

PHOTON ENERGY N.V. CONSOLIDATED AND ENTITY FINANCIAL REPORTS

2019Q2

for the period from 1 April to 30 June 2019

7 August 2019 | Amsterdam | The Netherlands

CONSOLIDATED AND ENTITY FINANCIAL REPORTS

1. Selected financial results

1.1. Selected financial results for Photon Energy Group, for the period of 1 April to 30 June 2019

in Thousands	EUR		PLN		CZK	
	2018Q2	2019Q2	2018Q2	2019Q2	2018Q2	2019Q2
Total revenues	6,753	7,941	28,794	34,003	172,929	203,953
Gross profit	4,906	5,278	20,917	22,600	125,618	135,560
EBITDA	3,386	3,515	14,436	15,052	86,699	90,287
EBIT	1,470	1,523	6,270	6,523	37,654	39,124
Profit / loss before taxation	177	626	753	2,680	4,524	16,078
Profit / loss from continuing operations	-155	208	-661	892	-3,967	5,351
Total comprehensive income	-1,274	664	-5,432	2,845	-32,621	17,063
Non-current assets	72,611	86,622	317,535	368,085	1,889,335	2,204,093
Current assets	34,330	28,250	150,128	120,044	893,261	718,823
Cash and cash equivalents	12,316	6,402	53,860	27,204	320,465	162,900
Total assets	106,941	114,872	467,667	488,129	2,782,617	2,922,916
Total equity	27,958	31,584	122,262	134,212	727,459	803,664
Current liabilities	19,509	7,487	85,314	31,814	507,618	190,504
Non-current liabilities	59,474	75,801	260,086	322,103	1,547,514	1,928,752
Operating cash flow	4,033	-380	17,195	-1,629	103,267	-9,771
Investment cash flow	-3,164	-5,589	-13,491	-23,932	-81,021	-143,548
Financial cash flow	7,785	4,570	33,196	19,568	199,363	117,372
Net change in cash	8,654	-1,400	36,900	-5,993	221,610	-35,946
EUR exchange rate - low			4.160	4.249	25.255	25.435
EUR exchange rate - average			4.264	4.282	25.607	25.685
EUR exchange rate - end of period			4.373	4.249	26.020	25.445
EUR exchange rate - high			4.373	4.309	26.020	25.860

Note: Exchange rates provided by the European Central Bank

Financial highlights:

- ▶ Unaudited consolidated revenues increased 17.6% YOY, from EUR 6.753 million to EUR 7.941 million in 2019Q2.
- ▶ Gross profit increased 7.6% YOY, from EUR 4.906 to EUR 5.278 million in 2019Q2.
- ▶ Consolidated EBITDA increased 3.8% YOY from 3.386 million to EUR 3.515 million in 2019Q2.
- ▶ Consolidated EBIT increased from EUR 1.470 million to EUR 1.523 million, up by 3.6% YOY.
- ▶ The Group recorded a net profit of EUR 0.208 million versus a net loss of EUR 0.155 million in 2018Q2.
- ▶ Total equity increased to EUR 31.584 million at the end of 2019Q2, compared to EUR 27.958 million at the end of 2018Q2.
- ▶ The adjusted equity ratio¹ remained strong at 31% at the end of 2019Q2 compared to 33% at the end of 2018Q2.

¹ Adjusted equity ratio is defined as total equity divided by total capital, being the sum of interest-bearing debt and equity.

Other highlights:

- ▶ In 2019Q2, the proprietary portfolio of PV power plants generated approximately 14.5 GWh of electricity, which was 7.5% higher YOY and close to the energy forecast (-1.2%).
- ▶ Photon Energy expanded its pipeline by acquiring 13 new projects with a total capacity of 16.3 MWp in the locations of Malyi and Puspokladany, Hungary.
- ▶ The construction of 20 out of 30 small rooftop instalations for Aldi stores in Australia with a capacity of 100 kWp each, was completed. The remaining 10 projects plus a distribution center with a capacity of 1.6 MWp are still under construction.
- ▶ After the reporting period, three photovoltaic power plants in Nagyecsed (Hungary), with a total capacity of 2.1 MWp were connected to the grid and will contribute to the electricity generation of the Group's proprietary portfolio from July 2019 onwards.
- ▶ After the reporting period Photon Energy acquired four new projects with a total capacity of 2.8 MWp in the location of Kunszentmarton, Hungary. Having almost reached the target of 50 MWp in the pipeline, the Management decided to increase its portfolio target in Hungary to 75 MWp by the end of year 2021.

- After the reporting period Photon Energy sold its 25% stake in Suntop Solar Farm Pty Ltd., the project company holding all project rights for the 189 MWp PV power plant project in Suntop, to Canadian Solar Inc. This transaction marks a big milestone in the form of the first successful exit from project development activities being carried out in Australia.
- After the reporting period Photon Energy increased its existing 7.75% bond 2017/2022 by additional EUR 7.5 million. The net proceeds from the bond will be used to pursue new investment opportunities and strengthen the Groups' financial standing.

1.2. Standalone financial results for Photon Energy N.V., for the period of 1 April to 30 June 2019

in Thousands	EUR		PLN		CZK	
	2018Q2	2019Q2	2018Q2	2019Q2	2018Q2	2019Q2
Revenues	514	568	2,191	2,432	13,159	14,589
EBITDA	-1	-106	-6	-456	-35	-2,734
EBIT	-1	-106	-6	-456	-37	-2,734
Profit / loss before taxation	-132	-390	-562	-1,672	-3,378	-10,027
Total comprehensive income	-132	-390	-562	-1,672	-3,378	-10,027
Non-current assets	37,809	42,464	165,345	180,442	983,800	1,080,486
Current assets	21,464	33,388	93,864	141,878	558,489	849,565
Cash and cash equivalents	4,396	468	19,223	1,990	114,377	11,918
Total assets	59,273	75,852	259,208	322,320	1,542,290	1,930,051
Total equity	31,074	36,740	135,889	156,120	808,538	934,849
Current liabilities	5,200	2,032	22,740	8,636	135,304	51,709
Non-current liabilities	22,999	33,871	100,577	143,931	598,433	861,857
<i>EUR exchange rate – low</i>			4.160	4.249	25.255	25.435
<i>EUR exchange rate – average</i>			4.264	4.282	25.607	25.685
<i>EUR exchange rate - end of period</i>			4.373	4.249	26.020	25.445
<i>EUR exchange rate – high</i>			4.373	4.309	26.020	25.860

Notes:

Exchange rates are provided by the European Central Bank.

All data quoted in this report refer to the current reporting period i.e. from April until 30 June 2019, unless specified otherwise;

All references to growth rate percentages compare the results of the reporting period to those of the prior year comparable period;

Total Comprehensive Income (TCI) is the sum of the profit after taxes plus Other Comprehensive income (OCI). According to IAS 16, Other comprehensive income includes revaluation of PPE in a proprietary portfolio to their fair values, share on OCI of associates and joint ventures and foreign currency translation differences.

EPC stands for Engineering, Procurement and Construction and refers to services related to project design, engineering, procurement and construction of solar power plants.

Throughout this report Photon Energy Group is referred to as the "Group", the "Company", the "Issuer" and/or "Photon Energy".

2. Management discussion and analysis

2.1 A note from the Management Board

In the second quarter of 2019, Photon Energy Group continued its positive development trajectory and progressed with project development works and new acquisitions on one side, and advanced engineering works for the proprietary portfolio and third-parties, on the other. We believe that 2019 should be another successful year as we look forward to some of our Australian utility-scale projects to reach the ready-to-build status, meaning ready to commercialize stage, and our Hungarian projects to drive the growth of our proprietary portfolio and consequently our recurring, high margin revenues. However, as our appetite is growing, we never cease to revise and expand upon our achievable goals.

Robust business expansion reflected in our financial results

The Group achieved an improvement on almost all lines of its financial statement. On the top line the Group recorded double digit growth, with consolidated unaudited revenues expanding by 17.6% YOY and amounting to EUR 7.941 million in 2019Q2. This increase was driven primarily by the increased sales from electricity production due to the expansion of our proprietary portfolio in Hungary by 11.5 MWp as well as sound generation output from the remaining power plants in the Czech Republic, Slovakia and Australia. Additionally, revenues from the engineering business in Australia and related PV technology trading have contributed significantly to this growth. Our EBITDA amounted to EUR 3.515 million and increased at a slower rate i.e. by 3.8% YOY, which is related to a robust expansion of the Group, namely our fast growing portfolio and project development costs as well as administration and personnel expenses, necessary to maintain that growth going forward. Operating profit EBIT increased similarly by 3.6% YOY and amounted to EUR 1.523 million. The Group recorded a profit before taxation of EUR 0.626 million, compared to EUR 0.177 million a year ago. This growth was achieved despite growing interest costs related to the increase in our outstanding bond (fully placed in September 2018) and debt financing of our new Hungarian power plants in April 2019. The consolidated net profit amounted to EUR 0.208 million compared to a loss of EUR 0.155 million in the comparable period 2018Q2.

Increase of our target for Hungary to 75 MWp of assets in the portfolio by the end of 2021

On the business side, we are very pleased with our progress in Hungary and remain confident in the country's long-term potential as solar energy appears to be a corner stone of Hungary's energy strategy. In the reporting period, Photon Energy expanded its pipeline by acquiring 13 new projects with a total capacity of 16.3 MWp in the locations of Malyi and Puspokladany, Hungary. Additional 2.8 MWp were added to the pipeline after the reporting period, in the location of Kunszentmárton.

The Group acquired rights to ten projects with a total planned capacity of 14.2 MWp in the municipality of Puspokladany, in the east of Hungary. Those projects own METAR licenses entitling them to a feed-in-tariff (in the form of electricity sales on energy spot market plus a contract-for-difference) of HUF 32,590 per MWh (approx. EUR 100 per MWh). For more details please see ESPI report 9/2019. Additionally, the Group acquired rights to three PV projects with the total planned capacity of 2.1 MWp in the municipality of Malyi, in the north of Hungary. Each project owns KAT licence entitling them to feed-in-tariff of some HUF 32,590 per MWh (approx. EUR 100 per MWh). For more details please see ESPI report 8/2019.

After the reporting period, Photon Energy announced the acquisition of four additional projects with a total capacity of 2.8 MWp, located in the municipality of Kunszentmárton, Central Hungary. This transaction involves the acquisition of two KÁT and two KÁT-METÁR licenses entitling to a feed in tariff of HUF 32,590 per MWh (approx. EUR 100 per MWh) over a period of 25 years for both of the KÁT licenses and of 17 years and 4 months for the KÁT-METÁR licenses. For more details please see ESPI report 16/2019.

The above transactions increased Photon Energy's photovoltaic pipeline in Hungary to 41 projects with a total planned capacity of 35.8 MWp. The pipeline together with our already connected 13.6 MWp of assets in Hungary add up to 49.4 MWp. This brings us within striking distance of our target of building 50 MWp of PV power plants for long-term ownership in Hungary by the end of 2020. To avoid settling on laurels, we decided to revise this target to 75 MWp of power plants to be commissioned for our proprietary portfolio by the end of 2021. We expect the

Hungarian market to continue being a key driver in the growth of our proprietary portfolio of PV power plants, however, we constantly expand globally looking for new markets and opportunities.

2.1 MWp built and conncted within 127 days only, while 11.2 MWp are currently under construction

After the reporting period, on 2 July 2019 Photon Energy finalized the construction and grid-connected three photovoltaic power plants with a total installed capacity of 2.1 MWp located in Nagyecsed, Hungary. This project was fully completed within no more than 127 days from its acquisition. The execution design has been prepared, the construction permit updated, the site prepared, all technology components procured, constructed and connected while our team was still working on many other projects in parallel. This project is a testament to our team's capabilities to implement projects fast.

The Group will own and operate these three power plants through the fully-owned project companies which own a KÁT license each, entitling them to a feed-in-tariff of some 32,590 HUF per MWh (approx. EUR 100 per MWh) over a period of up to 25 years, with a maximum approved and supported production of 15,075 MWh per license. Total annual revenues of all three power plants are expected to amount to approx. EUR 250,000. Following the revaluation of the Group's proprietary portfolio according to IAS 16, approximately EUR 1.0 million will be recorded as the Group's Other Comprehensive Income in the 2019Q3 Profit and Loss Statement.

Photon Energy Group has also commenced the construction of 16 projects with the total capacity of 11.2 MWp in the locations of Fertöd II, Monor and Taszár, Hungary. All projects are expected to be constructed and connected to te grid before the end of 2019. More details about work advancement can be found in chapter 2.5. Reporting on Photon Energy's project pipeline.

First successful exit from a utility-scale project developed in Australia

After the reporting period, on 30 July 2019 Photon Energy NV sold its 25% stake in Suntop Solar Farm Pty Ltd., the project company which is holding all project rights and has obtained Development Approval for the 189 MWp PV power plant project in Suntop, New South Wales in Australia, to Canadian Solar Inc. This transaction marks the successful completion of our project development work on the Suntop 1 project and the successful conclusion of the first of our five projects jointly developed with Canadian Solar. We are very pleased to have reached this important milestone and are looking forward to complete the works on the remaining projects. Financial terms of the transaction were agreed not to be disclosed and the transaction is expected to be closed at the end of 2019Q3.

Construction of 4.6 MWp for ALDI in Australia is advancing

Our commercial EPC project in Australia, to transform ALDI's supermarket stores into solar power generators capable of providing a large proportion of their daytime electricity consumption, is advancing smoothly. Photon Energy Engineering Australia agreed to build and connect 4.6 MWp of roof-top solar instalations divided into two sections:

- ▶ Installation of 100 kWp roof top systems on 30 stores
- ▶ Installation of 1.6 MWp roof top system on a distribution centre.

To date, the Group has completed the construction and commissioning of 20 out of 30 rooftop installations on ALDI stores and is in the process of finalizing the agreements with the electrical grid operators. At the same time, we are continuing the process of designing, installing and completing the remaining 10 stores. The large distribution centre project is also well advanced with the construction in progress (installation of substructures, panels and cabling). The 31 installations are designed to generate a total of more than 6.3 GWh of clean energy every year. Upon completion and connection to the grid, Photon Energy will also provide O&M services to ensure the systems are highly reliable with the maximum positive impact for Aldi.

2.2. Strategy and its execution

The objective of our strategy remains the generation of recurring revenue streams while maximizing customer value. Photon Energy's focus remains on:

- ▶ Production of electricity from the Group's portfolio of PV plants
- ▶ Customised Energy Solutions
- ▶ Decentralised Energy Production, Energy Storage Solutions and Water purification systems
- ▶ Operations & Maintenance of PV plants and Energy Storage facilities
- ▶ PV technology trading.

Our next steps are:

- ▶ The Photon Energy Operations team focuses on full O&M solutions in Central Europe and expands its Inverter Cardio services to additional inverter technologies covering the whole European market.
- ▶ Photon Energy's power plant control and monitoring solutions are planned to be offered as a standalone product.
- ▶ The Australian and Hungarian markets are our focus for the expansion of PV generation capacity. Other potential markets in Central and South America, the Middle East and Africa remain under investigation.

In order to reduce the dependence on government subsidies in the future, the Group's strategy mainly focuses on the expansion to markets which have already reached Grid Parity, i.e. the cost of PV-generated electricity is competitive with grid-supplied electricity from traditional and other renewable energy sources.

2.3. Investment action plan and its implementation

The Company did not publish any investment action plan. As a result no plan has been implemented.

2.4. Proprietary portfolio, generation results and O&M services

Proprietary portfolio

The table below presents the portfolio of operating power plants owned directly or indirectly by Photon Energy N.V. at the end of the reporting period i.e. as of 30 June 2019, consisting of 40 power plants in the Czech Republic, Slovakia, Hungary & Australia with a total installed capacity of 37.1 MWp. More information on the Group structure can be found in chapter 10. Group structure.

Table 1. The proprietary portfolio of Photon Energy N.V. as of 30 June 2019

Nr	Proprietary portfolio	Legal entity	Country	Cap.(kWp)	Share	Cap. Pro-rata	Completed
1	Komorovice	Exit 90 s.r.o.	CZ	2,354	100%	2,354	Dec.10
2	Zvíkov I	Photon SPV8 s.r.o.	CZ	2,031	100%	2,031	Nov.10
3	Dolní Dvořiště	Photon SPV10 s.r.o.	CZ	1,645	100%	1,645	Dec.10
4	Svatoslav	Photon SPV4 s.r.o.	CZ	1,231	100%	1,231	Dec.10
5	Slavkov	Photon SPV6 s.r.o.	CZ	1,159	100%	1,159	Dec.10
6	Mostkovice SPV 1	Photon SPV1 s.r.o.	CZ	210	100%	210	Dec.10
7	Mostkovice SPV 3 ¹	Photon SPV3 s.r.o.	CZ	926	100%	926	Dec.09
8	Zdice I	Onyx Energy I s.r.o.	CZ	1,499	100%	1,499	Dec.10
9	Zdice II	Onyx Energy projekt II s.r.o.	CZ	1,499	100%	1,499	Dec.10
10	Radvanice	Photon SPV11 s.r.o.	CZ	2,305	100%	2,305	Dec.10
11	Břeclav rooftop	Photon SPV1 s.r.o.	CZ	137	100%	137	Dec.10
12	Babiná II	Sun4Energy ZVB s.r.o.	SK	999	100%	999	Dec.10
13	Babina III	Sun4Energy ZVC s.r.o.	SK	999	100%	999	Dec.10
14	Prša I.	Fotonika s.r.o.	SK	999	100%	999	Dec.10
15	Blatna	ATS Energy s.r.o.	SK	700	100%	700	Dec.10
16	Mokra Luka 1	EcoPlan 2 s.r.o.	SK	963	100%	963	Jun.11
17	Mokra Luka 2	EcoPlan 3 s.r.o.	SK	963	100%	963	Jun.11
18	Jovice 1	Photon SK SPV2 s.r.o.	SK	979	100%	979	Jun.11
19	Jovice 2	Photon SK SPV3 s.r.o.	SK	979	100%	979	Jun.11
20	Brestovec	Photon SK SPV1 s.r.o.	SK	850	50%	425	Jun.11
21	Polianka	Solarpark Polianka s.r.o.	SK	999	50%	500	Jun.11
22	Myjava	Solarpark Myjava s.r.o.	SK	999	50%	500	Jun.11
23	Symonston	Photon Energy AUS SPV 1 Pty. Ltd.	AUS	144	100%	144	Feb.13
24	Fertőd 1	Photon Energy HU SPV 1 Kft. b.a	HU	528	100%	528	Mar 18
25	Tiszakécske 1	Ekopanel Befektetési Kft.	HU	689	100%	689	Dec-18
26	Tiszakécske 2	Onyx-sun Kft.	HU	689	100%	689	Dec-18
27	Tiszakécske 3	Solarkit Befektetesi Kft.	HU	689	100%	689	Dec-18
28	Tiszakécske 4	Energy499 Invest Kft.	HU	689	100%	689	Dec-18
29	Tiszakécske 5	Green-symbol Invest Kft.	HU	689	100%	689	Dec-18
30	Tiszakécske 6	Montagem Befektetési Kft.	HU	689	100%	689	Dec-18
31	Tiszakécske 7	SunCollector Kft.	HU	689	100%	689	Dec-18
32	Tiszakécske 8	Future Solar Energy Kft.	HU	689	100%	689	Dec-18
33	Almásfüzitő 1 ²	Ráció Master Kft.	HU	695	100%	695	Mar-19
34	Almásfüzitő 2 ²	Ráció Master Kft.	HU	695	100%	695	Mar-19
35	Almásfüzitő 3 ²	Ráció Master Kft.	HU	695	100%	695	Mar-19
36	Almásfüzitő 4 ²	Ráció Master Kft.	HU	695	100%	695	Mar-19
37	Almásfüzitő 5 ²	Ráció Master Kft.	HU	695	100%	695	Mar-19
38	Almásfüzitő 6 ²	Ráció Master Kft.	HU	660	100%	660	Mar-19
39	Almásfüzitő 7 ²	Ráció Master Kft.	HU	691	100%	691	Mar-19
40	Almásfüzitő 8 ²	Ráció Master Kft.	HU	668	100%	668	Mar-19
Total				37,104		35,680	

¹ Photon SPV 3 owns two power plants: Mostkovice SPV 3 (795 kWp) and Mostkovice SPV3R (131 kWp).

² Ráció Master Kft. owns eight power plants: Almásfüzitő 1, Almásfüzitő 2, Almásfüzitő 3, Almásfüzitő 4, Almásfüzitő 5, Almásfüzitő 6, Almásfüzitő 7 and Almásfüzitő 8.

Generation results

The cumulative average generation of the power plants in the portfolio connected and feeding electricity to the grid in 2019Q2 amounted to 14.5 GWh, which was 1.2% below the energy forecasts and 50.2% higher YOY based on data accumulated YTD. Detailed generation results for each power plant are being published on a monthly basis in our monthly reports.

Table 2. Generation results versus projections between 1 April and 30 June 2019

Project name	Capacity	Feed-in-Tariff	Prod. 2019Q2	Proj. 2019Q2	Perf.	YTD Prod.	YTD Proj.	Perf.	YTD YoY
Unit	kWp	per MWh, in 2019	kWh	kWh	%	kWh	kWh	%	%
Komorovice	2,354	CZK 14,530	950,505	904,300	5.1%	1,379,199	1,198,629	15.1%	3.9%
Zvíkov I	2,031	CZK 14,530	821,756	792,602	3.7%	1,269,780	1,050,576	20.9%	6.0%
Dolní Dvořiště	1,645	CZK 14,530	615,184	659,357	-6.7%	908,177	873,963	3.9%	8.6%
Svatoslav	1,231	CZK 14,530	437,309	489,704	-10.7%	638,140	649,092	-1.7%	-1.1%
Slavkov	1,159	CZK 14,530	479,944	466,336	2.9%	721,442	618,118	16.7%	1.0%
Mostkovice SPV 1	210	CZK 14,530	81,559	67,060	21.6%	121,368	98,611	23.1%	3.0%
Mostkovice SPV 3	926	CZK 15,610	362,729	346,551	4.7%	536,458	465,175	15.3%	3.3%
Zdice I	1,499	CZK 14,530	651,749	569,970	14.3%	949,918	759,169	25.1%	3.6%
Zdice II	1,499	CZK 14,530	660,014	569,970	15.8%	961,047	759,169	26.6%	3.6%
Radvanice	2,305	CZK 14,530	932,478	895,098	4.2%	1,373,756	1,186,433	15.8%	3.2%
Břeclav rooftop	137	CZK 14,530	54,186	45,388	19.4%	82,819	67,734	22.3%	2.5%
Total Czech PP	14,996		6,047,413	5,806,336	4.2%	8,942,103	7,726,669	15.7%	3.8%
Babiná II	999	EUR 425.12	319,282	365,759	-12.7%	475,824	504,502	-5.7%	-1.8%
Babina III	999	EUR 425.12	330,306	365,759	-9.7%	493,741	504,502	-2.1%	2.5%
Prša I.	999	EUR 425.12	362,244	364,950	-0.7%	539,250	504,027	7.0%	3.7%
Blatna	700	EUR 425.12	252,186	264,303	-4.6%	367,443	379,634	-3.2%	0.0%
Mokra Luka 1	963	EUR 382.61	371,198	359,585	3.2%	616,999	520,731	18.5%	45.9%
Mokra Luka 2	963	EUR 382.61	370,486	359,585	3.0%	625,002	520,731	20.0%	12.0%
Jovice 1	979	EUR 382.61	315,774	370,702	-14.8%	479,905	492,280	-2.5%	10.4%
Jovice 2	979	EUR 382.61	315,701	370,702	-14.8%	479,112	492,280	-2.7%	10.8%
Brestovec	850	EUR 382.61	340,374	304,491	11.8%	523,134	440,945	18.6%	1.2%
Polianka	999	EUR 382.61	341,220	381,165	-10.5%	488,760	505,226	-3.3%	-1.2%
Myjava	999	EUR 382.61	386,754	371,821	4.0%	567,987	528,979	7.4%	0.2%
Total Slovak PP	10,429		3,705,525	3,878,823	-4.5%	5,657,157	5,393,837	4.9%	7.1%
Fertod 1	528	HUF 32,590	225,008	222,057	1.3%	346,496	334,434	3.6%	41.5%
Tiszakécske 1	689	HUF 32,590	280,549	297,839	-5.8%	441,549	422,007	4.6%	na
Tiszakécske 2	689	HUF 32,590	280,997	298,253	-5.8%	443,111	423,717	4.6%	na
Tiszakécske 3	689	HUF 32,590	281,413	297,741	-5.5%	443,999	421,816	5.3%	na
Tiszakécske 4	689	HUF 32,590	281,745	298,253	-5.5%	444,342	423,717	4.9%	na
Tiszakécske 5	689	HUF 32,590	282,217	298,253	-5.4%	445,586	423,717	5.2%	na
Tiszakécske 6	689	HUF 32,590	281,416	297,839	-5.5%	442,793	422,007	4.9%	na
Tiszakécske 7	689	HUF 32,590	280,854	297,402	-5.6%	441,310	421,138	4.8%	na
Tiszakécske 8	689	HUF 32,590	278,632	295,832	-5.8%	427,497	415,866	2.8%	na
Almásfüzitő 1	695	HUF 32,590	277,840	296,978	-6.4%	346,943	373,601	-7.1%	na
Almásfüzitő 2	695	HUF 32,590	275,417	296,855	-7.2%	343,385	373,443	-8.0%	na
Almásfüzitő 3	695	HUF 32,590	272,483	296,383	-8.1%	340,134	372,771	-8.8%	na
Almásfüzitő 4	695	HUF 32,590	283,371	297,343	-4.7%	353,520	374,073	-5.5%	na
Almásfüzitő 5	695	HUF 32,590	284,284	296,538	-4.1%	354,652	372,989	-4.9%	na
Almásfüzitő 6	660	HUF 32,590	282,220	285,780	-1.2%	352,087	359,332	-2.0%	na
Almásfüzitő 7	691	HUF 32,590	283,327	294,976	-3.9%	353,397	371,002	-4.7%	na
Almásfüzitő 8	668	HUF 32,590	284,906	288,653	-1.3%	362,532	363,016	-0.1%	na
Total Hungarian PP	11,535		4,716,679	4,956,975	-4.8%	6,683,332	6,668,646	0.2%	na
Symonston	144	AUD 301.60	25,714	27,360	-6.0%	80,945	84,910	-4.7%	-1.9%
Total Australian PP	144		25,714	27,360	-6.0%	80,945	84,910	-4.7%	-1.9%
Total	37,104		14,495,331	14,669,494	-1.2%	21,363,537	19,874,062	7.5%	50.2%

Notes

* Mostkovice SPV 1 & Břeclav rooftop power plants belong to the same legal entity.

** Total result for Mostkovice SPV 3 and Mostkovice SPV 3R, as the same company "SPV3" owns both power plants.

Chart 1.a Total production of the Czech portfolio

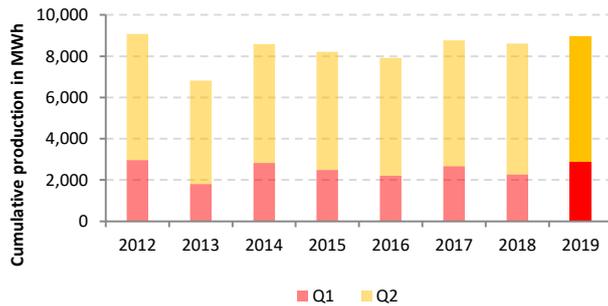
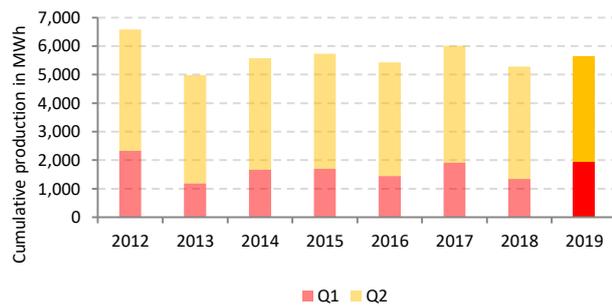


Chart 1.b Total production of the Slovak portfolio



O&M services

Photon Energy remained focused on further expanding its Operations & Maintenance business in Europe. As of the end of 2019Q2, full O&M services contracts amounted to approximately 174.7 MWp, up by 11.4% from the end of 2018Q2. However, in July 2019 Photon Energy acquired additional 15.3 MWp of full O&M contracts for external clients in Hungary and 3.1 MWp in Australia bringing the total portfolio up to 192.8 MWp. This can be broken down geographically into 128.6 MWp operated in the Czech Republic, 26.9 MWp in Hungary, 15.9 MWp in Slovakia, 15.0 MWp in Romania, 4.5 MWp in Australia and 2.0 MWp in Slovenia. The O&M portfolio divides into 37.1 MWp of PV capacity from the proprietary portfolio and 155.7 MWp serviced for external clients.

As far as the “Inverter Cardio” services contracts are concerned, the Group is servicing 60.3 MWp of central inverters. In some countries like France or Germany the Group is holding a leading market position while in Belgium in particular, the Group is servicing all of the Satcon inverters ever installed. In detail, at the end of 2019Q2, the total capacity of central inverters serviced can be divided regionally into France (21.3 MWp), Italy (14.0 MWp), Belgium (10.2 MWp), Czech Republic (7.5 MWp), Slovakia (5.5 MWp) and Germany (1.8 MWp).

2.5. Reporting on Photon Energy’s project pipeline

As of the publishing date of this report, Photon Energy is developing PV projects in Australia (1,034 MWp) and Hungary (35.8 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 Photon Energy’s project development activities is to expand its proprietary portfolio of PV power plants for long-term ownership, 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 view 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 past 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	Fertöd II	Own portfolio	100%	3.5	Licensed PPA	Secured	Secured	Secured	Under construction
Hungary	Monor	Own portfolio	100%	5.6	Licensed PPA	Secured	Secured	Secured	Under construction
Hungary	Tata	Own portfolio	100%	5.5	Licensed PPA	Secured	Secured	Secured	2019Q2
Hungary	Taszár	Own portfolio	100%	2.1	Licensed PPA	Secured	Secured	Secured	Under construction
Hungary	Malyi	Own portfolio	100%	2.1	Licensed PPA	Secured	Secured	Secured	2019Q3
Hungary	Püspökladány	Own portfolio	100%	14.2	Licensed PPA	Secured	Secured	Secured	2019Q4
Hungary	Kunszentmárton ¹	Own portfolio	100%	2.8	Licensed PPA	Secured	Secured	Secured	2019Q3
Total Own portfolio Hungary				35.8					
Australia	Leeton	Own portfolio	100%	14.0	Retailer PPA	Secured	Secured	Secured	2019Q2
Total Own portfolio Australia				14.0					
Total Own portfolio				49.8					
Australia	Gunning	Developer	49%	220	Co-development & financing agreement with Canadian Solar	Secured	Ongoing	Ongoing	2019Q4
Australia	Gunnedah	Developer	25%	150		Secured	Ongoing	Secured	2019Q3
Australia	Maryvale	Developer	25%	160		Secured	Ongoing	Ongoing	2019Q3
Australia	Suntop 2 ²	Developer	25%	200	Ongoing	Ongoing	Ongoing	2020Q1	
Australia	Carrick	Developer	51%	144	All options open	Secured	Ongoing	Ongoing	2019Q4
Australia	Brewongle	Developer	51%	146	All options open	Secured	Ongoing	Ongoing	2019Q4
Total Development Australia				1,020					

¹ The project Kunszentmárton was acquired for the portfolio after the reporting date i.e. on 24 July 2019.

² The project Suntop 1 was excluded from the portfolio as it was sold to Canadian Solar on 30 July 2019.

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 seven large scale solar farms at different stages of development in New South Wales (“NSW”). The project pipeline is among the largest pipelines of Solar projects in NSW representing a total planned capacity of 1,034 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.

After the reporting period, i.e. on 30 July 2019 Photon Energy sold its 25% stake in the first co-developed project Suntop 1 to Canadian Solar Inc. This transaction, expected to be closed until the end of 2019Q3, marks a significant milestone in the successful completion of the project development work on the first out of five projects jointly developed with Canadian Solar in Australia. The Suntop 1 project with the total capacity amounting to 189 MWp, has been excluded from the pipeline resulting in its downsizing to four projects with the expected capacity of 1,020 MWp.

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

- ▶ **Gunnedah (150 MWp):** The process of securing the construction permit was finalized. The project Development Approval to construct a power plant with a capacity of up to 150MWp was granted by NSW DP&E on 12 March 2019. The grid connection process is still undergoing. GPS studies were completed and accepted by both Transgrid and AEMO. Consequently AEMO issued the license to feed electricity to the grid in January 2019. The grid connection terms and agreement are still in the process of discussions with Transgrid.
- ▶ **Gunning (220 MWp):** The process of securing construction permit is undergoing. Site assessments are performed to define the optimal project layout. The Environmental Impact Studies (EIS), which include public consultations and feasibility studies are being carried out. In parallel we are in discussions with Transgrid regarding the grid connection specifications. However, the transition from fixed to single axis tracking system has resulted in a reduction of the installed capacity from 316 MWp to 220 MWp. GPS studies will start once the project design is finalized.
- ▶ **Maryvale (160 MWp):** The construction permitting process has started and EIS were submitted to NSW DP&E in November 2018. The project was published and triggered some public opposition, hence was referred to Independent Public Committee (IPC) for determination if the opposition is justified. We have responded to the public concerns and now await the determination of IPC and subsequent recommendations. The grid connection options are currently under review and in discussions with Essential Energy. GPS will start upon finalizations of those discussions.
- ▶ **Mumbil/Suntop 2 (200 MWp):** The feasibility studies, which are a part of the construction permitting process, have revealed significant issues related to aspects such as soil erosion, aboriginal heritage protection, and challenges of waterways in the location of Mumbil. Consequently, Canadian Solar and Photon Energy have determined that the development of Mumbil Solar Farm will not be executed. However, the joint venture has lodged a preliminary environmental assessment to significantly expand the size of the Suntop Solar Farm project ("Suntop 2") by a further 200 MWp. Both, development efforts and budget, for the Mumbil project were relocated to the Suntop 2 project. The application process for the construction permit is in the preparations. Upon completing feasibility studies and community consultations we will finalize EIS. We expect the project to be ready for submission in 2019Q3. The grid connection application will start upon completion of EIS.

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

- ▶ **Leeton (14 MWp):** The construction permitting process has not been started as the grid connection specifications are still under discussions. 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 in EIS and submitted to DP&E for review.
- ▶ **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.
- ▶ **Brewongle (146 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 Transgrid.

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.
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.
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.

Glossary of terms	Definitions
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 fourty projects in the pipeline with the total planned capacity of 35.8 MWp.

- Fertőd II (3.5MWp):** Upon construction and connecting to the grid its first photovoltaic power plant in Hungary with an installed capacity of 528 KWp (referred to as Fertőd I), Photon Energy announced the expansion of its project pipeline by five additional projects in Fertőd (referred to as Fertőd II). Photon Energy's fully-owned subsidiary Photon Energy HU SPV 1 Kft. managed to secure additional grid connection capacity of 2.5 MW AC and usage rights for over 5 hectares of land located right next to Fertőd I. Photon Energy HU SPV 1 Kft. moved its remaining three KÁT licenses not used in Monor to the secured land plots in Fertőd II. The fourth project will be realized by the Group's subsidiary Ráció Master Kft., using its ninth KÁT license which could not be used in its primary location of Almásfüzitő, where eight PV power plants are already operating. Commercial operational deadline of all KÁT licenses has been successfully extended to 2021. All projects have final and binding construction permits of the PV power plants. Non-binding cable right permit for all projects was issued on 1 June 2019 and the binding permit is expected in August 2019. Construction of the projects has started:

Fertőd II – Work in progress



Construction status

Land preparation and civil works (road, fencing) have been finished. The mounting substructure has been assembled and low voltage electric works are now completed. PV Modules have been installed at all five power plants.

The remaining steps in the process will be the installation of transformers, the switch stations and the security systems as well as the construction of the grid connection line. We will start those works as soon as the binding permit is issued.

Commissioning of the projects to the grid is expected in 2019Q4.

- Monor (5.6 MWp):** In Monor Photon Energy has developed eight projects with a grid connection capacity of 498 KW AC each. In May 2017, Photon Energy received the energy production licenses under the KÁT support system, allowing each plant to feed a total volume of 16.950 GWh of electricity into the grid at the guaranteed price of HUF 32,590 per MWh (approx. EUR 100 per MWh), adjusted every year with inflation minus one percent, per KWh over 25 years from the date of grid connection. Photon Energy successfully managed to extended all 8 KÁT licenses for an additional 3 years, so the new KÁT commercial operation deadline (COD) applicable for all 8 KÁTs is December 2021. Construction of the projects has started:

Monor – Work in progress



Construction status

Land preparation and fencing works have been completed while road construction is in the progress.

The procurement of the major components has been finalized. The construction of substructures is completed. The modules are being mounted and this is expected to be finalized by mid August. The low voltage works has been advanced and are expected to be completed by mid August.

The remaining steps in the construction include installation of the transformers, switch stations and security systems as well as the construction of the grid connection line, which is expected to take place in 2019Q3.

Commissioning of the projects to the grid is expected in 2019Q4.

- Taszár (2.1 MWp):** In March 2019 Photon Energy completed the acquisition of 100% shares in Optisolar Kft., which owns three KÁT licenses, entitling it to a feed-in-tariff of some HUF 32,590 per MWh (approx. EUR 100 per MWh) over a period of 25 years, with a maximum approved and supported production of 16,475 MWh per license.

These projects are ready-to-build and the construction has started with land preparation works in July 2019. Commissioning of the power plant is expected in 2019Q4.

- Tata (5.5 MWp):** In February 2018 Photon Energy announced the acquisition of 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 tracking technology for the substructure.

These projects have reached a ready-to-build stage and construction will start in 2019Q3.

- Malyi (2.1 MWp):** In April 2019 Photon Energy NV acquired three PV projects with a total planned installed 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 them to a feed-in-tariff of some HUF 32,590 per MWh (approx. EUR 100 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 construction will start in 2019Q3.

- 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 100 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 2019Q4.

After the reporting period, Photon Energy announced the expansion of its project pipeline by adding the following project:

- Kunszentmárton (2.8 MWp)** Photon Energy NV acquired four additional PV projects with a total planned installed capacity of 2.8 MWp in the municipality of Kunszentmárton, in the Jász-Nagykun-Szolnok region in Central Hungary. The transaction involves the acquisition of one company owning two KÁT and two KÁT-METÁR licenses entitling to a feed in tariff of HUF 32,590 per MWh (approx. EUR 100 per MWh) over a period of 25 years for both of the KÁT licenses and of 17 years and 4 months for the KÁT-METÁR licenses. The maximum approved and supported production amounts to 14,998 MWh per KÁT license and to 13,832 MWh per KÁT-METÁR license respectively.

The two KÁT licensed projects with combined capacity of 1.4 MWp are at the ready-to-build stage. The company expects to start the construction in 2019Q3. The construction of the two KÁT METÁR licensed projects is planned to start during 2020Q1.

The announced transaction increases Photon Energy's photovoltaic pipeline in Hungary to 41 projects with a total planned installed capacity of 35.8 MWp. Together with our existing portfolio of operating PV plants of 13.6 MWp, we have secured a 49.4 MWp portfolio in Hungary, thereby essentially reaching the announced target volume of 50 MWp. Photon Energy continues sourcing KÁT, KÁT-METÁR and METÁR projects and announces the increase of its target portfolio size in Hungary to 75 MWp across both support schemes until year-end 2021. The company has also initiated efforts to develop ground-mounted projects for the upcoming auction mechanism for renewable energy sources, which is expected to commence in late 2019 or early 2020.

2.6. Enterprise Value & Share Price performance

2.6.1. NewConnect (Warsaw Stock Exchange)

On 4 June 2013 Photon Energy NV shares commenced trading on the NewConnect market at a price of PLN 2.00, after a share swap for the minority investors in the Czech predecessor company, originally listed on New Connect in 2008.

Q2 2019 closed at a price of PLN 2.72 on 30 June 2019 (+48% YoY), corresponding to a price-to-book ratio of 1.06x. The Company also reports average monthly trading volume of 55,236 shares in 2019Q2, compared to an average monthly trading volume of 94,187 shares in 2018Q2.

Chart 2. Total monthly volumes vs. daily closing stock prices

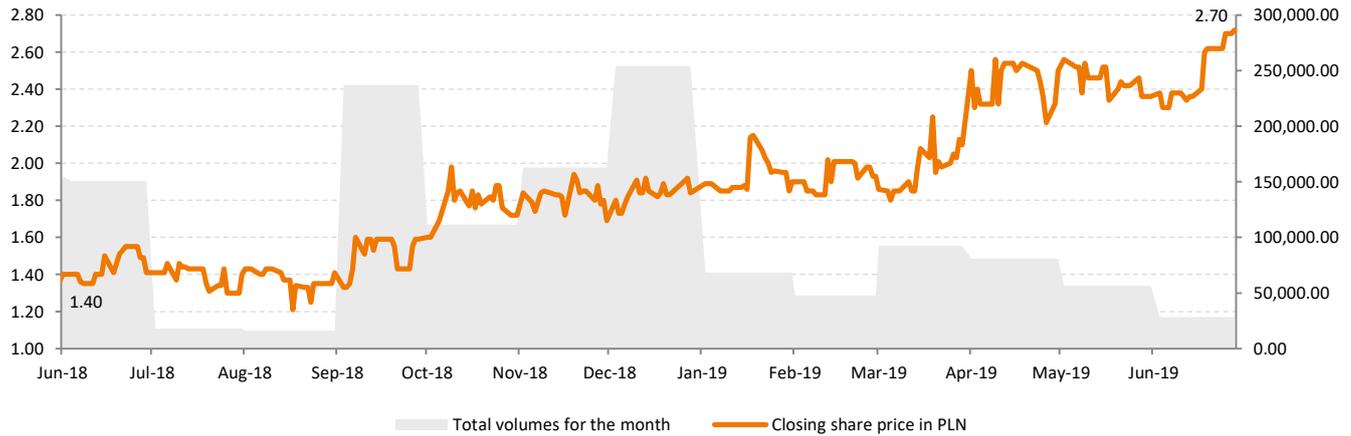


Chart 3. Enterprise value vs. trailing 12 months (TTM) EBITDA

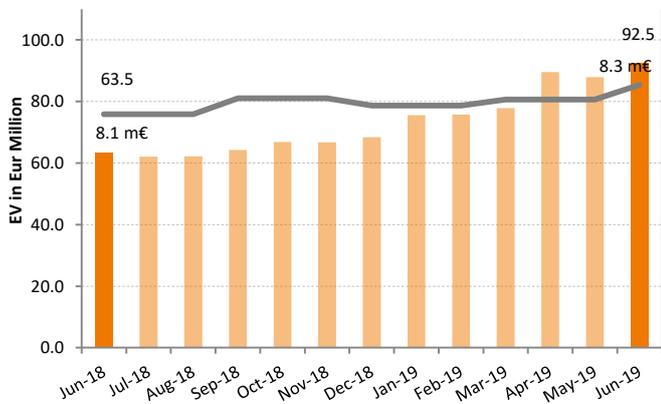
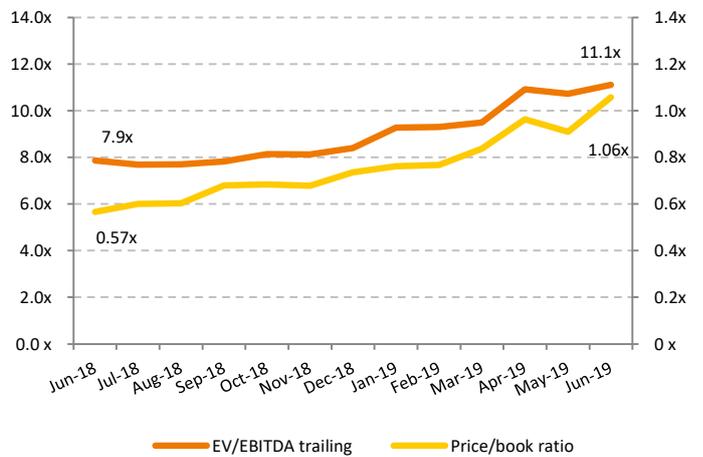


Chart 4. Enterprise value / trailing 12 months EBITDA & price to book ratio



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 month EBITDA – defined as the sum of EBITDA reported in the last four quarterly reports, ie. 2018Q3, 2018Q4, 2019Q1, 2019Q2.

The trailing 12 month EBITDA will be adjusted to EUR 8.3 million, the sum of EBITDA reported in the last four quarterly reports including this reporting period, ie. 2018Q3, 2018Q4, 2019Q1, 2019Q2, in the next reporting documents.

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.

2.6.2. Free Market (Prague Stock Exchange)

Since 17 October 2016, in addition to the listing on the NewConnect 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 were issued, nor capital raised through this listing.

On 30 June 2019 the share price (ISIN NL0010391108) closed at a price of CZK 18.80 (+138% compared to 30 June 2018, +284% vs CZK 4.90, the reference price on the first trading day on 17 October 2016), corresponding to a price to book ratio of 1.22x. The Company reports a quarterly trading volume of 28,787 shares in 2019Q2 compared to 75,185 shares in 2018Q2.

2.7. Bond trading performance

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

In 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 Luxembourg. The target volume of EUR 30 million was subscribed to in full on 7 September 2018, before the end of the public placement that took place in Germany, Austria and Luxembourg, originally set until 20 September 2018. The corporate bond, with a denomination of EUR 1,000 (ISIN DE000A19MFH4), 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.

After the reporting period on 5 August 2019, Photon Energy announced that it successfully increased its 5-year, 7.75% coupon corporate EUR bond by additional EUR 7.5 million, up to EUR 37.5 million.

2.7.1. EUR Bond 2017/22 trading performance

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

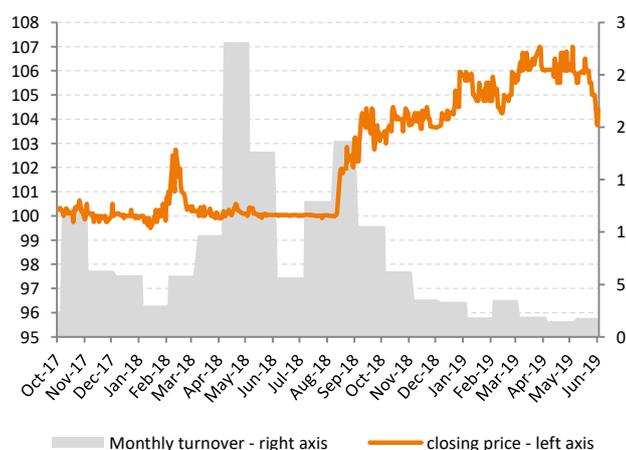
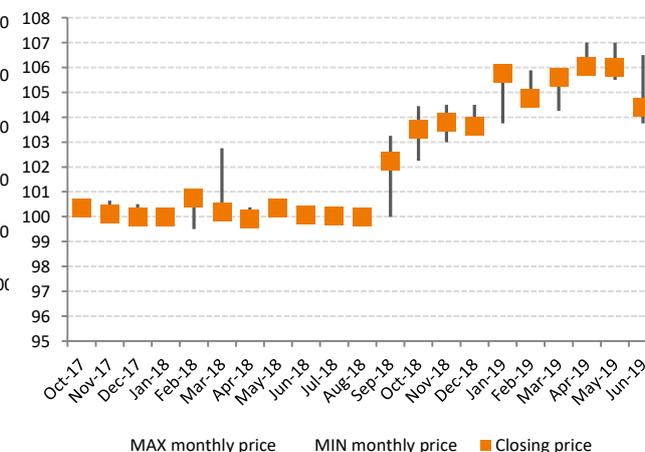


Chart 8. MIN, MAX and closing monthly prices



In the trading period from 25 October 2017 until 30 June 2019, the trading volume amounted to EUR 30.193 million (nominal value, including the volume traded in Berlin, Munich & Stuttgart) with an opening price of 100.00 and a closing price of 104.40 in Frankfurt. During this period the average daily turnover amounted to EUR 72,060. The target volume of EUR 30 million was subscribed to in full as of 7 September 2018.

In 2019Q2, the trading volume amounted to EUR 1,096,000 with an opening price of 105.60 and a closing price of 104.40 in Frankfurt. The average daily turnover amounted to EUR 17,967.

2.7.2. CZK Bond trading performance in Prague

In the trading period from 12 December 2016 until 30 June 2019 the trading volume amounted to CZK 9.420 million (nominal value) with a closing price of 100.00.

2.8. Financial statement analysis

Profit and Loss statement

Unaudited consolidated revenues increased by EUR 1.187 million to EUR 7.941 million, up by 17.6% YOY. This double-digit growth was driven primarily by the increased sales from electricity production due to the expansion of our proprietary portfolio in Hungary by 11.6 MWp as well as sound generation output from the remaining power plants in the Czech Republic, Slovakia and Australia. Additionally, revenues from the engineering business in Australia and related PV technology trading have contributed significantly to this growth.

Cost of goods sold increased by EUR 0.815 million to EUR 2.663 million, up by 44.1% YOY, and were driven primarily by the above mentioned expansion of engineering business in Australia and sales of technology.

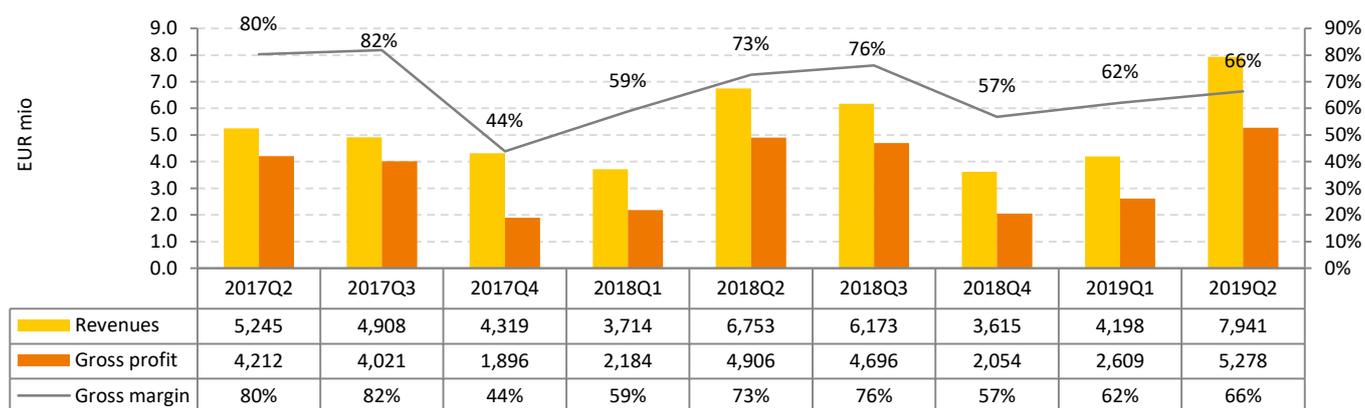
EBITDA increased slightly to EUR 3.515 million compared to EUR 3.386 million in 2018Q2. The expansion of profitability is a result of the very tight cost control measures aimed at maintaining profitability despite increased development activity and growing personnel expenses, related to the robust expansion of our Group.

EBIT amounted to EUR 1.523 million and was 3.6% higher YOY mainly despite an increase in depreciation from the growing proprietary portfolio of the power plants.

Profit before taxation amounted to EUR 0.626 million and nearly tripled compared to EUR 0.177 million in 2018Q2.

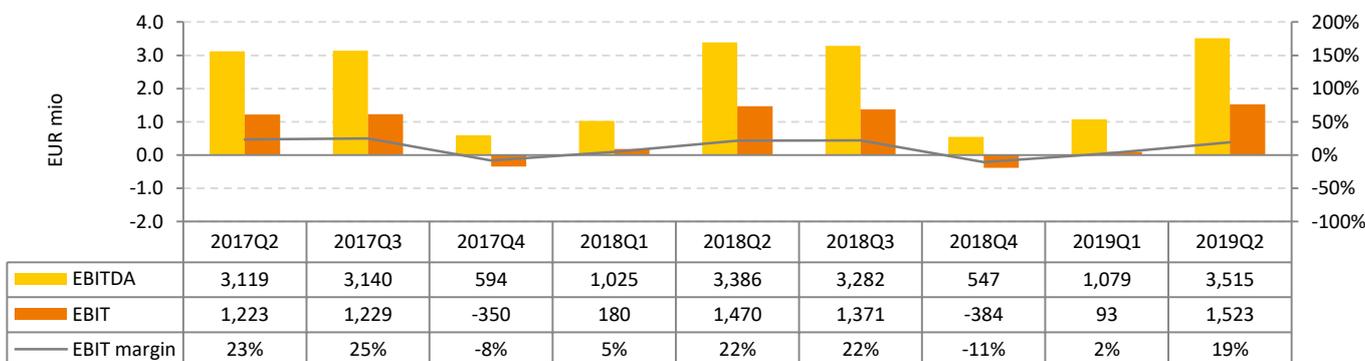
The Group recorded a consolidated net profit of EUR 0.208 million compared to a loss of EUR 0.155 million in a comparable period of the previous year. This increase at the bottom line came in despite the growing interest costs related to the increase in outstanding bond, which was fully placed in September 2018, and additional financing of the growing Hungarian portfolio, which was not fully compensated by the reduction in financing of our Czech and Slovak portfolio.

Chart 9. Revenues, gross profit and gross margin



The numbers presented above are based on published quarterly figures.

Chart 10. EBITDA, EBIT and EBIT margin development



The numbers presented above are based on published quarterly figures.

Balance Sheet

Total fixed assets amounted to EUR 86.622 million at the end of 2019Q2, and decreased by EUR 1.736 million compared to 2019 Q1 due to a regular depreciation, which was not fully offset by the new assets's additions.

Current assets increased by EUR 8.109 million, from EUR 20.141 million as of 31 March 2019 to EUR 28.250 million as of the end of the reporting period. The increase was driven primarily by the increase in inventories and contracted work in progress related to the construction of new power plants in Hungary and Australia.

Current liabilities decreased from EUR 8.605 million in 2019Q1 to EUR 7.487 million at the end of 2019Q2 due to reduction of the short-term part of bank loans and reduction in trade payables.

Long term liabilities increased by EUR 6.847 million, from EUR 68.954 million in 2019Q1 to EUR 75.801 million, which was primarily driven by the new long-term non-recourse project refinancing of the Hungarian portfolio partly compensated by the refinancing of Photon SPV 11 s.r.o.

Chart 11. Net current assets

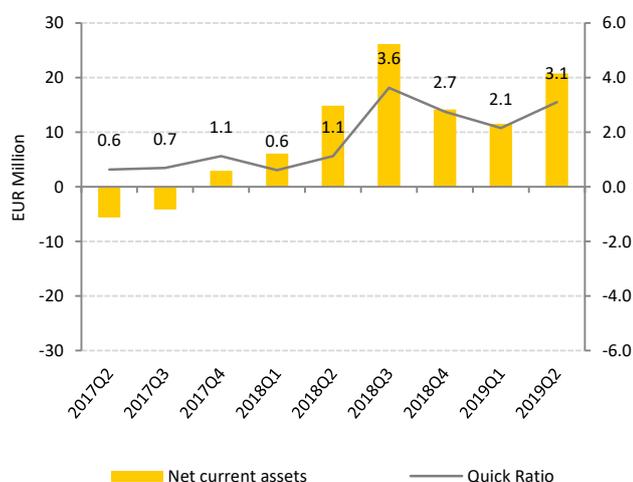
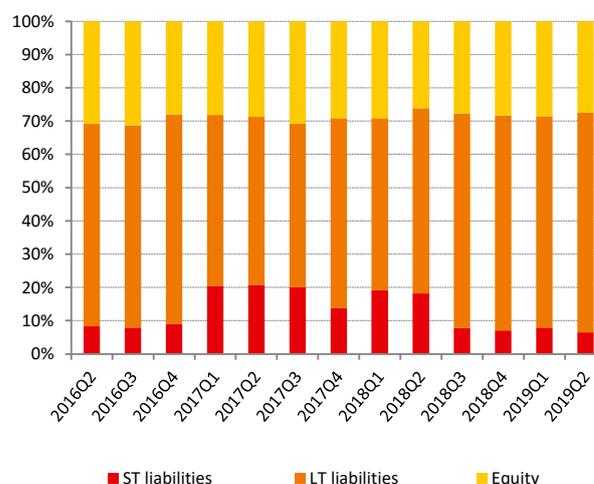


Chart 12. Break down of liabilities and equity



Changes in equity

Equity increased and amounted to EUR 31.584 million compared to EUR 30.940 million in 2019Q1.

Cash Flow

In 2019Q2, the Group posted a negative operating cash flow, which amounted to EUR -0.380 million, driven primarily by the growing inventories related to the projects under construction in Hungary and Australia.

Financial cash flow was positive and amounted to EUR 4.570 million, due to the new long term non-recourse project refinancing of the Hungarian projects, reduced by repayments of the project financing in the Czech Republic and Slovakia, interest expenses and the repayment of the project financing of Photon SPV 11 s.r.o.

Investment cash flow was negative and equalled to EUR -5.589 million in the reporting period, mainly as a result of project development and investment activities in Hungary and Australia.

Overall, the cash position decreased by EUR 1.400 million during 2019Q2 and amounted to EUR 6.402 million at the end of the reporting period, compared to EUR 7.802 million at the end of 2019 Q1.

2.9. Financial forecasts

The Company does not publish financial forecasts.

3. General information about the Issuer

The table below presents general information about Photon Energy NV, hereinafter referred to as the “PENV”, “Issuer”, “the Group” and/or the “Company”.

Company name:	Photon Energy N.V.
Registered office:	Barbara Strozziilaan 201, 1083 HN, Amsterdam, the Netherlands
Registration:	Dutch Chamber of Commerce (<i>Kamer van Koophandel</i>)
Company number:	51447126
Tax-ID:	NL850020827B01
Ticker:	PEN
Web:	www.photonenergy.com

4. Share capital of the Issuer

The Company’s share capital is EUR 600,000 divided into 60,000,000 shares with a nominal value of EUR 0.01 each. The share capital is fully paid-up.

Share capital as of 30 June 2019

Series/ issue	Type of shares	Type of preference	Limitation of right to shares	Number of shares	Nominal value of series/issue (EUR)	Capital covered with
A	bearer	-	-	<u>60,000,000</u>	<u>600,000</u>	cash
Total number of shares				60,000,000		
Total share capital					600,000	
Nominal value per share = EUR 0.01						

In the reporting period there were no changes to the share capital.

5. Shareholder structure

As of the reporting date, to the knowledge of the Board of Directors of Photon Energy N.V., the shareholder structure was as follows:

Shareholdership as of 30.06.2019	No. of shares	% of capital	No. of votes at the Shareholders Meeting	% of votes at the Shareholders Meeting
Solar Future Cooperatief U.A.	22,266,166	37.11%	22,266,166	43.54%
Solar Power to the People Cooperatief U.A.	20,843,375	34.74%	20,843,375	40.76%
Photon Energy N.V.	8,862,597	14.77%	0	0.00%
Free float	8,027,862	13.38%	8,027,862	15.70%
Total	60,000,000	100.00%	51,137,403	100.00%

The free float includes shares allocated to the employee incentive programme. The disposition rights to these shares are limited and employees can dispose of these shares only under specific conditions.

After the reporting period, i.e. on 4 July 2019, Photon Energy N.V. purchased 30,615 shares on the market, and increased its shareholding to 8,893,212 shares, which account for 14.82% of the Company’s share capital and carry no rights to vote at the Company’s general meeting of shareholders. For more details please see the ESPI report 15/2019.

6. Statutory bodies of the Issuer

Board of Directors as of 30 June 2019

The Board of Directors is responsible for the day-to-day operations of the Company. The Issuer's Board of Directors has the following members:

Name	Position	Date of birth	Term of office expiry date
Georg Hotar	Director (<i>Bestuurder</i>)	21.04.1975	No term of expiry
Michael Gartner	Director (<i>Bestuurder</i>)	29.06.1968	No term of expiry

Supervisory Board

Under Dutch law, a public company is required to establish a supervisory board if:

- ▶ The issued share capital of the company together with the reserves pursuant to the balance of sheet amounts to at least EUR 16 million,
- ▶ The company or a dependent company established a work council pursuant to a statutory obligation and,
- ▶ The company together with its dependent companies employs at least one hundred employees in the Netherlands.

The company will only be under the obligation to establish a supervisory board if it meets such criteria on the balance sheet dates in three consecutive financial years. The Issuer does not meet the above described criteria and therefore is not required to create a supervisory board.

No Supervisory Board was established, however, the Issuer has the intention to appoint an independent Supervisory Board in the future.

7. Description of the Issuer's business

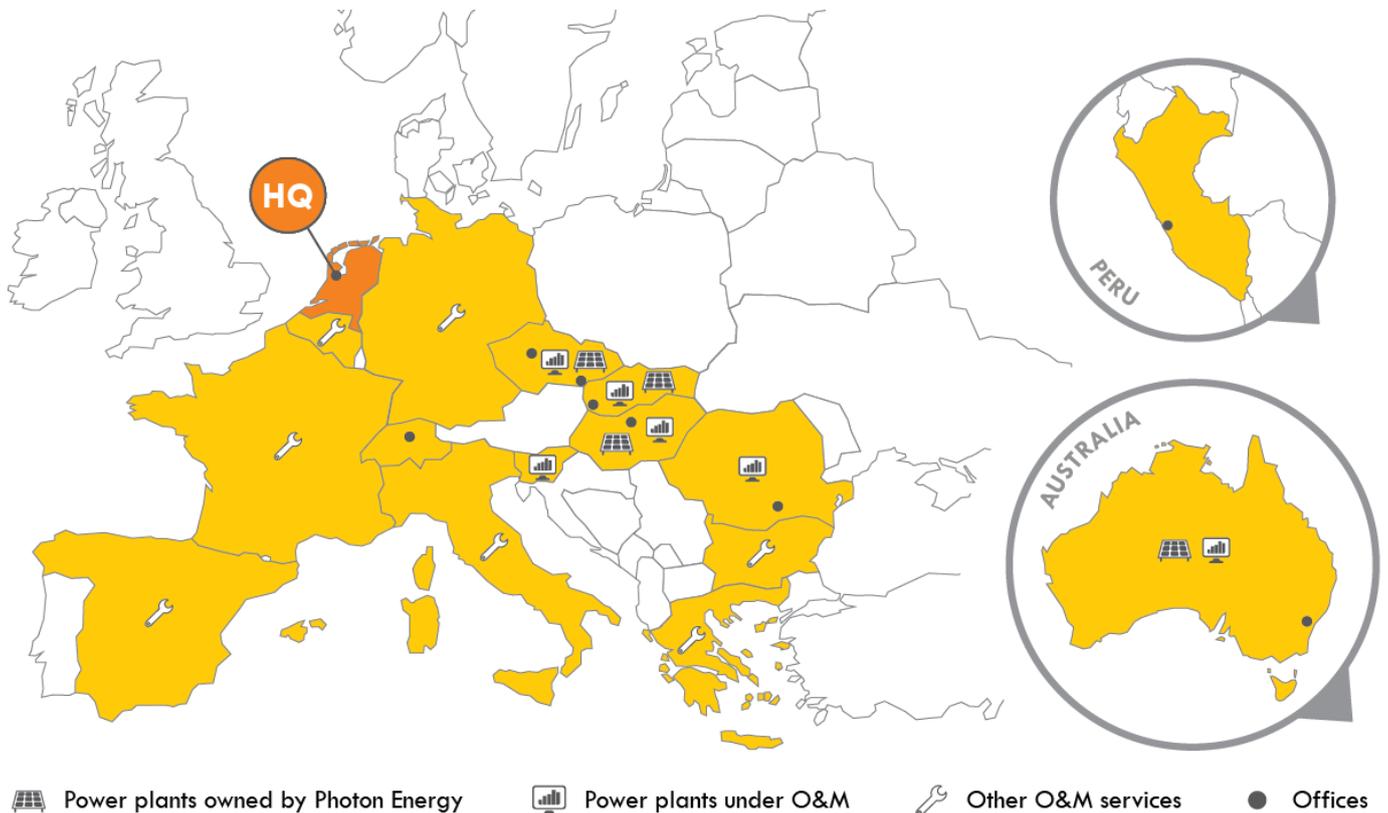
Photon Energy NV ("Photon Energy", "PENV", "Issuer" or "Company") is the holding company of the Photon Energy Group and was incorporated under the laws of the Netherlands on 9 December 2010. The Photon Energy Group ("Group" or "PE Group") offers comprehensive solutions and maintenance services for photovoltaic systems that cover their entire lifecycle globally.

The Group is vertically integrated in the downstream segment of the photovoltaic industry. The company focuses on life-cycle services and delivers:

- ▶ **Projects:** Project development for rooftop and green-field installations from 300 kW to 300 MW.
- ▶ **Solutions:** Design and construction of on-grid and off-grid installations, including battery storage solutions,
- ▶ **Technology:** Trading of PV-components (modules and inverters).
- ▶ **Investments:** Investments in PV power plants and sustainable production and sale of electricity.
- ▶ **Operations:** Operations and maintenance of PV power plants, including a proprietary control room and monitoring platform.

In addition the company launched a new service Line **Water** which offers comprehensive services in the fields of contaminated land and ground water remediation and water purification.

Country-specific references



Currently Photon Energy is active with 102 professionals in six countries across two continents (headquartered in Amsterdam), with a track record of building more than 60 MWp of grid-connected PV plants across five countries, a proprietary portfolio of 39,6 MWp of PV plants and more than 250 MWp of PV power plants under O&M management across two continents.

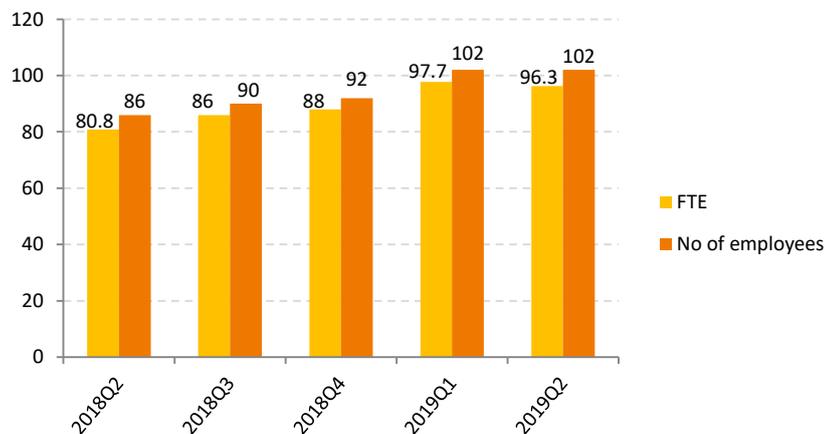
8. Implementation of innovative activities in the Company

None during the reporting period.

9. Employees

As of the end of 2019Q2, Photon Energy had 102 employees (compared to 86 employees in 2018Q2) which translates into 96.3 FTE (compared to 80.8 FTE in 2018Q2).

Chart 13. Total number of employees and full time equivalent employees per quarter



¹ **Full-time equivalent (FTE)** is a unit that indicates the workload of a person in a way that makes workloads comparable across various contexts. An FTE of 1.0 means that the person is equivalent to a full-time worker, while an FTE of 0.5 signals that the worker is only half-time.

Employee Share Purchase Programme

The management of the Company recognises the significant contribution of the team members to the future development of the Group. Therefore, it operates an Employee Share Purchase Programme as a part of its motivation system. Under the terms of the programme, the Group periodically purchases shares for employees equal to 10% of their gross compensation. The disposition rights to these shares are limited and employees can dispose of these shares only under specific conditions.

10. Group structure

The following table presents the Group's structure (subsidiaries and joint-ventures) and the holding company's stake in the entities comprising the Group as of the reporting date.

	Name	% of share capital held by the holding company	Country of registration	Consolid. method	Legal Owner
1	Photon Energy N.V. (PENV)	Holding	NL	Full Cons.	-
2	Photon Directors B.V.	100%	NL	Full Cons.	PENV
3	Photon Energy Engineering B.V. (PEE BV)	100%	NL	Full Cons.	PENV
4	Photon Energy Operations N.V. (PEO NV)	100%	NL	Full Cons.	PENV
5	Photon Energy Australia Pty Ltd.	100%	AUS	Full Cons.	PENV
6	Gunning Solar Farm Pty. Ltd. (former Photon Energy Generation Australia Pty. Ltd.)	49%	AUS	Equity	PENV
7	Photon Energy AUS SPV 1 Pty. Ltd.	100%	AUS	Full Cons.	PENV
8	Photon Energy AUS SPV 2 Pty. Ltd.	100%	AUS	Full Cons.	PENV
9	Photon Energy AUS SPV 3 Pty. Ltd.	100%	AUS	Full Cons.	PENV
10	Photon Energy AUS SPV 4 Pty. Ltd.	100%	AUS	Full Cons.	PENV
11	Suntop Stage 2 Solar Farm Pty. Ltd. (former Mumbil Solar Farm Pty. Ltd.)	25%	AUS	Equity	PENV
12	Photon Energy AUS SPV 6 Pty. Ltd.	51%	AUS	Equity	PENV
13	Gunnedah Solar Farm Pty. Ltd. (former Photon Energy AUS SPV 7 Pty. Ltd.)	25%	AUS	Equity	PENV
14	Suntop Solar Farm Pty. Ltd. (former Photon Energy AUS SPV 8 Pty. Ltd.)	25%	AUS	Equity	PENV
15	Photon Energy AUS SPV 9 Pty. Ltd.	51%	AUS	Equity	PENV
16	Maryvale Solar Farm Pty. Ltd. (former Photon Energy AUS SPV 10 Pty. Ltd.)	25%	AUS	Equity	PENV
17	Photon Energy Operations Australia Pty.Ltd.	100%	AUS	Full Cons.	PEONV
18	Photon Energy Engineering Australia Pty Ltd	100%	AUS	Full Cons.	PEEBV
19	Global Investment Protection AG (GIP)	100%	CH	Full Cons.	PENV
20	ALFEMO AG (ALFEMO)	100%	CH	Full Cons.	PENV
21	KORADOL AG (KORADOL)	100%	CH	Full Cons.	PENV
22	Photon Energy Corporate Services CZ s.r.o.	100%	CZ	Full Cons.	PENV
23	Photon SPV 1 s.r.o.	100%	CZ	Full Cons.	PENV
24	Photon SPV 11 s.r.o.	100%	CZ	Full Cons.	KORADOL
25	Photon Energy Operations CZ s.r.o. (PEOCZ) ¹	100%	CZ	Full Cons.	PEONV
26	Photon Energy Control s.r.o.	100%	CZ	Full Cons.	PEOCZ
27	Photon Energy Technology CEE s.r.o.	100%	CZ	Full Cons.	PEEBV
28	Photon Water Technology s.r.o.	65%	CZ	Full Cons.	PENV
29	Photon Energy Solutions s.r.o.	100%	CZ	Full Cons.	PENV
30	Photon Energy Projects s.r.o. (PEP)	100%	CZ	Full Cons.	PENV
31	Photon Energy Cardio s.r.o.	100%	CZ	Full Cons.	PEOCZ
32	The Special One s.r.o.	100%	CZ	Full Cons.	PENV
33	Charles Bridge Services s.r.o.	100%	CZ	Full Cons.	PENV
34	Photon Energy Finance Europe GmbH	100%	DE	Full Cons.	PENV
35	Photon Energy Corporate Services DE GmbH	100%	DE	Full Cons.	PENV
36	Photon Energy Engineering Europe GmbH	100%	DE	Full Cons.	PEEBV
37	EcoPlan 2 s.r.o.	100%	SK	Full Cons.	PENV
38	EcoPlan 3 s.r.o.	100%	SK	Full Cons.	PENV
39	Fotonika, s.r.o.	100%	SK	Full Cons.	PENV
40	Photon SK SPV 1 s.r.o.	50%	SK	Equity	PENV
41	Photon SK SPV 2 s.r.o.	100%	SK	Full Cons.	PENV
42	Photon SK SPV 3 s.r.o.	100%	SK	Full Cons.	PENV
43	Solarpark Myjava s.r.o.	50%	SK	Equity	PENV
44	Solarpark Polianka s.r.o.	50%	SK	Equity	PENV
45	SUN4ENERGY ZVB, s.r.o.	100%	SK	Full Cons.	PENV
46	SUN4ENERGY ZVC, s.r.o.	100%	SK	Full Cons.	PENV
47	ATS Energy, s.r.o.	100%	SK	Full Cons.	PENV
48	Photon Energy Operations SK s.r.o.	100%	SK	Full Cons.	PEONV
49	Photon Energy HU SPV 1 Kft. b.a	100%	HU	Full Cons.	ALFEMO
50	Fertod Napenergia-Termelo Kft.	100%	HU	Full Cons.	ALFEMO
51	Photon Energy Operations HU Kft.	100%	HU	Full Cons.	PEONV
52	Photon Energy Solutions HU Kft.	100%	HU	Full Cons.	PENV
53	Future Solar Energy Kft	100%	HU	Full Cons.	ALFEMO
54	Montagem Befektetési Kft.	100%	HU	Full Cons.	ALFEMO
55	Solarkit Befektetesi Kft.	100%	HU	Full Cons.	ALFEMO
56	Energy499 Invest Kft.	100%	HU	Full Cons.	ALFEMO

Name	% of share capital held by the holding company	Country of registration	Consolid. Method	Legal Owner	
57	SunCollector Kft.	100%	HU	Full Cons.	ALFEMO
58	Green-symbol Invest Kft.	100%	HU	Full Cons.	ALFEMO
59	Ekopanel Befektetési és Szolgáltató Kft.	100%	HU	Full Cons.	ALFEMO
60	Onyx-sun Kft.	100%	HU	Full Cons.	ALFEMO
61	Tataimmo Kft.	100%	HU	Full Cons.	ALFEMO
62	Öreghal Kft.	100%	HU	Full Cons.	ALFEMO
63	European Sport Contact Kft.	100%	HU	Full Cons.	ALFEMO
64	ALFEMO Alpha Kft.	100%	HU	Full Cons.	ALFEMO
65	ALFEMO Beta Kft.	100%	HU	Full Cons.	ALFEMO
66	ALFEMO Gamma Kft.	100%	HU	Full Cons.	ALFEMO
67	Archway Solar Kft.	100%	HU	Full Cons.	PENV
68	Barbican Solar Kft.	100%	HU	Full Cons.	ALFEMO
69	Belsize Solar Kft.	100%	HU	Full Cons.	ALFEMO
70	Blackhorse Solar Kft.	100%	HU	Full Cons.	ALFEMO
71	Caledonian Solar Kft	100%	HU	Full Cons.	ALFEMO
72	Camden Solar Kft	100%	HU	Full Cons.	ALFEMO
73	Hampstead Solar Kft.	100%	HU	Full Cons.	ALFEMO
74	Ráció Master Oktatási	100%	HU	Full Cons.	ALFEMO
75	P&P Solar Immo Kft.	35%	HU	Equity	ALFEMO
76	Aligoté Kereskedelmi és Szolgáltató Kft.	100%	HU	Full Cons.	ALFEMO
77	MEDIÁTOR Ingatlanközvetítő és Hirdető Kft.	100%	HU	Full Cons.	ALFEMO
78	PROMA Mátra Ingatlanfejlesztési Kft.	100%	HU	Full Cons.	ALFEMO
79	Optisolar Kft.	100%	HU	Full Cons.	ALFEMO
80	Ladány Solar Alpha Kft.	100%	HU	Full Cons.	Photon Energy Projects s.r.o.
81	Ladány Solar Beta Kft.	100%	HU	Full Cons.	Photon Energy Projects s.r.o.
82	Ladány Solar Gamma Kft.	100%	HU	Full Cons.	Photon Energy Projects s.r.o.
83	Ladány Solar Delta Kft.	100%	HU	Full Cons.	Photon Energy Projects s.r.o.
84	Photon Energy Peru S.C.A.	99%	PE	Full Cons.	GIP
85	PE SOLAR TECHNOLOGY LTD.	100%	UK	Full Cons.	100% Photon Energy N.V.

Notes:

Country of registration
 NL – the Netherlands
 SK – Slovakia
 UK – United Kingdom
 CZ – the Czech Republic
 AUS – Australia
 DE – Germany
 HU – Hungary
 CH – Switzerland
 PE – Peru

Consolidation method:
 Full Cons. – Full Consolidation
 Not Cons. – Not Consolidated
 Equity – Equity Method

Photon Energy Operations CZ s.r.o. established a branch office in Romania.

In addition to the above subsidiaries, for the purposes of IFRS reporting, the Company consolidates the following entities:

Name	% of Consolidated share	% of Ownership share	Country of registration	Consolidation method	Legal Owner	
1	Photon SPV 3 s.r.o. (Mostkovice SPV3)	100%	0%	CZ	Full Cons.	RL
2	Photon SPV 8 s.r.o. (Zvikov I)	100%	0%	CZ	Full Cons.	RL
3	Exit 90 SPV s.r.o. (Komorovice)	100%	0%	CZ	Full Cons.	RL
4	Photon SPV 4 s.r.o. (Svatoslav)	100%	0%	CZ	Full Cons.	RL
5	Photon SPV 6 s.r.o. (Slavkov)	100%	0%	CZ	Full Cons.	RL
6	Onyx Energy s.r.o. (Zdice I)	100%	0%	CZ	Full Cons.	RL
7	Onyx Energy projekt II s.r.o. (Zdice II)	100%	0%	CZ	Full Cons.	RL
8	Photon SPV 10 s.r.o. (Dolní Dvořiště)	100%	0%	CZ	Full Cons.	RL
9	Kaliopé s.r.o.	100%	0%	CZ	Full Cons.	RL

Notes: RL - Raiffeisen - Leasing, s.r.o.

In the reporting period, the following changes to the Group structure took place:

- On 10 April 2019, Photon Energy Projects s.r.o. acquired 100% shares in four companies: Ladány Solar Alpha Kft., Ladány Solar Beta Kft., Ladány Solar Gamma Kft., and Ladány Solar Delta Kft., all located in the municipality of Püspökladány, which own the rights to the PV projects with the total planned capacity of 14.2 MWp.
- On 26 June 2019, Photon Energy NV incorporated PE SOLAR TECHNOLOGY LTD., with its registered seat in London, United Kingdom.
- On 30 June 2019, KORADOL AG repaid the bank financing for Photon SPV 11 s.r.o. and took over the company from Raiffeisen Leasing s.r.o.

After the reporting period the following events occurred:

- ▶ On 30 July 2019, Photon Energy NV sold its 25% stake in Suntop Solar Farm Pty Ltd., the project company which is holding all project rights and has obtained Development Approval for the 189 MWp PV power plant project in Suntop, New South Wales, Australia, to Canadian Solar Inc. The transaction is expected to be closed at the end of 2019Q3.

11. Report on the key events material for the Group's operations

11.1. Summary of the key events from 1 April until 30 June 2019

In the period covered by this report the following current reports were published in the EBI (Electronic Database Information) system of Warsaw Stock Exchange:

- ▶ **EBI 6/2019** published on 10 April 2019: Monthly report for March 2019.
- ▶ **EBI 7/2019** published on 15 April 2019: Annual report 2018
- ▶ **EBI 8/2019** published on 15 April 2019: Convocation of the Annual General Meeting of Shareholders on 29 May 2019
- ▶ **EBI 9/2019** published on 13 May 2019: Quarterly report for 2019Q1.
- ▶ **EBI 10/2019** published on 15 May 2019: Monthly report for April 2019.
- ▶ **EBI 11/2019** published on 29 May 2019: The Minutes of the Annual General Meeting of Shareholders held on 29 May 2019
- ▶ **EBI 12/2019** published on 11 June 2019: Monthly report for May 2019.

In the period covered by this report the following current reports were published in the ESPI (Electronic Information Transmission System) system of Warsaw Stock Exchange:

- ▶ **ESPI 8/2019** published on 6 April 2019: Photon Energy acquires three projects with a total capacity of 2.1 MWp in Hungary.
- ▶ **ESPI 9/2019** published on 29 April 2019: Photon Energy acquires ten PV projects with 14.2 MWp in Hungary.
- ▶ **ESPI 10/2019** published on 10 May 2019: Q&A Chat to be held in collaboration with Polish retail investors on Tuesday, the 14th of May 2019 at 11:00 am.
- ▶ **ESPI 11/2019** published on 16 May 2019: Change in substantial block of shares.
- ▶ **ESPI 12/2019** published on 28 May 2019: "Non public" report: List of all Shareholders entitled to vote on General Meeting of shareholders to be held on 29 May 2019.
- ▶ **ESPI 13/2019** published on 30 May 2019: List of shareholders holding at least 5% of votes at the Annual General Meeting of shareholders held on 29 May 2019.

11.2. Summary of the key events after 30 June 2019

After the period covered by this report the following current reports were published in the EBI (Electronic Database Information) system of Warsaw Stock Exchange:

- ▶ **EBI 13/2019** published on 10 July 2019: Monthly report for June 2019.

After the period covered by this report the following current reports was published in the ESPI (Electronic Information Transmission System) system of Warsaw Stock Exchange:

- ▶ **ESPI 14/2019** published on 2 July 2019: Photon Energy connects three PV power plants with 2.1 MWp to grid in Hungary.
- ▶ **ESPI 15/2019** published on 8 July 2019: Insider Trading Notification
- ▶ **ESPI 16/2019** published on 22 July 2019: Photon Energy considers additional bond issuance

- ▶ **ESPI 17/2019** published on 24 July 2019: Photon Energy acquires four projects with a total capacity of 2.8 MWp and raises its portfolio target in Hungary to 75 MWp by year-end 2021.
- ▶ **ESPI 18/2019** published on 31 July 2019: Photon Energy sells its 25% stake in the Australian Suntop 1 project to Canadian Solar
- ▶ **ESPI 19/2019** published on 1 August 2019: Photon Energy decided to increase its existing 7.75% bond 2017/2022
- ▶ **ESPI 20/2019** published on 5 August 2019: Photon Energy increased its existing 7.75% bond 2017/2022 by additional EUR 7.5 million.

12. Detailed consolidated financial results for 2019Q2

The tables below present the **consolidated** and **un-audited** financial statements of Photon Energy N.V. for the period starting on 1 April 2019 and ending on 30 June 2019 and the corresponding period of the previous year. The reported data is presented in accordance with **International Financial and Reporting Standards (IFRS)**.

Statement of Comprehensive Income

in Thousands	EUR		PLN		CZK	
	2018Q2	2019Q2	2018Q2	2019Q2	2018Q2	2019Q2
Total revenues	6,753	7,941	28,794	34,003	172,929	203,953
<i>Out of that: Revenues from electricity generation</i>	4,669	4,997	19,907	21,396	119,555	128,338
<i>Out of that: Other revenues</i>	2,084	2,944	8,887	12,606	53,374	75,615
Cost of sales	-1,511	-2,339	-6,441	-10,014	-38,682	-60,067
Solar levy CZ	-337	-324	-1,437	-1,388	-8,630	-8,326
Gross profit	4,906	5,278	20,917	22,600	125,618	135,560
Other income	34	11	144	46	866	278
Administrative expenses	-585	-652	-2,493	-2,791	-14,973	-16,740
Personnel expenses	-861	-1,102	-3,669	-4,720	-22,036	-28,311
Other expenses	-108	-19	-462	-83	-2,776	-500
EBITDA	3,386	3,515	14,436	15,052	86,699	90,287
Depreciation	-1,915	-1,992	-8,166	-8,530	-49,045	-51,162
EBIT	1,470	1,523	6,270	6,523	37,654	39,124
Interests income	13	24	55	102	328	611
Financial revenues	0	5	0	19	0	117
Interest costs	-809	-1,043	-3,452	-4,466	-20,729	-26,786
Financial expenses	-868	-154	-3,701	-659	-22,224	-3,955
Revaluation of derivatives	260	194	1,108	832	6,654	4,991
Net finance expenses	-1,405	-974	-5,989	-4,171	-35,971	-25,021
Share of profit from associates / J-Vs	111	77	473	329	2,840	1,975
Disposal of investments	0	0	0	0	0	0
Profit / loss before taxation	177	626	753	2,680	4,524	16,078
Income tax – current	-274	-359	-1,168	-1,537	-7,016	-9,221
Income tax – deferred	-58	-59	-245	-251	-1,474	-1,506
Profit/loss from continuing operations	-155	208	-661	892	-3,967	5,351
Profit/loss from discontinued operations	0	0	0	0	0	0
Profit/loss after taxation	-155	208	-661	892	-3,967	5,351
Other comprehensive income for the period	-1,119	456	-4,771	1,953	-28,654	11,712
Total comprehensive income for the period	-1,274	664	-5,432	2,845	-32,621	17,063
Profit/loss after taxation	-155	208	-661	892	-3,967	5,351
<i>Attributable to the equity holders</i>	-146	228	-621	977	-3,732	5,859
<i>Attributable to minority interest</i>	-9	-20	-39	-85	-235	-508
Total comprehensive income for the period	-1,274	664	-5,432	2,845	-32,621	17,063
<i>Attributable to the equity holders</i>	-1,265	684	-5,393	2,929	-32,387	17,571
<i>Attributable to minority interest</i>	-9	-20	-39	-85	-235	-508
Average no. of shares outstanding (in thousand)	51,393	51,113	51,393	51,113	51,393	51,113
Earnings per share outstanding	-0.003	0.004	-0.013	0.017	-0.077	0.105
Comprehensive income per share outstanding	-0.025	0.013	-0.106	0.056	-0.635	0.334
<i>EUR exchange rate – low</i>			4.160	4.249	25.255	25.435
<i>EUR exchange rate – average</i>			4.264	4.282	25.607	25.685
<i>EUR exchange rate – high</i>			4.373	4.309	26.020	25.860

Note: Exchange rates provided by the European Central Bank

Statement of Financial Position

in Thousands	EUR		PLN		CZK	
	30.06.2018	30.06.2019	30.06.2018	30.06.2019	30.06.2018	30.06.2019
Intangibles	0	0	0	0	0	0
Property, plant and equipment	69,811	80,682	305,290	342,843	1,816,474	2,052,944
Right of use-leased asset	0	2,434	0	10,341	0	61,923
Investments in associates /joint ventures	2,792	3,504	12,209	14,888	72,641	89,149
Other investments	8	3	37	13	220	76
Longterm receivables	0	0	0	0	0	0
Deferred tax assets	0	0	0	0	0	0
Non-current assets	72,611	86,622	317,535	368,085	1,889,335	2,204,093
Inventories – Goods	12,500	5,082	54,665	21,597	325,258	129,321
Trade receivables	3,532	3,650	15,444	15,508	91,893	92,865
Other receivables	3,949	6,942	17,271	29,498	102,763	176,634
Loans	632	882	2,763	3,749	16,439	22,451
Contracted work in progress	473	4,191	2,067	17,808	12,298	106,632
Prepaid expenses	928	1,101	4,058	4,679	24,145	28,020
Cash and cash equivalents	12,316	6,402	53,860	27,204	320,465	162,900
Other S-T financial assets	0	0	0	0	0	0
Assets held for sale	0	0	0	0	0	0
Current assets	34,330	28,250	150,128	120,044	893,261	718,823
Total assets	106,941	114,872	467,667	488,129	2,782,617	2,922,916
Issued share capital	600	600	2,624	2,550	15,612	15,267
Share premium	23,760	23,760	103,905	100,964	618,235	604,573
Legal reserve fund	13	13	58	57	347	340
Reserves	21,845	25,667	95,529	109,067	568,400	653,091
Retained earnings	-18,222	-18,383	-79,688	-78,114	-474,146	-467,744
Equity attributable to owners of the Company	27,996	31,658	122,428	134,523	728,449	805,526
Non-controlling interests	-38	-73	-166	-311	-991	-1,863
Total equity	27,958	31,584	122,262	134,212	727,459	803,664
Bank loans	31,816	33,980	139,133	144,392	827,844	864,617
Other long-term liabilities	21,625	32,703	94,567	138,964	562,672	832,116
Lease liability	0	2,434	0	10,341	0	61,923
Other loans	0	0	0	0	0	0
Deferred tax liabilities	6,034	6,685	26,386	28,406	156,999	170,096
Non-current liabilities	59,474	75,801	260,086	322,103	1,547,514	1,928,752
Bank Loans	3,414	4,252	14,929	18,068	88,825	108,193
Other loans	228	0	997	0	5,933	0
Trade payables	1,421	802	6,213	3,406	36,969	20,395
Other payables	13,966	2,205	61,073	9,369	363,387	56,102
Other shortterm liabilities	0	0	0	0	0	0
Current tax liabilities (income tax)	481	228	2,101	971	12,504	5,814
Provisions	0	0	0	0	0	0
Current liabilities	19,509	7,487	85,314	31,814	507,618	190,504
Total liabilities	78,983	83,288	345,401	353,917	2,055,138	2,119,256
Total equity & liabilities	106,940	114,872	467,662	488,130	2,782,591	2,922,920
<i>No. of shares outstanding in thousand</i>	<i>51,356</i>	<i>51,137</i>	<i>51,356</i>	<i>51,137</i>	<i>51,356</i>	<i>51,137</i>
<i>Book value per share outstanding</i>	<i>0.544</i>	<i>0.618</i>	<i>2.381</i>	<i>2.625</i>	<i>14.165</i>	<i>15.716</i>

Cash Flow Statement

in Thousands	EUR		PLN		CZK	
	2018Q2	2019Q2	2018Q2	2019Q2	2018Q2	2019Q2
Profit/loss before taxation	177	626	753	2,680	4,524	16,078
Adjustments for:						
Depreciation	1,915	1,992	8,166	8,530	49,045	51,162
Other changes in fixed assets	0	0	0	0	0	0
Share of profit of equity accounted investees	-59	-77	-250	-329	-1,501	-1,975
Profit /Loss on sale of property, plant and equipment	0	0	0	0	0	0
Other non-cash items	117	109	499	467	2,996	2,800
Capital gains	0	0	0	0	0	0
Net finance expenses	1,405	974	5,989	4,171	35,971	25,021
Changes in:						
Trade and other receivables	-1,283	-622	-5,470	-2,663	-32,850	-15,974
Contracted work in progress	-105	182	-447	781	-2,685	4,684
Prepaid expenses	-131	38	-560	162	-3,366	970
Inventories	1,084	-3,420	4,624	-14,644	27,770	-87,834
Trade and other payables	785	-82	3,347	-351	20,104	-2,106
Other liabilities	127	-101	543	-433	3,260	-2,597
Operating cash flow	4,033	-380	17,195	-1,629	103,267	-9,771
Acquisition of property, plant and equipment	-1,660	-4,913	-7,078	-21,038	-42,508	-126,189
Acquisition of subsidiary (net of cash acquired), associates, joint ventures	-1,254	-615	-5,347	-2,632	-32,111	-15,786
Acquisition of other investments	-250	-61	-1,066	-262	-6,402	-1,572
Proceeds from sale of investments	0	0	0	0	0	0
Proceeds from sale of property, plant and equipment, other investments	0	0	0	0	0	0
Interest received	0	0	0	0	0	0
Investment cash flow	-3,164	-5,589	-13,491	-23,932	-81,021	-143,548
Proceeds from issuance of ordinary shares	0	0	0	0	0	0
Change of consolidation method (acquisition of JV)	0	0	0	0	0	0
Proceeds from borrowings	228	10,333	972	44,249	5,838	265,411
Repayment of borrowings	-2,464	-4,701	-10,508	-20,132	-63,105	-120,752
Proceeds from issuing bonds	10,818	27	46,127	118	277,026	706
Repayment of bonds	0	0	0	0	0	0
Interest expenses	-796	-1,090	-3,396	-4,667	-20,396	-27,993
Financing cash flow	7,785	4,570	33,196	19,568	199,363	117,372
Net increase/decrease in cash and cash equivalents	8,654	-1,400	36,900	-5,993	221,610	-35,946
Cash at the beginning of the period	3,662	7,802	15,615	33,408	93,780	200,384
Effect of exchange rate fluctuation	0	0	0	0	0	0
Cash at the end of the period	12,317	6,402	52,515	27,415	315,390	164,437
EUR exchange rate – low			4.160	4.249	25.255	25.435
EUR exchange rate – average			4.264	4.282	25.607	25.685
EUR exchange rate – high			4.373	4.309	26.020	25.860

Statement of Changes in Equity

in thousand EUR	Share capital	Share premium	Legal reserve Fund	Revaluation reserve	Currency translation reserve	Hedging reserve	Retained earnings	TOTAL	Non-controlling interests	TOTAL EQUITY
BALANCE at 31.12.2018	600	23,760	13	22,935	698	223	-18,411	29,819	-40	29,779
Profit for the period 1.1.2019 – 30.6.2019							-1,070	-1,070	-34	-1,103
Revaluation of PPE				2,629				2,629		2,629
Share on revaluation of PPE of associates, JV								0		0
Foreign currency translation differences					327			327		327
Derivatives						-47		-47		-47
Acquisition of JV								0		0
Total comprehensive income for the year	0	0	0	2,629	327	-47	-1,070	1,839	-34	1,805
new shares								0		0
Move from revaluation reserve to retained				-1,098			1,098	0		0
Move of RE due to entity disposal/change of cons.								0		0
BALANCE at 30.6.2019	600	23,760	13	24,466	1,025	176	-18,383	31,658	-73	31,584

13. Detailed accumulated consolidated financial results for 2019 H1

The tables below present the **consolidated** and **un-audited** financial statements of Photon Energy N.V. for the six-month period starting on 1 January 2019 and ending on 30 June 2019 and the corresponding period of the previous year. The reported data is presented in accordance with **International Financial and Reporting Standards (IFRS)**.

Statement of Comprehensive Income

in Thousands	EUR		PLN		CZK	
	2018H1	2019H1	2018H1	2019H1	2018H1	2019H1
Total revenues	10,467	12,138	44,173	52,099	266,901	311,760
<i>Out of that: Revenues from electricity generation</i>	6,325	7,437	26,693	31,918	161,285	190,997
<i>Out of that: Other revenues</i>	4,142	4,702	17,480	20,181	105,616	120,763
Cost of sales	-2,922	-3,773	-12,330	-16,192	-74,497	-96,893
Solar levy CZ	-456	-479	-1,924	-2,056	-11,625	-12,306
Gross profit	7,089	7,887	29,919	33,851	180,779	202,561
Other income	119	30	502	128	3,034	767
Administrative expenses	-1,037	-1,151	-4,375	-4,940	-26,433	-29,560
Personnel expenses	-1,609	-2,133	-6,789	-9,155	-41,022	-54,786
Other expenses	-153	-38	-644	-163	-3,892	-976
EBITDA	4,411	4,595	18,614	19,720	112,466	118,007
Depreciation	-2,760	-2,979	-11,648	-12,784	-70,379	-76,500
EBIT	1,651	1,616	6,968	6,936	42,100	41,506
Interests income	98	60	414	258	2,503	1,544
Financial revenues	0	191	0	821	0	4,915
Interests cost	-1,602	-2,088	-6,762	-8,961	-40,857	-53,621
Financial expenses	-1,165	-230	-4,915	-986	-29,697	-5,902
Revaluation of derivatives	151	194	639	834	3,860	4,991
Net finance expenses	-2,517	-1,872	-10,624	-8,034	-64,191	-48,073
Share of profit from associates / J-Vs	3	-74	11	-317	65	-1,895
Disposal of investments	3,074	0	12,971	0	78,376	0
Profit / loss before taxation	2,209	-329	9,324	-1,414	56,338	-8,461
Income tax – current	-391	-556	-1,650	-2,386	-9,970	-14,280
Income tax – deferred	-87	-184	-367	-791	-2,216	-4,736
Profit/loss from continuing operations	1,731	-1,070	7,307	-4,592	44,151	-27,477
Profit/loss from discontinued operations	0	0	0	0	0	0
Profit/loss after taxation	1,731	-1,070	7,307	-4,592	44,151	-27,477
Other comprehensive income for the period	-964	2,909	-4,068	12,484	-24,582	74,701
Total comprehensive income for the period	767	1,839	3,239	7,892	19,569	47,224
Profit/loss after taxation	1,731	-1,070	7,307	-4,592	44,151	-27,477
<i>Attributable to the equity holders</i>	1,750	-1,036	7,386	-4,447	44,626	-26,612
<i>Attributable to minority interest</i>	-19	-34	-79	-144	-475	-865
Total comprehensive income for the period	767	1,839	3,239	7,892	19,569	47,224
<i>Attributable to the equity holders</i>	786	1,872	3,317	8,036	20,044	48,089
<i>Attributable to minority interest</i>	-19	-34	-79	-144	-475	-865
Average no. of shares outstanding (in thousand)	51,392	51,090	51,392	51,090	51,392	51,090
Earnings per share outstanding	0.002	0.002	0.007	0.007	0.041	0.041
Comprehensive income per share outstanding	0.031	0.031	0.133	0.135	0.801	0.807
<i>EUR exchange rate – low</i>			4.142	4.249	25.190	25.435
<i>EUR exchange rate – average</i>			4.220	4.292	25.500	25.684
<i>EUR exchange rate – high</i>			4.373	4.344	26.020	25.870

Note: Exchange rate provided by the European Central Bank

Cash Flow Statement

in Thousands

	EUR		PLN		CZK	
	2018H1	2019H1	2018H1	2019H1	2018H1	2019H1
Profit/loss before taxation	2,209	-329	9,324	-1,414	56,338	-8,461
Adjustments for:						
Depreciation	2,760	2,979	11,648	12,784	70,379	76,500
Other changes in fixed assets	0	0	0	0	0	0
Share of profit of equity accounted investees	120	74	505	317	3,053	1,895
Profit /Loss on sale of property, plant and equipment	0	0	0	0	0	0
Other non-cash items	-244	164	-1,030	704	-6,222	4,212
Capital gains	-3,074	0	-12,971	0	-78,376	0
net finance costs	2,517	1,872	10,624	8,034	64,191	48,073
Changes in:						
Trade and other receivables	-2,542	-361	-10,729	-1,551	-64,829	-9,283
Contracted work in progress	-98	-424	-416	-1,820	-2,512	-10,890
Prepaid expenses	-213	75	-900	321	-5,441	1,923
Inventories	-11,155	-3,934	-47,077	-16,885	-284,449	-101,040
Trade and other payables	13,886	-1,337	58,602	-5,737	354,084	-34,329
Other liabilities	-124	-201	-524	-864	-3,165	-5,173
Operating cash flow	4,041	-1,424	17,055	-6,112	103,051	-36,574
Acquisition of property, plant and equipment	-1,660	-5,710	-7,006	-24,509	-42,329	-146,663
Acquisition of subsidiary (net of cash acquired), associates, joint ventures	-1,254	-1,271	-5,292	-5,455	-31,976	-32,640
Acquisition of other investments	-250	-90	-1,055	-387	-6,375	-2,315
Proceeds from sale of investments	3,074	0	12,971	0	78,376	0
Proceeds from sale of property, plant and equipment, other investments	0	0	0	0	0	0
Interest received	0	0	0	0	0	0
Investment cash flow	-90	-7,071	-381	-30,351	-2,304	-181,618
Proceeds from issuance of ordinary shares	0	0	0	0	0	0
Change of consolidation method (acquisition of JV)	0	0	0	0	0	0
Proceeds from borrowings	228	10,333	962	44,351	5,814	265,398
Repayment of borrowings	-3,401	-5,869	-14,353	-25,191	-86,726	-150,745
Proceeds from issuing bonds	12,339	231	52,075	993	314,647	5,939
Repayment of long term liabilities/bonds	-6,533	0	-27,571	0	-166,589	0
Interest expenses	-1,602	-2,135	-6,762	-9,163	-40,857	-54,828
Financing cash flow	1,031	2,561	4,351	10,990	26,288	65,764
Net increase/decrease in cash and cash equivalents	4,982	-5,935	21,025	-25,473	127,034	-152,428
Cash at the beginning of the period	7,333	12,337	30,946	52,951	186,980	316,857
Effect of exchange rate fluctuation	0	0	0	0	0	0
Cash at the end of the period	12,317	6,402	51,979	27,478	314,066	164,429
EUR exchange rate - low			4.142	4.249	25.190	25.435
EUR exchange rate - average			4.220	4.292	25.500	25.684
EUR exchange rate - high			4.373	4.344	26.020	25.870

14. Detailed entity financial results for 2019Q2

The tables below present the **entity** and **unaudited** financial statements of Photon Energy N.V. for the three-month period starting on 1 April 2019 and ending on 30 June 2019 and the corresponding period of the previous year. The reported data is presented in accordance with **Dutch Accounting Standards**.

Income Statement

in Thousands (except EPS)	EUR		PLN		CZK	
	2018Q2	2019Q2	2018Q2	2019Q2	2018Q2	2019Q2
Revenues from the sale of products, goods and services	514	568	2,191	2,432	13,159	14,589
Cost of sales	-384	-423	-1,637	-1,812	-9,833	-10,869
Gross profit	130	145	554	620	3,327	3,720
Other administrative expenses	-129	-145	-549	-621	-3,296	-3,726
Other income	0	0	0	0	0	0
Other expenses	-3	-106	-11	-455	-65	-2,728
EBITDA	-1	-106	-6	-456	-35	-2,734
Amortization&depreciation	0	0	0	0	-2	0
EBIT	-1	-106	-6	-456	-37	-2,734
Financial income	84	488	359	2,088	2,157	12,523
Financial costs	-215	-771	-916	-3,304	-5,499	-19,815
Profit / loss before taxation	-132	-390	-562	-1,672	-3,378	-10,027
Income tax	0	0	0	0	0	0
Profit/loss for the period (net income)	-132	-390	-562	-1,672	-3,378	-10,027

Balance Sheet

in Thousands	EUR		PLN		CZK	
	30.06.2018	30.06.2019	30.06.2018	30.06.2019	30.06.2018	30.06.2019
Intangibles	0	0	0	0	0	0
Property, plant and equipment	0	0	0	0	0	0
Investments in associates /joint ventures	37,727	42,381	164,986	180,093	981,667	1,078,394
Other investments	0	0	0	0	0	0
Longterm receivables	82	82	359	349	2,133	2,092
Deferred tax assets	0	0	0	0	0	0
Non-current assets	37,809	42,464	165,345	180,442	983,800	1,080,486
Inventories – Goods	0	0	0	0	0	0
Trade and other receivables	7,646	9,302	33,437	39,527	198,950	236,688
Loans	8,715	22,719	38,111	96,539	226,759	578,075
Gross amount due from customers for contract work	0	0	0	0	0	0
Prepaid expenses	707	899	3,093	3,822	18,403	22,884
Cash and cash equivalents	4,396	468	19,223	1,990	114,377	11,918
Current assets	21,464	33,388	93,864	141,878	558,489	849,565
Total assets	59,273	75,852	259,208	322,320	1,542,290	1,930,051
Issued share capital	600	600	2,624	2,550	15,612	15,267
Share premium	36,871	36,871	161,241	156,677	959,383	938,183
Legal reserve fund	0	0	0	0	0	0
Reserves	17,315	16,565	75,720	70,390	450,535	421,495
Retained earnings	-26,097	-16,407	-114,123	-69,719	-679,033	-417,475
Profit/loss for the current period	2,385	-889	10,432	-3,778	62,068	-22,621
Equity attributable to owners of the Company	31,074	36,740	135,893	156,120	808,564	934,849
Non-controlling interests	0	0	0	0	0	0
Total equity	31,074	36,740	135,893	156,120	808,564	934,849
Non-current liabilities	22,999	33,871	100,577	143,931	598,433	861,857
Bank Loan	0	0	0	0	0	0
Other long term liabilities	22,999	33,871	100,577	143,931	598,433	861,857
Other loans	0	0	0	0	0	0
Deferred tax liabilities	0	0	0	0	0	0
Current liabilities	5,200	2,032	22,740	8,636	135,304	51,709
Bank Loans	0	0	0	0	0	0
Other loans	502	277	2,197	1,175	13,072	7,037
Trade and other payables	4,438	1,280	19,407	5,440	115,474	32,575
Other shortterm liabilities	260	475	1,138	2,020	6,774	12,098
Current tax liabilities (income tax)	0	0	0	0	0	0
Provisions	0	0	0	0	0	0
TOTAL Equity & Liabilities	59,273	72,644	259,210	308,687	1,542,301	1,848,416
<i>No. of shares outstanding in thousand</i>	<i>51,393</i>	<i>51,137</i>	<i>51,393</i>	<i>51,137</i>	<i>51,393</i>	<i>51,137</i>
<i>Book value per share outstanding</i>	<i>1.153</i>	<i>1.421</i>	<i>5.044</i>	<i>6.036</i>	<i>30.010</i>	<i>36.146</i>

15. Detailed accumulated entity financial results for 2019H1

The tables below present the **entity** and **un-audited** financial statements of Photon Energy N.V. for the six-month period starting on 1 January 2019 and ending on 30 June 2019 and the corresponding period of the previous year. The reported data is presented in accordance with Dutch Accounting Standards (DAS).

in Thousands (except EPS)	EUR		PLN		CZK	
	2018H1	2019H1	2018H1	2019H1	2018H1	2019H1
Revenues from the sale of products, goods and services	887	1,132	3,742	4,859	22,609	29,076
Cost of sales	-710	-841	-2,996	-3,609	-18,103	-21,595
Gross profit	177	291	746	1,250	4,507	7,481
Other administrative expenses	-239	-291	-1,007	-1,251	-6,086	-7,486
Other income	3,074	70	12,971	300	78,376	1,797
Other expenses	-27	-109	-113	-466	-683	-2,787
EBITDA	2,985	-39	12,597	-166	76,114	-995
Amortization&depreciation	-3	0	-12	0	-70	0
EBIT	2,982	-39	12,586	-166	76,045	-995
Financial income	219	667	925	2,862	5,588	17,126
Financial costs	-816	-1,517	-3,444	-6,511	-20,806	-38,964
Profit / loss before taxation	2,385	-889	10,067	-3,816	60,826	-22,833
Income tax	0	0	0	0	0	0
Profit/loss for the period (net income)	2,385	-889	10,067	-3,816	60,826	-22,833

16. Financial results per operating segments

The tables below present the **consolidated** and **un-audited** financial results per operating segment of Photon Energy N.V. for the period starting on 1 January 2019 and ending on 30 June 2019 and the corresponding period of the previous year. The reported data are presented in accordance with **International Financial and Reporting Standards (IFRS)**.

Results of the operating segments for the period from 1 January to 30 June 2019

EUR thousand	Energy solutions	Production of electricity	Operations, maintenance and PVPP supervision	PV Invest.	Other	Total for segments	Elimination	Consolidated financial information
External revenues from sale of products, goods & services	3,416	7,437	1,190	0	96	12,138	0	12,138
Revenues within segments from sale of products, goods, services	2,891	0	519	0	1,975	5,385	-5,385	0
Cost of sale	-5,055	-428	-818	0	-73	-6,373	2,600	-3,773
Levy	0	-479	0	0	0	-479	0	-479
Gross profit	1,252	6,530	891	0	1,998	10,671	-2,785	7,886
Other external income	8	0	0	0	21	30	0	30
Administrative and other expenses	-487	-135	-896	0	-2,653	-4,170	848	-3,322
Depreciation	-11	-2,904	-39	0	-24	-2,979	0	-2,979
Operating income	762	3,491	-44	0	-658	3,552	-1,937	1,615
Interest income	59	184	56	0	811	1,110	-1,050	60
Interest expenses	-128	-1,222	-106	0	-1,723	-3,178	1,090	-2,088
Other financial revenues	39	95	51	0	8	191	0	191
Other financial expenses	-7	-115	-5	0	-103	-230	0	-230
Revaluation of derivatives	0	194	0	0	0	194	0	194
Profit/loss share in entities in equivalency	0	0	0	-74	0	-74	0	-74
Disposal of investment	0	0	0	0	0	0	0	0
Income tax	-150	-406	0	0	0	-556	0	-556
Deferred tax	0	-184	0	0	0	-184	0	-184
Profit/loss from discontinuing operations	0	0	0	0	0	0	0	0
Profit/loss after taxation	575	2,036	-48	-74	-1,665	825	-1,897	-1,070
Revaluation of property, plant and equipment	0	2,629	0	0	0	2,629	0	2,629
Foreign currency translation diff. - foreign operations	0	327	0	0	0	327	0	327
Share of revaluation of PPE of associates /joint venture	0	0	0	0	0	0	0	0
Share of currency translation diff. of associates / JV	0	0	0	0	0	0	0	0
Derivatives (hedging)	0	-47	0	0	0	-47	0	-47
Total comprehensive income	575	4,945	-48	-74	-1,665	3,734	-1,897	1,839
Assets, of which	22,224	95,924	8,566	3,504	52,523	182,741	-70,406	112,335
PPE – Lands	0	3,872	0	0	268	4,140	0	4,140
PPE – Photovoltaic power plants	0	74,092	0	0	0	74,092	0	74,092
PPE - Equipment	53	0	217	0	216	485	0	485
PPE – Assets in progress	1	693	706	0	564	1,964	0	1,964
Intangibles	0	0	0	0	0	0	0	0
Right of use-leased asset	0	1,812	0	0	622	2,434	0	2,434
Trade and other receivables	13,629	9,962	6,956	0	47,913	78,460	-70,406	8,054
Loans	0	0	0	0	883	883	0	883
Contracted work in progress	3,742	77	0	0	372	4,191	0	4,191
Inventories – Goods	4,392	220	456	0	15	5,082	0	5,082
Investments in associates, JV, other	0	0	0	3,504	3	3,507	0	3,507
Deferred tax receivables	0	0	0	0	0	0	0	0
Long term receivables	0	0	0	0	0	0	0	0
Prepaid expenses	9	90	32	0	970	1,101	0	1,101
Assets held for sale	0	0	0	0	0	0	0	0
Cash and cash equivalents	399	5,104	200	0	699	6,402	0	6,402
Other S-T financial assets	0	0	0	0	0	0	0	0
Liabilities, of which	23,476	57,750	13,118	0	58,218	152,561	-69,274	83,287
Trade and other payables	23,471	10,280	12,890	0	25,640	72,280	-69,274	3,006
Bank Loans and other loans	0	38,232	0	0	0	38,232	0	38,232
Lease liability	0	1,812	0	0	622	2,434	0	2,434
Other long term liabilities	0	601	140	0	31,962	32,703	0	32,703
Other short term liabilities	0	0	0	0	0	0	0	0
Current tax liabilities (income tax)	5	141	88	0	-6	228	0	228
Provisions	0	0	0	0	0	0	0	0
Deferred tax liabilities	0	6,685	0	0	0	6,685	0	6,685

Results of the operating segments for the period from 1 January to 30 June 2018

EUR thousand	Energy solutions	Production of electricity	Operations, maintenance and PVPP supervision	PV Invest.	Other	Total for segments	Elimination	Consolidated financial information
External revenues from sale of products, goods & services	2,710	6,325	1,046	0	386	10,467	0	10,467
Revenues within segments from sale of products, goods, services	1,283	301	512	0	1,627	3,723	-3,723	0
Cost of sale	-3,118	-743	-520	0	-29	-4,410	1,488	-2,922
Levy	0	-456	0	0	0	-456	0	-456
Gross profit	875	5,427	1,038	0	1,984	9,324	-2,235	7,089
Other external income	3	92	0	0	24	119	0	119
Administrative and other expenses	-713	-293	-741	0	-2,123	-3,870	1,072	-2,798
Depreciation	-8	-2,701	-35	0	-16	-2,760	0	-2,760
Operating income	157	2,525	262	0	-131	2,813	-1,163	1,650
Interest income	32	150	20	0	230	432	-334	98
Interest expenses	-66	-878	-56	0	-936	-1,936	334	-1,602
Other financial revenues	0	0	0	0	0	0	0	0
Other financial expenses	-1,090	-63	-51	0	39	-1,165	0	-1,165
Revaluation of derivatives	0	151	0	0	0	151	0	151
Profit/loss share in entities in equivalency	0	0	0	3	0	3	0	3
Disposal of investment	0	0	0	0	3,074	3,074	0	3,074
Income tax	0	-391	0	0	0	-391	0	-391
Deferred tax	0	-87	0	0	0	-87	0	-87
Profit/loss from discontinuing operations	0	0	0	0	0	0	0	0
Profit/loss after taxation	-967	1,407	175	3	2,276	2,894	-1,163	1,731
Revaluation of property, plant and equipment	0	0	0	0	0	0	0	0
Foreign currency translation diff. - foreign operations	0	0	0	-1,040	0	-1,040	0	-1,040
Share of revaluation of PPE of associates /joint venture	0	0	0	0	0	0	0	0
Share of currency translation diff. of associates / JV	0	0	0	0	0	0	0	0
Derivatives (hedging)	0	0	0	76	0	76	0	76
Total comprehensive income	-967	1,407	175	-961	2,276	1,930	-1,163	767
Assets, of which	18,687	85,621	4,878	2,792	32,168	144,146	-37,205	106,941
PPE – Lands	0	3,766	0	0	0	3,766	0	3,766
PPE – Photovoltaic power plants	0	65,054	0	0	0	65,054	0	65,054
PPE – Equipment	0	0	181	0	142	323	0	323
PPE – Assets in progress	174	207	287	0	0	668	0	668
Intangibles	0	0	0	0	0	0	0	0
Trade and other receivables	6,175	8,444	3,840	0	25,971	44,430	-36,949	7,481
Loans	0	0	0	0	632	632	0	632
Contracted work in progress	207	25	0	0	241	473	0	473
Inventories – Goods	12,035	259	412	0	50	12,756	-256	12,500
Investments in associates, JV, other	0	0	8	2,792	0	2,800	0	2,800
Deferred tax receivables	0	0	0	0	0	0	0	0
Long term receivables	0	0	0	0	0	0	0	0
Prepaid expenses	7	190	37	0	694	928	0	928
Assets held for sale	0	0	0	0	0	0	0	0
Cash and cash equivalents	89	7,676	113	0	4,438	12,316	0	12,316
Other S-T financial assets	0	0	0	0	0	0	0	0
Liabilities, of which	-20,967	-49,758	-8,674	0	-36,289	-115,688	36,705	-78,983
Trade and other payables	-20,967	-7,470	-8,439	0	-15,215	-52,091	36,705	-15,386
Bank Loans and other loans	0	-35,229	0	0	-228	-35,457	0	-35,457
Other long term liabilities	0	-544	-235	0	-20,846	-21,625	0	-21,625
Other short term liabilities	0	0	0	0	0	0	0	0
Current tax liabilities (income tax)	0	-481	0	0	0	-481	0	-481
Provisions	0	0	0	0	0	0	0	0
Deferred tax liabilities	0	-6,034	0	0	0	-6,034	0	-6,034

17. Summary of significant accounting policies

Basis of preparation

Our accounting policies are based on International Financial Reporting Standards (IFRS) as adopted by the European Union and were authorised for publication by the Board of Directors.

The following main standards are applied by Group:

- ▶ IAS 1 – Presentation of financial information
- ▶ IAS 2 – Inventories
- ▶ IAS 12 – Income Taxes
- ▶ IAS 16 – Property, plant and equipment
- ▶ IAS 18 – Revenues
- ▶ IAS 21 - The effects of changes in foreign exchange rates
- ▶ IAS 24 – Related transactions presentation
- ▶ IAS 27 – Consolidated and separate financial information
- ▶ IAS 28 - Investments in Associates
- ▶ IAS 33 - Earnings per Share
- ▶ IAS 36 – Impairment
- ▶ IAS 37 – Provisions
- ▶ IAS 38 – Intangible Assets
- ▶ IFRS 3 – Business combinations
- ▶ IFRS 5 – Non-current assets held-for-sale and discontinued operations
- ▶ IFRS 8 - Operating segments
- ▶ IFRS 19 - Leasing

Use of estimates and judgments

In preparing the financial information, the Company's management uses estimates and makes assumptions that affect the application of accounting policies and the amounts of assets, liabilities, income and expenses recognised in the financial information. These estimates and assumptions are based on past experience and various other factors deemed appropriate as at the date of preparation of the financial information and are used where the carrying amounts of assets and liabilities are not readily available from other sources or where uncertainty exists in applying the individual accounting policies. Actual results may differ from the estimates.

Estimates and assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised either in the period in which the estimate is revised, providing that the revision relates only to the current accounting period, or in the revision period and future periods, providing the revision affects both the current and future periods.

Provisions

A provision is recognised, if as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

Presentation of Financial information

Financial information is presented based on historical costs with exemptions when IFRS requires different evaluation methods as described below in accounting policies. The statement of comprehensive income is presented with revenues and expenses classified by purpose (function). The cash flow statement is prepared using an indirect method.

The functional currency is the EURO (EUR) and for the purpose of the reporting, as required by the regulations of the Alternative System of Trading organised by the Warsaw Stock Exchange - NewConnect, the balances are retranslated into PLN currency.

Consolidation

(a) Subsidiaries

Subsidiaries are all entities (including special purpose entities) over which the Group has the power to govern the financial and operating policies generally accompanying a shareholding of more than one half of the voting rights. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The purchase method of accounting is used to account for the acquisition of subsidiaries by the Group. The cost of an acquisition is measured as the fair value of the assets given, equity instruments issued and liabilities incurred or assumed at the date of exchange, plus costs directly attributable to the acquisition.

The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the net assets of the subsidiary acquired, the difference is recognised directly in the income statement.

Income and expenses of subsidiaries acquired or disposed of during the year are included in the consolidated statement of comprehensive income from the effective date of acquisition and up to the effective date of disposal, as appropriate.

Inter-company transactions, balances and unrealised gains on transactions between Group companies are eliminated. Unrealised losses are also eliminated.

Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

(b) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of more than 20% and less than 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting and are initially recognised at cost. The cost of the investment includes transaction costs.

The Group's share of its associates' post-acquisition profits or losses is recognised in the income statement, and its share of post-acquisition movements in reserves is recognised in reserves. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment.

When the Group's share of losses exceeds its interest in an equity-accounted investee, the carrying amount of that interest, including any long-term investments, is reduced to zero, and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

Unrealised gains on transactions between the group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group.

Segment reporting

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur expenses, including revenues and expenses that relate to transactions with any of the Group's other components. All operating segments' operating results are reviewed regularly by the Group's management and directors to make decisions about resources to be allocated to the segment and to assess its performance, and for which discrete financial information is available.

The Company's Management has assessed the Group's business from the segment reporting perspective and decided that they financial results of Photon Energy Group to be reported per segments from an objective perspective starting 1 January 2010.

As of 31 December 2013, the Management Board decided to decrease the number of segments reported.

The Management identified the following segments:

- ▶ Energy Solutions (wholesale and import of FVE components, engineering and construction services of turn-key photovoltaic systems' installations for external clients and Photon Energy),
- ▶ Production of electricity (includes SPE that finished building of photovoltaic power plants and those that are connected to the distribution network and produce electricity)

- ▶ PV Investment – This segment represents OCI of the Group flowing from the revaluation of the PV producing electricity and it is related to project companies that generate revenues as shown in the segment Production of electricity.
- ▶ Operations, maintenance and PVPP supervision
- ▶ Other, not related to any of the above mentioned segments.

Other operations include financing and insurance solutions for PV investors, intermediating investments in rooftop photovoltaic projects and other less significant activities. None of these operations meets any of the quantitative thresholds for determining reportable segments in 2018 or 2019.

Segment results that are reported include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Segment capital expenditure is the total cost incurred during the reporting period to acquire property, plant and equipment, and intangible assets other than goodwill.

Foreign currency translation

(a) Functional and presentation currency

Items included in the consolidated financial information of each of the Group's entity are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The consolidated financial information is presented in EUR, which is the company's functional and the Group's presentation currency.

The consolidated financial information is presented in EUR, however, for presentation purposes the financial information is translated into PLN and CZK as presentation currencies. Effects from these translations are presented in Equity - in the Fund for currency conversions.

Exchange rates as shown in table below were applied. All exchange rates were provided by the European Central Bank. The statement of financial position applicable exchange rate represents the exchange rate as of the last day of the reporting date as according to IAS 21. The statement of comprehensive income exchange rate represents the average of daily exchange rates effective within the relevant period.

	PLN		CZK	
	2018Q2	2019Q2	2018Q2	2019Q2
EUR exchange rate – low	4.160	4.249	25.255	25.435
EUR exchange rate – high	4.373	4.309	26.020	25.860
EUR exchange rate – average	4.264	4.282	25.607	25.685
EUR exchange rate – end of period	4.373	4.249	26.020	25.445

(b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the income statement.

(c) Group companies

In case of entities, whose functional currency is CZK, CHF or AUD, the financial statements are retranslated during consolidation into EUR using year-end rates for the balance sheet and average rates for profit/loss items.

Property, plant and equipment

Property, plant and equipment are carried at their fair values, with the exemption of fixed assets under construction which are carried at cost.

Inventories

Inventories are measured at the lower of cost and net realisable value. Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

The cost of inventories is based on the weighted average principle, and includes expenditures incurred in acquiring the inventories, production or conversion costs and other costs incurred in bringing them to their existing location and condition.

Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and services in the ordinary course of the Group's activities. Revenue is shown net of value-added tax, returns, rebates and discounts and after eliminating sales within the Group.

The Group recognizes revenue when the amount of revenue can be reliably measured, it is probable that future economic benefits will flow to the entity and when specific criteria have been met for each of the Group's activities as described below. The amount of revenue is not considered to be reliably measurable until all contingencies relating to the sale have been resolved. The Group bases its estimates on historical results, taking into consideration the type of customer, the type of transaction and the specifics of each arrangement: the revenues related to development projects (PV power stations) are measured by the percentage of completion method (refer below to Construction contracts).

Trade receivables

Trade receivables are recognised at nominal value, less provision for impairment.

A provision for impairment of trade receivables is established when there is objective evidence that the Group will not be able to collect all amounts due according to the original terms of the receivables. Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy, and default or delinquency in payments are considered indicators that the trade receivable is impaired. The amount of the provision is the difference between the asset's carrying amount and the present value of estimated future cash flows. When a trade receivable becomes uncollectible it is written off.

Cash and cash equivalents

Cash and cash equivalents include cash on hand and current accounts with banks and bank term deposits.

Share capital

Ordinary shares are classified in equity as Issued share capital. Consideration received above the nominal value of the ordinary shares is classified in equity as Share premium.

Trade payables

Trade payables are recognised at nominal value.

Loans and Borrowings

Loan and Borrowings are classified as short-term liabilities (due within 12 months after the reporting date) or long-term liabilities (due more than 12 months after the reporting date).

Financial costs related to the construction period of internal non-current assets are capitalised (refer to Property, plant and equipment).

Current and deferred income tax

The tax expense for the period comprises current and deferred tax.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the reporting date in the countries where the Company's subsidiaries and associates operate and generate taxable income.

Deferred income tax is recognised on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the consolidated financial information. Deferred income tax asset is recognised by the Group in case the Management anticipates the future profits will offset the current income tax asset.

18. Management Board declaration

We hereby confirm that according to our best knowledge the information about Photon Energy NV contained in this report is correct as of the publication of this document and that it fairly reflects the Company's financial situation and business activities.

19. Investor Relations Contact

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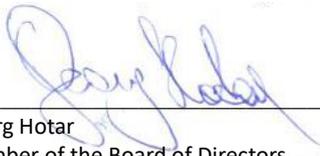
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Amsterdam, 7 August 2019

A handwritten signature in blue ink, appearing to read 'Georg Hotar', written over a horizontal line.

Georg Hotar
Member of the Board of Directors

A handwritten signature in blue ink, appearing to read 'Michael Gartner', written over a horizontal line.

Michael Gartner
Member of the Board of Director



MATERIAL	THINFILM	INSPECTION 100%	TOLERANCE NORM ISO 8015:	PRECISION ISO...	CONCEPT	DESIGN	NORM.REF.	EXAMINED	APPROVED	INDEX	AMEND.
			YES							X	X
										X	X
										X	X
										X	X