

Econergy Renewable Energy Ltd. (the "Company")

October 31, 2022

To To

Securities Authority Tel Aviv Stock Exchange Ltd.

www.isa.gov.il

www.tase.co.il

Dear Sir/Madam,

Subject: **Signing an EPC agreement for equipment acquisition and construction of the Oradea project with a capacity of 81 MW in Romania.**

The Company is pleased to announce that on October 31st, 2022, it entered into an agreement to perform the equipment acquisition and construction for a solar PV Oradea project with a capacity of approx. 81 MW located in the Bihor region in Romania, in accordance with the following (hereinafter - the "EPC Agreement" and the "Project", respectively). The engagement in the EPC agreement and the work to establish the project constitute a significant milestone in the Company's future progress concerning projects with significant outputs.

Additional information regarding the EPC agreement and the project

The agreement was signed with companies from the CHINTEC Group (hereinafter: "The Contractor" According to the contractor's publications, the CHINTEC Group is an established leader in the electric energy field, and has extensive experience with establishing photovoltaic power stations and providing EPC services for 12 countries around the globe. It has established solar photovoltaic projects with a cumulative capacity of approx. 1.7GW globally.

This EPC agreement is the third agreement signed between the contractor and the company.

The EPC Agreement includes customary terms, such as the Contractor's undertaking to complete the operations on schedule, customary liability periods following completion of the operations, full guarantees to secure Contractor undertakings, compensation for loss of income in the event of a delay in execution of the operations, customary causes of action for termination of the agreement, insurance, and so forth.

The agreement also includes the assignment of the purchase orders and the operations that the Company had performed so far in the beginning of the project's construction to the EPC agreement and the contractor's responsibility for them.

The following are the Company's estimates regarding the project:

Total installed capacity	81 MW
Projected date of commercial operation	Q3, 2023
Total Projected Construction Costs (EUR thousands) ¹	62,461
Total projected revenue at an average annual level for the first 5 years of operation (EUR thousands) ²	9,079

¹Including the EPC agreement, equipment acquisition, connecting to the electrical grid, and development costs.

²Revenues are based on the sale of 70% of the electricity output in the PPA agreement according to the Company's assumptions and 30% at market prices based on the Company's market consultants. Assuming the sale of 100% at the market price, income and EBITDA are estimated at approximately

Total projected project EBITDA at an average annual level for the first 5 years of operation (EUR thousands) ²	7,118
Company's rate of holdings in the project ³	100%

For additional information regarding the project, see Section 1.4.2(g) of the Company's Board of Directors' Report as of June 30, 2022, which was attached to the Company's financial statements as of June 30, 2022, the information therein is included in this immediate report by way of reference (hereinafter - the "Board of Directors' Report as of **June 30, 2022**")⁴.

For additional information regarding the energy market in Poland and the Company's activities therein, see also Section 1.11 of Chapter A - Description of the Corporation's Business, which is attached to the Company's 2021 annual report⁵ and Section 1.4.2 of the Company's Board of Directors' Report as of June 30, 2022.

The Company's assessments regarding the costs of establishing the project, the date of commencement of construction and commercial operation, tariffs, revenues and returns are forward-looking information, as this term is defined in the Securities Law, the realization of which is uncertain and not under the sole control of the Company. The aforesaid estimates are based on the Company's plans and assessments, as well as on the characteristics of the project, and may not materialize due to factors beyond the Company's control such as delays in the system's construction, changes in construction costs, changes in financing policy and/or costs, operational issues, weather changes, changes in electricity tariffs, in its sales costs or in the volume of its consumption in Poland, changes in tax rates, changes in the Polish economy and in particular in the electricity sector and regulatory changes. It should be emphasized that as of the date of this immediate report, there is no certainty regarding the completion of the project due to the above, as well as due to a concern regarding the existence of one of the risk factors specified in Section 1.28 of Chapter A - Description of the Corporation's Business, which is attached to the Company's 2021 annual report, the information therein is included in this immediate report by way of reference.

Sincerely,

Econergy Renewable Energy Ltd.

Through: Eyal Podhorzer, CEO, and Yoav Shapira, Deputy CEO

13,744 and approximately 11,235 EUR thousands respectively, according to the Company's market advisors.

³As of the date of this report. According to the Company's report dated February 26, 2022 (Ref: 2022-01-064605), it intends to add a partner who will hold 50% in the project, which is in accordance with a letter of intent signed with that partner.

⁴As published by the Company on August 14, 2022 (Ref: 2022-01-083259).

⁵As published by the Company on March 8, 2022 (Ref: 2022-01-027184).