%	na
Almásfüzitő 1	695	HUF 32,590	21,323	23,427	-9.0%	759,705	776,035	-2.1%	na
Almásfüzitő 2	695	HUF 32,590	19,985	23,359	-14.4%	743,461	775,571	-4.1%	na
Almásfüzitő 3	695	HUF 32,590	24,225	23,000	5.3%	746,182	772,772	-3.4%	na
Almásfüzitő 4	695	HUF 32,590	21,476	23,627	-9.1%	771,727	777,629	-0.8%	na
Almásfüzitő 5	695	HUF 32,590	24,176	23,081	4.7%	780,831	773,446	1.0%	na
Almásfüzitő 6	660	HUF 32,590	23,317	22,151	5.3%	774,867	743,885	4.2%	na
Almásfüzitő 7	691	HUF 32,590	22,387	22,913	-2.3%	774,608	768,983	0.7%	na
Almásfüzitő 8	668	HUF 32,590	21,539	22,608	-4.7%	782,973	752,446	4.1%	na
Nagyecsed 1	689	HUF 32,590	23,512	21,372	10.0%	426,156	390,586	9.1%	na
Nagyecsed 2	689	HUF 32,590	23,396	21,372	9.5%	430,386	390,586	10.2%	na

Project name	Capacity	Feed-in-Tariff	Prod. 2019 December	Proj. 2019 December	Perf.	YTD Prod.	YTD Proj.	Perf.	YTD YoY
Unit	kWp	per MWh, 2019	kWh	kWh	%	kWh	kWh	%	%
Nagyecsed 3	689	HUF 32,590	21,157	21,095	0.3%	429,017	390,662	9.8%	na
Fertod I	528	HUF 32,590	18,126	16,277	11.4%	665,114	622,081	6.9%	15.1%
Fertod II No 2	699	HUF 32,590	29,148	21,829	33.5%	52,766	49,753	6.1%	na
Fertod II No 3	699	HUF 32,590	29,140	21,829	33.5%	52,965	49,753	6.5%	na
Fertod II No 4	699	HUF 32,590	29,079	21,829	33.2%	51,120	49,753	2.7%	na
Fertod II No 5	691	HUF 32,590	28,955	23,785	21.7%	52,456	53,095	-1.2%	na
Fertod II No 6	699	HUF 32,590	28,736	21,829	31.6%	51,379	49,753	3.3%	na
Kunszentmárton I No 1	697	HUF 32,590	25,001	24,199	3.3%	55,138	56,337	-2.1%	na
Kunszentmárton I No 2	697	HUF 32,590	23,414	24,233	-3.4%	50,745	56,393	-10.0%	na
Taszár 1	701	HUF 32,590	24,704	23,683	4.3%	24,704	23,683	4.3%	na
Taszár 2	701	HUF 32,590	25,976	23,683	9.7%	25,976	23,683	9.7%	na
Taszár 3	701	HUF 32,590	26,059	23,683	10.0%	26,059	23,683	10.0%	na
Monor 1	688	HUF 32,590	25,534	20,398	25.2%	63,442	79,928	-20.6%	na
Monor 2	696	HUF 32,590	25,530	20,499	24.5%	82,719	82,059	0.8%	na
Monor 3	696	HUF 32,590	24,239	20,499	18.2%	80,413	82,059	-2.0%	na
Monor 4	696	HUF 32,590	24,869	20,499	21.3%	81,789	82,059	-0.3%	na
Monor 5	688	HUF 32,590	25,690	20,264	26.8%	82,471	78,447	5.1%	na
Monor 6	696	HUF 32,590	25,800	20,499	25.9%	77,428	82,059	-5.6%	na
Monor 7	696	HUF 32,590	25,086	20,499	22.4%	80,139	82,059	-2.3%	na
Monor 8	696	HUF 32,590	25,708	20,499	25.4%	73,986	82,059	-9.8%	na
Total Hungarian PP	**26,136**	-	**928,806**	**841,519**	**10.4%**	**16,019,041**	**15,644,497**	**2.4%**	**na**
Symonston	144	AUD 301.60	17,567	22,892	-23.3%	159,584	181,061	-11.9%	-5.7%
Total Australian PP	**144**		**17,567**	**22,892**	**-23.3%**	**159,584**	**181,061**	**-11.9%**	**-5.7%**
Total	**51,705**		**1,587,790**[1]	**1,292,742**	**22.8%**	**43,775,946**[1]	**40,451,910**	**8.2%**	**54.4%**

Notes:

[1] *The eight PV plants in Monor with a combined capacity of 5.6 MWp were connected to the grid on 18 October 2019 but not presented in the previous monthly reports. The cumulative data for October, November and December are reported in this report in column YTD production. The Taszar projects with a combined capacity of 2.1 MWp were connected to the grid on 4 December 2019. Hence the monthly production data covers the period from that date until the end of December 2019.*

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 2019/ YTD proj. in 2019) – 1
YoY ratio: (YTD Prod. in 2019/ YTD Prod. in 2018) – 1. YTD Prod. in 2019 includes the Hungarian production data.

Chart 1.a Total production of the Czech portfolio

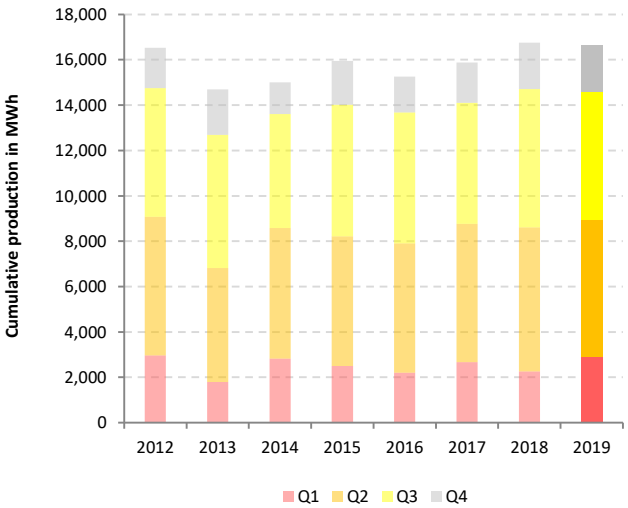


Chart 1.b Total production of the Slovak portfolio

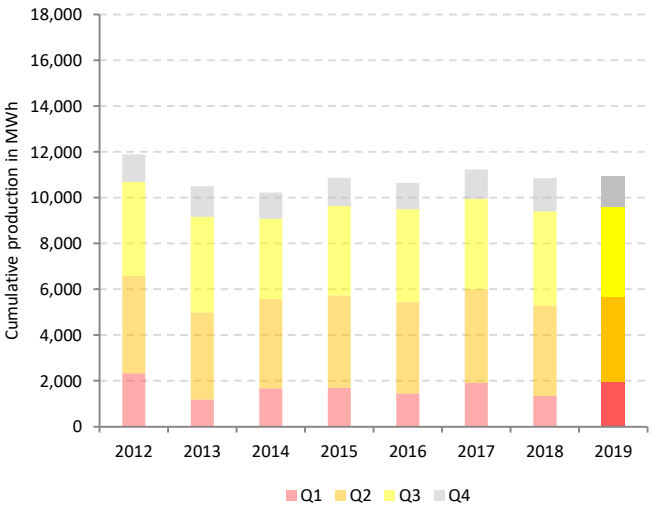


Chart 2. Generation results versus forecast between 1 January 2015 and 31 December 2019

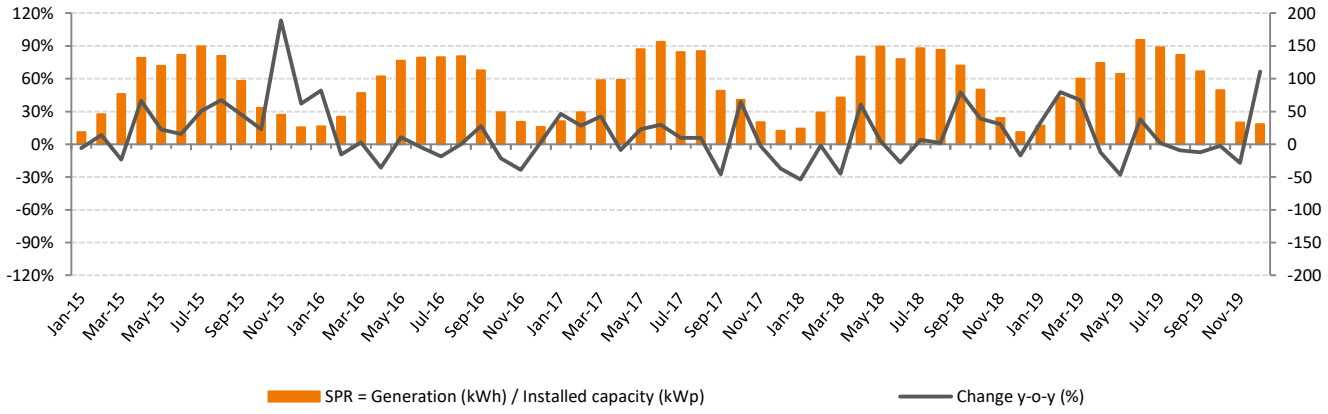
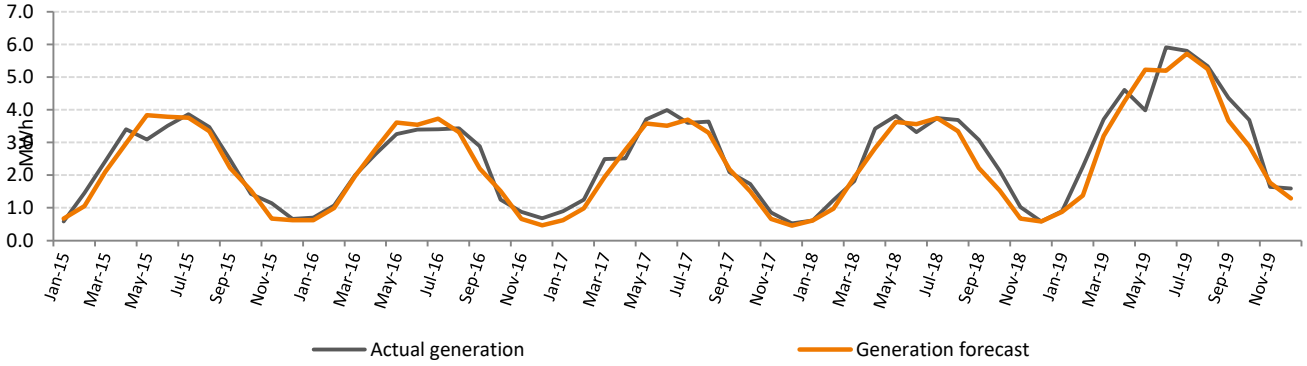


Chart 3. Specific Performance Ratio between 1 January 2015 and 31 December 2019



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.

In December generation results of Photon Energy's proprietary PV power plants amounted to 1.6 GWh of electricity, which was 22.8% above the monthly energy forecasts. These excellent results were driven primarily by superior outperformance of our Czech power plants, which delivered 84.7% more electricity than projected. The Slovak and Hungarian power plants also recorded sound electricity output with totals 15.2% and 10.4% above energy forecasts, respectively. The Australian power plant underperformed by 23.3% versus energy forecasts.

On a cumulative year-to-date basis the electricity production results were solid and amounted to 43.8 GWh, which is 8.2% above energy forecasts.

The additions of new Hungarian power plants during the course of the year have boosted electricity generation by 54.4% year-on-year.

The specific performance ratio of the proprietary portfolio (SPR) amounted to 31 KWh/kWp compared to 18 KWh/kWp, up by 67% year-on-year.

3. Reporting on Photon Energy's project pipeline

As of the publishing date of this report, Photon Energy is developing PV projects in Australia (738 MWp) and Hungary (23.2 MWp) and is evaluating further markets for opportunities.

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

Country	Location	Project function	Share	MWp	Commercial Model	Land	Grid connection	Construction permit	Expected RTB
Hungary	Tata	Own portfolio	100%	5.5	Licensed PPA	Secured	Secured	Secured	Under construction
Hungary	Malyi	Own portfolio	100%	2.1	Licensed PPA	Secured	Secured	Secured	Under construction
Hungary	Püspökladány	Own portfolio	100%	14.2	Licensed PPA	Secured	Secured	Secured	2020Q1
Hungary	Kunszentmárton II	Own portfolio	100%	1.4	Licensed PPA	Secured	Secured	Secured	2019Q4
Total Own Portfolio Hungary				**23.2**					
Australia	Leeton	Own portfolio	100%	14.0	Retailer PPA	Secured	Secured	Secured	2019Q4
Total Own Portfolio Australia				**14.0**					
Total Own Portfolio				**37.2**					
Australia	Gunning	Developer	49%	220	Co-development & financing agreement with Canadian Solar	Secured	Ongoing	Ongoing	2020Q2
Australia	Maryvale	Developer	25%	160		Secured	Ongoing	Secured	2020Q2
Australia	Suntop 2	Developer	25%	200		Ongoing	Ongoing	Ongoing	2020Q2
Australia	Carrick	Developer	51%	144	All options open	Secured	Ongoing	Ongoing	2020Q2
Total Development Portfolio				**724**					

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.

Australia

As of the date of publishing this report, Photon Energy has five large scale solar farms at different stages of development in New South Wales ("NSW). The project pipeline is still among the largest pipelines of Solar projects in NSW representing a total planned capacity of 738 MWp.

In January 2018, as a result of its development partner selection process managed by its financial advisor Pottinger, the company has signed an agreement for the joint development of five utility-scale solar projects in New South Wales, Australia with Canadian Solar, one of the world's largest solar power companies. Canadian Solar has become a co-shareholder in the project companies and is providing development financing to complete the development of these projects. Canadian Solar acquired a 51% shareholding in all five project companies. The equity capital contributed by Canadian Solar is subject to certain development milestones, joint management processes and other terms customary for project co-development and covers the development budgets to bring all five projects to the ready-to-build stage. Post-transaction, Photon Energy NV retains a 49% stake in the Gunning project and 24.99% stakes in the four other projects.

To date, Photon Energy sold stakes in two out of five projects jointly developed with Canadian Solar Inc. i.e.:

- 25% stake in the first co-developed project Suntop 1 with a total planned capacity of 189 MWp, which was sold to Canadian Solar Inc on 30 July 2019. This transaction was concluded and settled in 2019Q3.
- 25% stake in the second co-developed project Gunnedah with a total planned capacity of 146 MWp, which was sold to Canadian Solar Inc. on 30 August 2019. This transaction was concluded in 2019Q3 and settled in 2019Q4.

The current status for other projects being co-developed with Canadian Solar is summarized below:

- **Gunning (220 MWp)**: The process of securing construction permit is undergoing. We have redefined and redesigned the project layout to include battery storage. This had an impact on the site assessment and hence feasibility studies and public consultations had to be postponed. We plan to submit the Environmental Impact Studies (EIS) in 2020Q1. In parallel we are in discussions with Transgrid regarding the grid connection specifications. GPS studies will follow.

- **Maryvale (160 MWp)**: The construction permitting process has been finalized and Development Approval was granted on 4 December 2019. The grid connection options are still under review and in discussion with Essential Energy. We are currently completing the electrical connection process, which is continuing. GPS will start upon finalizations of those discussions.
- **Suntop 2 (200 MWp)**: Suntop2 is a replacement of Mumbil Solar Farm, which could not have been developed due to significant issues related to aspects such as soil erosion, aboriginal heritage protection and challenges of waterways in the location of Mumbil. The construction permitting process is still undergoing. Feasibility studies and community consultations have been finalized and EIS were submitted to NSW DP&E in November 2019. We received the first comments and are providing additional information to complete EIS. We plan to resubmit it in Jan 2020. The grid connection application will start upon completion of EIS.

On 27 December 2019 Photon Energy sold its 51% stake in the project company which holds all project rights for the Brewongle Solar Farm to an undisclosed buyer. The project was still at the early stage and is expecting the Development Approval to be granted in the course of year 2020. The financial terms were agreed not to be disclosed but will have no material impact in the 2019Q4 Profit and Loss Statement.

The current status of other projects developed by Photon Energy is summarized below:

- **Leeton (14 MWp):** In response to tightening the grid connection standards, a revised system size of 2 times 5 MW AC each (7 MWp DC in total) has been re-designed for single axis tracking and is now being proposed to Transgrid. Consequently, the changes had to be incorporated into EIS and submitted to the local council for review and approval, which was granted in. The grid connection specifications have also been finalized. Currently we are in the process of negotiating with potential parties conditions of Power Purchase Agreements and long-term project financing. Once this is secured we will start construction works.
- **Carrick (144 MWp):** The construction permitting process is in the preparation phase. EIS are being carried out in a manner of public consultations and feasibility studies. The grid connection specifications are being defined with Essential Energy.

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.*

Hungary

As of the date of publishing this report, Photon Energy has twenty three projects in the pipeline with a total planned capacity of 23.2 MWp. Below is a short summary of projects in the pipeline and the progress achieved in the reporting period.

- **Tata (5.5 MWp):** Photon Energy owns five project companies with all land, grid connection capacity rights and KÁT licenses required for the construction of eight PV power plants with a total installed capacity of 5.5 MWp near the North-Western Hungarian municipality of Tata. Six of the eight projects will be build using single-axis tracking substructures. The Tata projects are currently under construction and the summary of work in progress is as follows:

Tata – Work in progress

Construction status:

The land preparation, low voltage electrical works and the ramming of the piles and substructures are finalized. The excavation works are completed and the grid connection line is constructed. Low voltage electrical works and perimeter grounding are also completed. The technology for fixed substructures was delivered and modules were mounted on the substructures.
The six projects designed for tracking system are in the progress with 85% of substructures mounted. Additionally inclination spacers and inverters were mounted. Modules for trackers were delivered and installation shall be finished in January 2020.
The projects are scheduled to be grid-connected in 2020Q1.

- **Malyi (2.1 MWp):** Photon Energy NV owns three PV projects with a total planned capacity of 2.1 MWp in the municipality of Malyi, close to Miskolc in the north of the country. Each project company owns a KÁT license entitling it to a feed-in-tariff of some HUF 32,590 per MWh (approx. EUR 98 per MWh) over a period of 25 years with a maximum approved and supported production of 16,500 MWh per license. The acquired PV projects are ready-to-build and the construction is in progress:

Malyi – Work in progress

Construction status:

The land preparation works are completed. Access and inner road is finished. Fencing is done by 80%. Ground works are completed and low voltage cable is currently being placed. Switching station and transformers were installed.

Substructure has been mounted and modules were delivered to the site and shall be mounted in the course of January 2020.

The projects are to be completed and grid-connected in 2020Q1

- **Püspökladány (14.2 MWp):** In May 2019 Photon Energy NV acquired ten additional PV projects with a total planned installed DC capacity of 14.2 MWp in the municipality of Püspökladány, in the Hajdú-Bihar region in the east of the country. The transaction involves the acquisition of four project companies, owning ten METÁR licenses in total entitling them to a feed-in-tariff (in the form of electricity sales on the energy spot market plus a contract-for-difference) of HUF 32,590 per MWh (approx. EUR 98 per MWh) over a period of 17 years and 11 months for five of the ten projects, with a maximum approved and supported production of 34,913 MWh for each license, and 15 years and 5 months for the remaining five projects, with a maximum approved and supported production of 29,955 MWh for each license.

  The acquired PV projects are expected to be ready-to-build in 2020Q1 as we are still waiting for the mid-voltage construction permit, which is in-progress.

- **Kunszentmárton II (1.4 MWp):** Photon Energy NV acquired four PV projects with a total planned capacity of 2.8 MWp in the municipality of Kunszentmárton, in Central Hungary. In November 2019 Photon Energy commissioned two out of the four projects, which own KÁT licenses (ESPI 27/2019). The remaining two projects (hereafter named Kunszentmárton II) owning KÁT-METÁR licenses and entitling them to a feed-in-tariff of HUF 32,590 per MWh (approx. EUR 98 per MWh) over a period of 17 years and 4 months are still in the pipeline. The maximum approved and supported production amounts to 13,832 MWh per KÁT-METÁR license.

  The construction of the two remaining KÁT-METÁR licensed projects is planned to start during 2020Q1.

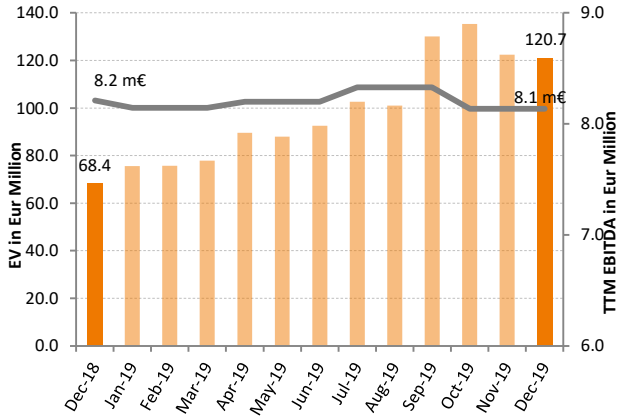
The current project pipeline in Hungary consists of twenty three projects with a total planned capacity of 23.2 MWp. Together with our existing portfolio of operating PV plants of 26.1 MWp, we have secured a 49.3 MWp portfolio in Hungary. With this the Group remains well on track towards its goal of 75 MWp of Hungarian PV power plants in its proprietary portfolio by year-end 2021.

4. Enterprise value & Share price performance

4.1 NewConnect (Warsaw Stock Exchange)

On 31 December 2019 the share price (ISIN NL0010391108) closed at the level of PLN 4.78 (-4.4% MoM, +159.8% YOY), corresponding to a price to book ratio of 1.65x. The monthly trading volume was solid and amounted to 158,694 shares (vs. an average of 198,603 during the past twelve months).

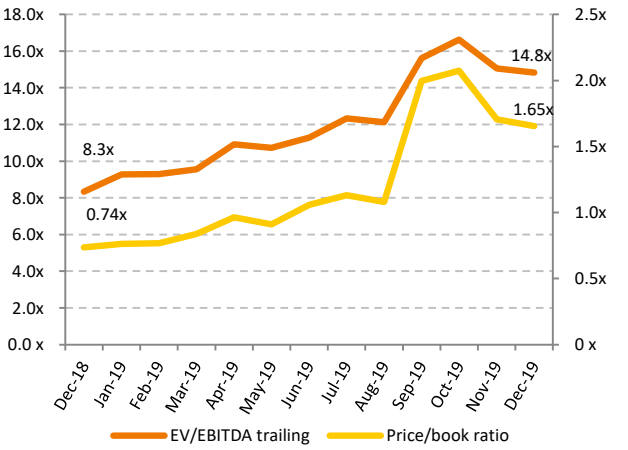
Chart 4. Enterprise value vs. trailing 12 months (TTM) EBITDA



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. as of 30.09.2019, the sum of EBITDA reported in 2018Q4, 2019Q1, 2019Q2 and 2019Q3.

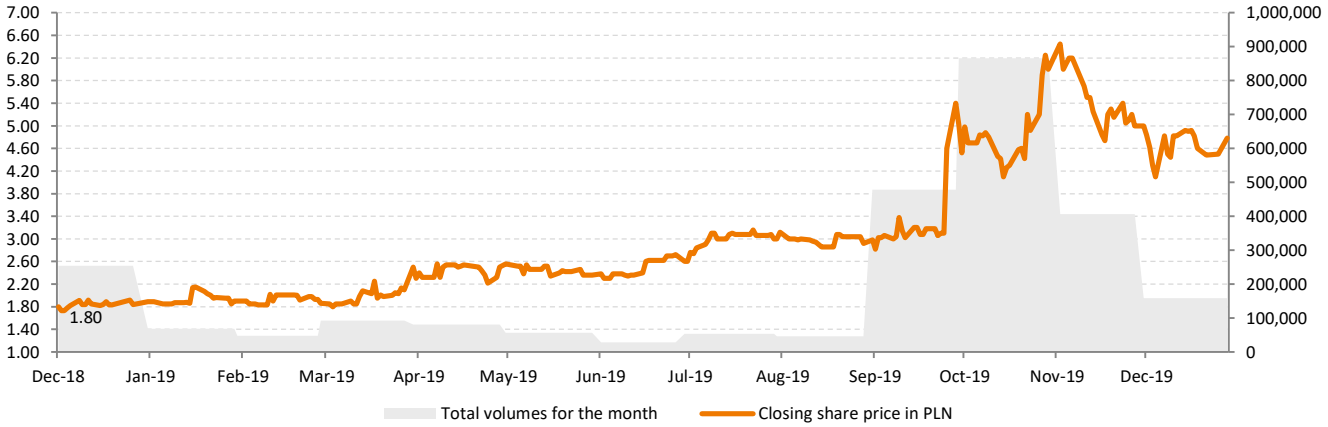
Chart 5. Enterprise value / trailing 12 months EBITDA and price to book ratio



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 6. Total monthly volumes vs. daily closing stock prices



4.2 Free Market (Prague Stock Exchange)

Since 17 October 2016, in addition to the listing on the New-Connect segment of the Warsaw Stock Exchange, the Company's shares have also been traded on the Free Market of the Prague Stock Exchange. No additional shares have been issued, nor any new equity capital raised through this listing.

On 31 December 2019 the share price (ISIN NL0010391108) closed at a level of CZK 42.00 (+10.5% compared to last month, +757.1% vs CZK 4.90, the reference price on the first trading day on 17 October 2016), corresponding to a price to book ratio of 2.43x. The Company reports a monthly trading volume of 11,601 shares in December, compared to an average monthly trading volume of 20,206 shares during the past twelve months.

5. Bond trading performance

In December 2016 the Company issued a 7-year corporate bond with a 6% annual coupon and monthly payment 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 has been subscribed to in full on 7 September 2018, before the end of the public placement period originally set until 20 September 2018. 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.

On 5 August 2019 the Company placed additional EUR 7.5 million, increasing the outstanding bond volume to a total of EUR 37.5 million. All other parameters remain unchanged.

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 31 December 2019, the trading volume amounted to EUR 36.565 million (nominal value, including the volume traded in Berlin, Munich & Stuttgart) with an opening price of 100.00 and a closing price of 106.75 in Frankfurt. During this period the average daily turnover amounted to EUR 66,846.

EUR Bond 2017-22 trading performance in December 2019

In December 2019 the trading volume amounted to EUR 352,000 with an opening price of 105.00 and a closing price of 106.75 in Frankfurt. The average daily turnover amounted to EUR 19,556.

Chart 7. The Company's EUR bond 2017-2022 trading on the Frankfurt Stock Exchange in Germany

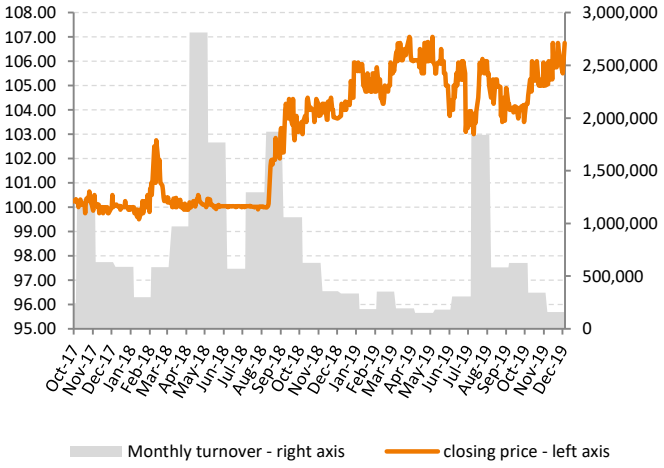
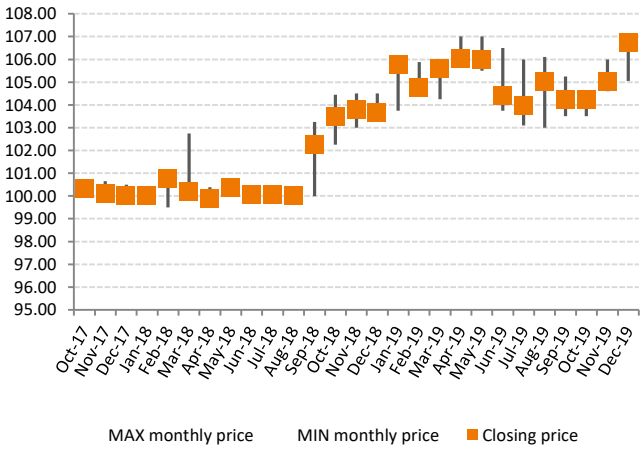


Chart 8. MIN, MAX and closing monthly prices



5.2 CZK Bond 2016-23 trading performance in Prague

In the trading period from 12 December 2016 until 31 December 2019 the trading volume amounted to CZK 10.200 million with a closing price of 100.00.

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 Warsaw Stock Exchange:

- **EBI 21/2019** published on 11 December 2019: Monthly report for November 2019.
- **EBI 22/2019** published on 30 December 2019: Publication dates of periodic reports in 2020.

After the period covered by this report there has been no reports published in the EBI (Electronic Database Information) system of Warsaw Stock Exchange.

In the period covered by this report the following reports have been published in the ESPI (Electronic Information Transmission System) system of Warsaw Stock Exchange.

- **ESPI 29/2019** published on 5 December 2019: Photon Energy commissions 2.1 MWp in Hungary and grows its global portfolio to 51.8 MWp
- **ESPI 30/2019** published on 10 December 2019: Photon Energy secures long-term financing for additional 20.1 MWp in Hungary
- **ESPI 31/2019** published on 31 December 2019: Photon Energy sells its 51% interest in the Brewongle Solar Farm

7. Information how the capital raised in the private placement was used in the calendar month covered by the report. If any of the contributed capital was spent in the given month

Not applicable.

8. Investors' calendar

- 14 January 2020 Monthly report for December 2019
- 12 February 2020 Entity and consolidated quarterly reports for Q4 2019
- 14 February 2020 Monthly report for January 2020
- 12 March 2020 Monthly report for February 2020
- 14 April 2020 Monthly report for March 2020
- 12 May 2020 Entity and consolidated quarterly reports for Q1 2020
- 14 May 2020 Monthly report for April 2020
- 11 June 2020 Monthly report for May 2020
- 14 July 2020 Monthly report for June 2020
- 12 August 2020 Entity and consolidated quarterly reports for Q2 2020
- 14 August 2020 Monthly report for July 2020
- 14 September 2020 Monthly report for August 2020
- 14 October 2020 Monthly report for September 2020
- 12 November 2020 Entity and consolidated quarterly reports for Q3 2020
- 13 November 2020 Monthly report for October 2020
- 14 December 2020 Monthly report for November 2020

9. Investor relations contact

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Amsterdam, 14 January 2020

Georg Hotar, Member of the Board of Directors

Michael Gartner, Member of the Board of Directors