

**Board of Directors' Report on the State of Affairs of Econergy Renewable Energy Ltd.
As of September 30, 2023**

The Board of Directors of Econergy Renewable Energy Ltd. (hereinafter: "**Company**") is pleased to submit the Company's Board of Directors' Report as of September 30, 2023, in accordance with the Securities Regulations (Periodic and Immediate Reports) 5730-1970 (hereinafter: "**Reporting Regulations**").

Part A - Board of Directors' Explanations of the Company's Business Situation

1. General - The Company's activities and significant events during and subsequent to the reporting period

The Company was incorporated and registered in Israel as a private company on February 9, 2021 as a private company limited by shares, in accordance with the Companies Law, 1999 (hereinafter: the "**Companies Law**"). The Company was established for the purpose of raising capital from the public in Israel through the issuance of Company shares on the Tel Aviv Stock Exchange (hereinafter: "**TASE**"), and it operates itself and through corporations under its control (hereinafter: "**Group**"), in the field of renewable energy in Europe. The Company's business model includes (but is not limited to) revenue from selling electricity generated in the Company's facilities, revenue from project development derived from the sale of rights or adding partners to hold facilities, and providing services under partnership agreements. On July 7, 2021, the Company published a supplemental Prospectus and a shelf Prospectus (dated July 8, 2021, Reference 2021-01-049951), and on July 9, 2021, the Company published a supplemental notice (Reference 2021-01-050950) (hereinafter collectively: "**Prospectus**"). The Company's shares have been trading on the Tel Aviv Stock Exchange Ltd. as of July 13, 2021 under the symbol ECNR.

1.1 Areas of Activity

The Company has six business activity segments divided by geographical location, which are described as areas of activity in the Description of the Corporation's Business, as follows:

- 1.1.1. Area of activity - Italy;
- 1.1.2. Area of activity - UK;
- 1.1.3. Area of activity - Romania;
- 1.1.4. Area of activity - Poland;
- 1.1.5. Area of activity - Spain;
- 1.1.6. Area of activity - Greece.

1.2 Structure of holdings

For information regarding the structure of the Company's holdings, see Section 1.3.7 of Chapter A – Description of the Corporation's Business, attached to the Company's Annual Report for 2022, as published by the Company on March 28, 2023 (reference number: 2023-01-029689), and as amended due to scribal error on April 18, 2023 (reference number: 2023-01-036193), presented in this Report by way of reference ("**Annual Report for 2022**").

1.3 Business environment

For information regarding the Company's business environment, see Sections 1.7, 1.8.1, 1.9.1, 1.10.1, 1.11.1 and 1.12.1 and 1.13.1 of Chapter A – Description of the Corporation's Business attached to the Annual Report for 2022 and Section 1.5 below.

1.4 Material events in the reporting period and up to the publication of the Report - status of project development and forecast of the Company's business results

1.4.1 Significant events in the reporting period and until the publication of the Report

- A. Conclusion of receipt of investment and financing from the French Infragreen Fund amounting to approx. EUR 87.5 million

On November 17, 2022 Econergy International Ltd ("**Econergy England**"), a wholly owned subsidiary of the Company, signed binding agreements with a number of companies from the Rgreen Invest group, a leading investment fund in renewable energy in France incorporated as a company in France (hereafter collectively: "**RG**"), regarding RG's investment of EUR 87.5 million in the capital of Econergy England, as well as regarding entering into a partnership in capital and providing financing for the Company's projects in Europe at an additional total scope of approx. EUR 163.3 million ("**agreements**").

On March 5, 2023, the Company reported that the parties to the agreements signed an amendment according to which the bulk of the additional capital investment by the 5IG fund of RG Group, in accordance with the stipulations of the agreements, amounting to EUR 30 million will be brought forward and carried out on March 2, 2023 (in exchange for the allocation of Econergy England shares which will constitute 6.1% of the issued share capital of Econergy England on the date of closing the deal), and that this investment was made and received by the Company. On May 3, 2023, the Company reported that the balance of the additional capital investment totaling EUR 7.5 million euros (in exchange for the allotment of Econergy England shares, which will constitute 1.4% of the issued share capital of Econergy England at the Closing Date) was completed.

As of September 30, 2023, RG transferred a total of EUR 12.8 million to the project company that owns the rights to the Parau project in Romania, in respect of the allotment of 50% of the project company's shares, when after the balance sheet date most of the proceeds were transferred from the dedicated company to the project company. RG further transferred EUR 38.8 million to a wholly owned subsidiary of Econergy England (a dedicated company for financing the projects by RG under the Cooperation Agreement). On October 9, 2023, a total of approximately 3.4 million additional euros were transferred to the project company.

It should be noted that as of this date, companies from the company group have additional cooperation agreements with RG. For further details, see Section 1.8.2 of Chapter A - Description of the Corporation's Business attached to the annual statement for 2022 as well as the Company's immediate reports dated January 20, 2022, June 26, 2022, November 17, 2022, March 5, 2023 and May 3, 2023 (reference numbers: 2022-01-027184, 2022-01-064605, 2022-01-110790, and 2023-01-019789 and 2023-01-047520 respectively).

B. Binding agreement with the Phoenix Insurance Company Ltd. regarding starting a cooperation, investment and provision of financing for the Company's projects in Romania and Poland at a total scope of approx. EUR 150 million and receipt of financing under this Agreement

On January 4, 2023 (in this section: "**Closing Date**"), Econergy England signed a cooperation agreement, convertible loan and fixed loan agreements, and a shareholders' agreement with the Phoenix Insurance Company Ltd. and its affiliates (hereinafter together: "**Phoenix**") with respect to starting a cooperation and the provision of loans by the Phoenix for the purpose of financing part of the construction costs of the Company's photovoltaic projects in Romania and Poland (in this section: "**project(s)**") for a total amount of approx. EUR 150 million (in this section: "**agreements**" and "**loans**", respectively), as follows:

1. Cooperation agreement with the Phoenix on projects

- The Phoenix is granted an exclusive right to invest through loans in the Company's projects in Romania amounting to approx. EUR 100 million (with respect to projects that have not yet been financed), and in Poland amounting to approx. EUR 50 million (including projects that also include storage).
- The loans will be provided by Phoenix to the legal entities with control over the projects ("**project entities**") in two ways:
 - o Directly through a conversion loan at a scope of approximately 49% of the project's construction costs as per the terms of the conversion loan agreements ("**Conversion Loan**"); as well as -

- Indirectly through a fixed loan constituting approx. 17.67% of the project's construction costs as per the terms of the fixed loan agreements ("**Fixed Loan**") to be given to a fully owned subsidiary of Econergy England (dedicated to the financing of the projects by the Phoenix as per the cooperation agreement ("**dedicated company**"), who in turn will provide the project entities with a loan amounting to 51% of the project's construction costs, which includes the fixed loan and the loan it will receive from Econergy England constituting 33.33% of the project's construction costs ("**Econergy Loan**");
- The Phoenix will provide a fixed loan and a convertible loan amounting to 66.67% of the project's construction costs, for each project that reaches the RTB stage and meets the conditions specified in the cooperation agreement ("Approved Project") and Econergy England will finance the rest of the project's construction cost through an investment in the capital of the project entity and/or through an Econergy loan.

2. Loans Itemization

- Out of the loaned amount, a total of approximately EUR 110.2 million will be put forward by Phoenix as convertible loans and a total of approximately EUR 39.75 million will be put up by Phoenix as fixed loans.
- The following conditions will apply to the loans:
 - The convertible loan will be given directly to each project entity;
 - Once an approved project reaches the commercial operation phase and for 60 days from the aforementioned date ("**Realization Period**") the Phoenix will have the right to convert the balance of the convertible loan given to the project entity for the project in question (principal + interest) to 49% of the ownership of the project entity and 49% of the Econergy loan on the date of the conversion ("**Conversion**").
 - In the case of a conversion, with reference to projects in Romania, The Phoenix will be granted customary minority protections. In addition, the parties will be obligated not to make any disposition in the holdings of the project's entities for a period of 24 months from the date of commercial operation of the project ("**blocking period**"), Phoenix will receive the right to tag along in the event of the sale of the project's entity holdings, And the sale of the project entity holdings by Phoenix will be subject to the company's right of first offer.
 - If Phoenix does not exercise the conversion right of any project loan, then the relevant project entity will have the right to early repayment of the full project loan, without incurring a penalty.
- The following terms shall apply, inter alia, to the convertible loans and fixed loans:
 - Withdrawals from loans will be possible for 24 months from the closing date (Phoenix will be entitled to extend this date by up to 24 additional months);
 - The loans will carry an annual interest rate of 7.25% plus a transfer price, as required;
 - The interest rate will be updated in the following cases:
 - If the project entity takes on senior debt in relation to the loan (before repayment), the interest rate will be updated to 8% or to the euro interest plus 3%, whichever is higher;
 - In the event of a default, the interest rate will increase by an additional 3%;
 - The first date for repaying the loans will apply according to the earliest of: (a) 36 months from the first withdrawal; or (b) 180 days from commercial operation. Loan repayment (principal and interest) will be paid every 3 months from the available cashflow of the project entity. The final repayment date of each loan will be 48 months from the first withdrawal date, with the possibility of an additional 12 months.
 - In respect of the loan, a list of acceptable grounds for immediate repayment of the loan and customary securities for loans of this type will be made available to Phoenix

3. Payment to the Company for services rendered to the project entities

The company is entitled to receive from each project entity, for approved projects, amounts as follows:

- In respect of EPCm services for each approved project – 1.5% of the construction cost;
- In respect of project management services – EUR 3,600 per MW for each approved project for an initial period of 10 years from the date of the project's commercial operation (the arrangement will be automatically renewed for another 10 years under terms set forth in the agreements).
- For realization of initiative -
 - o an amount of EUR 100,000 per MW installed and connected ("**total realization of initiative**") in respect of each approved project in which a convertible loan has been converted into capital; or
 - o If the company's costs to third parties related to the development of the project exceed the total realization of the initiative in relation to each project, the total realization of the initiative will be paid, plus 20%.

4. In accordance with the agreements signed with the Phoenix company, on May 15, 2023, the Company concluded, through Econergy England and other companies held by the Company, the following binding agreements:

- A binding agreement with the Phoenix regarding the provision of financing for the Company's Oradea project in Romania, which is in 'under construction' status, for a total of approx. EUR 44.2 million¹, in accordance with the investment principles detailed in the previous report in relation to the cooperation agreement, the convertible loan and fixed loan agreements, and the shareholders' agreement with the Phoenix.
- The financing will be provided from time to time in accordance with the development needs of the project, and this after fulfilling the necessary terms for loans of this nature, including the completion of collateral registration, etc.
- Below are the particulars of the Oradea project and its financing:
 - o Expected installed power: 86.5 megawatts;
 - o Phoenix financing (66.67% of the project financing) - approx. EUR 46.6 million which includes:
 - Convertible loan (49% of the project's financing): approx. EUR 34.3 million. First payment of approx. 18.1 million received on May 15, 2023. On October 4, 2023, the balance of the loan totaling EUR 16.2 million was received;
 - Fixed loan (17.67 % of the project's financing): approx. EUR 12.3 million. First payment of approx. 6.5 million received on May 15, 2023. On October 4, 2023, the balance of the loan totaling EUR 5.8 million was received;
- A binding agreement with the Phoenix regarding entry for provision of financing for the Company's Resko project in Poland, which is in 'under construction' status, for a total of approx. EUR 28.4 million², in accordance with the investment principles detailed in the previous report regarding the Cooperation Agreement, the convertible loan and fixed loan agreements, and the shareholders' agreement with the Phoenix.
- The financing will be provided from time to time in accordance with the development needs of the project, and this after fulfilling the necessary terms for loans of this nature, including the completion of collateral registration, etc. The Company received the first financing payment of EUR 30.002 million on May 15, 2023.
- Below are the particulars of the Resko project and its financing:
 - o Expected installed power: 51.1 megawatts;

¹ According to the agreement, the Phoenix will make available to the Company, if necessary, additional loans in respect of VAT, and unexpected expenses for the development of the project amounting to an additional EUR 12.3 million.

² According to the Agreement, the Phoenix will make available to the Company, if necessary, additional loans in respect of VAT, and unexpected expenses for the development of the project amounting to an additional EUR 8.6 million.

- Phoenix financing (66.67% of the project financing) - approx. EUR 28.4 million which includes:
 - Convertible loan (49% of the project's financing): approx. EUR 20.8 million; First payment of approx. EUR 22.050 million (which includes an additional loan for VAT and unexpected expenses for development of the project) was received on May 15, 2023;
 - Fixed loan (17.67% of the project's financing): approx. EUR 7.5 million. First payment of approx. EUR 7.9 million received on May 16, 2023.

For further details, see the immediate reports from January 5, 2023 and May 16, 2023 (reference number: 2023-01-002413 and 2023-01-044518, respectively).

The Company's assessments regarding its expected revenue from the agreement and the projects, the projects' construction costs, income and yields, are forward-looking information, as per the term's definition in the Securities Law of 5728-1968, the realization of which is uncertain and not under the sole control of the Company. The aforementioned estimates are based, inter alia, on the Company's plans and estimates, and may not materialize due to factors beyond the Company's control, as well as due to a concern regarding the existence of one of the risk factors detailed in Section 28.1 of Chapter A - Description of the Corporation's Business, attached to the 2022 Annual Report.

C. Commercial operation of the Ratesti project in Romania and entering into an agreement for its financing at a scope of EUR 60 million

The Ratesti project is the largest photovoltaic project in Romania (in this section, "**Project**"), and commenced commercial operation on November 23, when the project was connected to the electricity grid and the gradual flow of electricity into the grid began, with full electricity flow being achieved gradually in the coming weeks. This is the Company's first project achieving commercial operation, and the largest photovoltaic project in Romania connected to the electricity grid.

In addition, on November 21, 2023, Ratesti Solar Plant, ("**project company**"), a corporation owned (50%) by Econergy England, signed an agreement for the provision of project financing to the Project with Raiffeisen Bank International AG, one of the leading banks in Austria and Central Europe and with its subsidiary, Raiffeisen Bank S.A (collectively, "**Raiffeisen Group**"), totaling approx. EUR 60 million by the Raiffeisen Group ("**Financing Agreement**"). The Financing Agreement includes the following main terms:

- Subject to the terms stipulated in the Financing Agreement, the financing will be executed by establishing a credit line to January 31, 2024 for a total amount of approx. EUR 60 million, and the loan will be withdrawn in a single payment to the project company's account. The financing is provided on the basis of the sale of electricity in the market without the requirement of concluding a PPA agreement. The principal and loan will be repaid by 31.12.2033, in quarterly payments (the principal as of 30.9.2024; the interest as of 31.12.2023), and in addition, a CASH SWEEP will be carried out for approx. EUR 8.5 million under the terms stipulated in the Financing Agreement. The interest to be paid is annual interest according to "Euribor - three months" plus a margin of 3%-4%.
- As part of the Financing Agreement, accepted financial benchmarks were established which include a debt coverage ratio not exceeding 1.2, an undertaking that the value of the project company's assets will be higher than the value of its liabilities, and that the value of the project company's net assets will be at least 50% higher than the allotted capital.
- In the framework of the Financing Agreement, commonplace securities were established, including a lien on all the assets of the project company, including real estate and movable rights, proceeds, a bank account, a lien on shares of the project company by its shareholders, inferiority of loans granted by the owner and/or those on their behalf and

lien of proceeds due to the shareholders of the project company and/or those on their behalf from the project company, prohibition of negative pledges at the project company, and the establishment of deposits.

- Acceptable grounds for immediate repayment were established in the Financing Agreement, as well as representations and additional undertakings, including in connection with the project's COD date.

For further information regarding the status of the project, costs and expected revenues therefrom, see Section 1.4.2 below, as well as the immediate reports published by the Company on November 22, 2023 and November 26, 2023 (Reference 2023-01-126582 and 2023-01-127749, respectively), presented in this Report by way of reference.

D. Winning tenders for the supply of electricity at a guaranteed rate from the company's storage facilities in England

On February 21, 2023, Econergy England won two government tenders for the supply of electricity through storage facilities for a period of 15 years, at a rate of GBP 63 per hour for 17.7% of the installed capacity, linked to the index, and this with respect to the Company winning the tenders for the Swangate and Immingham projects. The company, as the winner of the tenders, will be required to be available with a 4-hour notice in any case where there is a fear of disconnections in the electricity system in order for the company's storage systems to be used as an alternative for the flow of electricity. According to the Company's estimation, during the winning period (starting 2027) the Company is expected to receive revenues for winning the tenders totaling approx. GBP 21.8 million, before linkage to the consumer price index. To clarify, these revenues constitute a relatively small portion of the total expected revenues from the projects, noting that in accordance with the regulation in England, the company will be able to enter into market contracts for the sale of electricity and additional electricity network services.

For additional details, see the company's report dated February 26, 2023 (reference number: 2023-01-020727).

E. Allocation of warrants to employees, to the Chairman of the Board of Directors and as a reserve of warrants for future allocations

- In accordance with the decision of the Company's Board of Directors dated March 27, 2023, on March 28, 2023 the Company published an outline and a private allocation report to employees for the allocation of 144,500 warrants convertible into 144,500 ordinary Company shares, to 8 of the Company's employees, as well as 735,000 warrants convertible into 735,000 ordinary Company shares to Altschuler Benefits Ltd. ("**Trustee**") which will be used as a pool for future granting of warrants to employees. On May 14, 2023, the allotment of the aforementioned warrants was concluded.

For further details, see immediate reports dated March 28, 2023, May 7, 2023 and May 14, 2023 (Reference no.: 2023-01-029845, 2023-01-048603 and 2023-01-051291).

- In accordance with the decision of the Company's Board of Directors of March 27, 2023, and further to the approval of the Company's general meeting on May 2, 2023, on May 15, 2023, an allotment of 150,000 warrants convertible into 150,000 ordinary Company shares was concluded to Mr. Shlomo Zohar, the Chairman of the Company's Board of Directors.

For further details see immediate reports from March 28, 2023, March 30, 2023, April 20, 2023 and May 14, 2023 (Reference no.: 2023-01-029845, 2023-01-031024, 2023-01-037786 and 2023-01-051291).

- On August 17, 2023, the Company's Board of Directors approved the granting of 141,000 additional options from the Company's option pool, the exercise price of which was set at NIS 12.321, and the options were offered to the offerees.
- On November 27, 2023, the Company's Board of Directors approved the granting of 135,000 additional options to 6 offerees, from the Company's option pool, the exercise price of which was set at NIS 10.179.

- F. Acquisition of a wind project in Romania - Salbatica
On May 19, the acquisition of the SALBATICA project, which is a wind project in Romania, was concluded at a scope of approx. 35 megawatts, in return for approx. EUR 6.3 million. As of September 30, 2023, EUR 4.5 million have been paid and an additional EUR 1.8 million paid during October, 2023. As part of the project acquisition, the Company's Board of Directors approved the placement of a parent company guarantee of up to EUR 4 million in order to guarantee payment for part of a European grant which is expected to be received from the authorities in Romania and dependent on the grant amount to be received.
- G. Preliminary Agreement with EBURY PARTNERS UK LIMITED
Further to Econergy England's engagement with EBURY PARTNERS UK LIMITED ("**ebury**") in a Forward Agreement for hedging the risk of changes in foreign exchange rates relating to payment of the Company's bonds (series A), which was signed in 2021, on July 20, 2023 the Company signed an unlimited guarantee and indemnification in favor of Ebury regarding Econergy England's undertakings towards it.
- H. Entry into the annual ranking of the Corporate Responsibility Organization 'Maala'
During 2023, the Company was audited by Maala, an umbrella organization of about 120 leading companies in the Israeli economy, which seeks to promote issues of corporate responsibility and develop standards of responsible management in Israel. In July, an upgraded rating for the year 2023 was published in which the Company participated for the first time and was awarded a platinum rating, and an ESG rating of A.
- I. Memorandum of understanding for financing from a European investment fund
On September 4, 2023, Econergy England signed a memorandum of understanding with a large European investment fund ("**Lender**"), regarding the provision of financing by way of a loan to Econergy England, for the purpose of establishing the Company's projects in Europe and the United Kingdom, at a total scope of up to EUR 150 million ("**Memorandum of Understanding**"), the key points of which are as follows:
1. The Lender will provide Econergy England with debt in two tranches: (a) EUR 100 million to be made available as of the signing of a binding agreement, on a quarterly basis, in accordance with a requirement model to be provided by Econergy England ("**first tranche**"); and (b) an option to provide an additional EUR 50 million, after the provision of the first tranche ("**second tranche**"); The first tranche and second tranche, collectively - "**Loan**").
 2. The loan will be provided for a period of 5 years from the financial closing. The loan principal will be repaid during the fourth and fifth year and the balance at the end of the loan. The interest, at an acceptable interest rate for loans of this type in Europe, will be paid once every 3 months.
 3. The loan will be used to pay development and construction costs for the Company's projects in Europe and the United Kingdom, which will meet the terms set forth in the binding agreement and which will refer, inter alia, to expected return, milestones achieved in relation to the project, the location of the project and the regulation applicable thereto.
 4. Econergy England's commitment to meet accepted financial benchmarks and other commitments, the breach of which will result in immediate repayment of the loan, including:
 - o Undertaking that no distribution will be made in Econergy England, except for principal and interest payments for bonds (series A) issued by the Company;
 - o Compliance with a minimum capital and LTV ratio. With regards to the second tranche, compliance with additional benchmarks may be required;
 - o Provision of acceptable collateral, including liens on shares and bank accounts of Econergy England and on shares of material subsidiaries whose only loan shall be provided by the Lender (if any). The extent of the lien on the owner's loans given to Econergy England will be determined in the binding agreement.

- Further undertakings concerning Eenergy England's activities in the field of renewable energy in Europe (including the scope of activity in its operations policy and the pace of project development, etc.).
- 5. The binding agreement will stipulate restrictions and/or terms concerning direct and/or indirect changes in the control and holdings of Eenergy England.
- 6. It should be clarified that as of the date of this Report, a binding agreement is yet to be signed between Eenergy England and the Lender, and the terms of the memorandum of understanding may change as part of the signing of such binding agreement.

For further details, see the Immediate Report dated January 5, 2023 (Reference No.: 2023-01-083929).

The Company's estimates regarding the signing of a binding financing agreement for the purpose of the entry into force of the memorandum of understanding and the terms of the binding agreement, are forward-looking information, as per the term's meaning in the Securities Law of 5728-1968, the realization of which is uncertain and not under the Company's sole control. The aforesaid assessments are based on the Company's plans and assessments, and may not materialize due to factors beyond the Company's control. It should be emphasized that, as of the date of this Immediate Report, there is no certainty regarding the signing of a binding financing agreement. This uncertainty arises from the aforementioned reasons and concerns related to a potential risk factor outlined in Section 28.1 of Chapter A in the Corporation's Business Description, as detailed in the 2022 Annual Report.

1.4.2 Status of project development

Below is the current status of connection of projects 'under construction' to the electricity grid:

- Parau project (photovoltaic project in Romania, installed capacity 92 MW): The project is in the final stage of construction and is expected to connect to the electricity grid during the first quarter of 2024.
- Oradea project (photovoltaic project in Romania, installed capacity 87 MW): The project is in advanced stages of construction and is expected to connect to the electricity grid at the start of the second quarter of 2024.
- Scurtu Mare project (photovoltaic project in Romania, installed capacity 55 MW): The project is in initial stages of construction and is expected to connect to the electricity grid at the end of the second quarter of 2024.
- Resko project (photovoltaic project in Poland, installed capacity 52 MW): The project has completed the construction of the facility and the substation and is in ready-to-connect status. The project is eligible for registration as an electricity distributor in Poland (DNO), which means the possibility of selling electricity under more favorable conditions and connection rights for additional facilities to the substation owned by the Company, which reduces the development risks of additional projects of the Company in the same area. The expected bureaucratic process to complete the Company's registration as an electricity distributor is expected to last about six months in the Company's estimation. Therefore, the Company anticipates that the start of the electricity flow from the facility will take place at the start of the third quarter of 2024.
- West Melton (Swangate) project (storage project in England, installed capacity 102 MWh): The project is in stages of construction and is expected to connect to the electricity grid at the end of the second quarter of 2024.
- Pipeline of 8 photovoltaic projects in Italy (UBS transaction, installed power 22 MW): all projects have completed construction and are in ready-to-connect status.

- A. It should be noted that the Company's forecasts are based on the Company's existing work plan for the implementation of projects as detailed in Section 1.3.6 of Chapter A – Description of the Corporation's Business, attached to the 2022 Annual Report, and subject to changes in the report period as aforementioned, and which does not take into account further initiation and development of additional projects.

The development status of the projects is determined according to the following rules:

- "Early development systems" - Systems in the early development stages, which have not yet matured to licensing and for which feasibility tests for connection to the grid are being performed; comprehensive examination of land type and licensing restrictions; commercial conversations with relevant landowners for consent; economic feasibility tests; preparation of a comprehensive internal report; and with regards to which the Company estimates there is a high probability that they will move to the licensing stage within a period not exceeding 6 months.
- "Systems under license" - Systems for which there is an interest in the land and which have obtained a license to connect to the electric grid, or are in the advanced process of obtaining, a license to connect to the electricity grid and a building permit
- "Pre-construction systems" - Systems that have received all the required approvals and are in the Ready to Build process or systems for which there is approval for connection to the grid and which are in the final licensing procedures and the actual start of construction is expected within twelve months.
- "Systems under construction" - Systems whose construction process has begun.
- "Systems in 'ready to connect' phase" - Systems whose physical construction phase has been fully completed or for which a connection request has been submitted, but have not yet been connected to the electricity grid.

It should be noted that the development and advancement of projects between the above stages is subject to an order of priorities as determined from time to time by the Company's management which is influenced, inter alia, by the availability of financing sources.

It should be noted that the company's projects are presented below with a separation between the installed voltage (MWp) of photovoltaic and wind projects and the nominal storage volume (MWh) of battery storage projects.

- B. **It should be noted that the Company's pipeline of projects includes projects in preliminary initiation status, whose expected connection dates to the electricity grid are up to 2036. Notwithstanding the aforesaid, this Report will include data regarding all projects in preliminary initiation status whose expected connection year is up to 2027 (inclusive) As of the date of this Report, the Company has projects with a total capacity of approximately 1,994 MW of PV and wind, as well as approximately 5,298 MWh of storage in preliminary initiation status whose expected connection year is from 2028 onwards, for which development expenses over the coming years are expected to be negligible.**

C. Below is a summary of the status of photovoltaic and wind projects under development, and the expected capacities, in the countries in which the Company operates, as of the date of publication of the Report (data presented in MW):

| Status | Italy | UK | Romania | Spain | Poland | Greece | Total |
|---|--------------|------------|--------------|------------|------------|------------|--------------|
| Ready to connect | - | - | 155 | - | - | - | 155 |
| Under construction | 22 | - | 233 | - | 52 | - | 306 |
| Pre-construction | 356 | 89 | 512 | 50 | 13 | - | 1,019 |
| Licensing | 1,662 | 151 | 1,368 | 52 | 746 | 460 | 4,439 |
| Early development | 383 | - | - | 94 | 52 | 500 | 1,029 |
| Total MW in development | 2,423 | 240 | 2,267 | 196 | 863 | 960 | 6,949 |
| Number of PV, wind and storage projects | 142 | 7 | 24 | 3 | 27 | 3 | 206 |
| Of them, Number of PV, wind and storage projects | | 4 | | | | | 4 |

D. Below is a summary of the status of storage projects under development and the expected outputs, as of the date of publication of the Report (data presented in MWh):

| Storage projects in the UK | BESS stand-alone as of 30.09.2023 | BESS co-located as of 30.09.2023 | Total as of 30.09.2023 | Total as of December 31, 2022 | Change |
|-----------------------------------|-----------------------------------|----------------------------------|------------------------|-------------------------------|-------------|
| Ready to connect | - | - | - | - | - |
| Under construction | 102 | - | 102 | 102 | - |
| Pre-construction | 163 | 61 | 224 | 367 | -39% |
| Licensing | 733 | 239 | 971 | 1,296 | -25% |
| Early development | 153 | - | 153 | 395 | -61% |
| Total MWh storage | 1,151 | 300 | 1,451 | 2,160 | -33% |
| Number of storage projects | 6 | 4 | 10 | 14 | |

The main decrease in storage capacity between the date of publication of the 2022 Annual Report and the date of the Report stems, as stated in Section 1.4.2 (a) above, from the failure to present projects in preliminary initiation status whose expected connection year is from 2028.

E. The following is a summary of the projects by project type (for PV and wind projects the data is presented in MW, for storage projects the data is in MWh):

| Type of Project | Italy | UK | Romania | Spain | Poland | Greece | Total |
|---|--------------|------------|--------------|------------|------------|------------|--------------|
| PV | 1,811 | 240 | 2,106 | 196 | 863 | 960 | 6,176 |
| Wind | 611 | - | 161 | - | - | - | 772 |
| Total projects under development | 2,423 | 240 | 2,267 | 196 | 863 | 960 | 6,949 |

| Type of Project | Italy | UK | Romania | Spain | Poland | Greece | Total |
|---|-------|--------------|---------|-------|--------|--------|--------------|
| BESS (co-located) | | 300 | | | | | 300 |
| BESS (stand-alone) | | 1,151 | | | | | 1,151 |
| Total projects under development | | 1,451 | | | | | 1,451 |

Regarding storage projects, it should be noted that apart from the projects that are already in the development process in England as detailed in the table above, the company is also

examining and promoting entry into the field of storage in the other markets in which it operates.

The Company conducts an ongoing assessment of the development status and the expected connection dates in each country, which are derived from the expected duration of the development process in each country and the expected duration of construction subsequent to the Ready to Build stage and up to the connection to the electricity grid. Following delays in the equipment supply chain resulting from macroeconomic effects (as set forth in Section 1.7 of Chapter A - Description of the Corporation's Business attached to the Company's Annual Report 2022), over the coming period the Company anticipates certain temporary delays during the construction period of some of the projects, which are not expected to have a material impact on the Company's activities, as detailed below:

The licensing process in Italy, up to the readiness for construction stage, is expected in the Company's estimate to last 24 to 36 months for PV projects, depending on the project capacity, and 36-48 months for wind projects. For information regarding the licensing and regulation process in Italy, see Section 1.8.1.5 of Chapter A - Description of the Corporation's Business, attached to the company's annual report for 2022. The Company is making progress in the development procedures of the projects but is experiencing delays mainly due to the development of new network infrastructures by the electricity network operators, longer than expected waiting times in the local authorities and objections from environmental organizations and others on the local level.

The licensing process in Italy, up to the ready for construction stage, is expected in the Company's estimate to last 18 to 24 months for PV projects, depending on the project capacity, and 24 months for storage projects. For information regarding the licensing and regulation process in England, see Section 1.9.1.3 of Chapter A - Description of the Corporation's Business, attached to the company's annual report for 2022.

On November 13, 2023, several new rules were approved by the British electricity regulator ³(Ofgem) granting new powers to (ESO) National Grid ESO⁴ to proactively manage the process of connecting renewable energy projects to the electricity grid and even **cancel projects that cause a delay in the grid connection queue**. All this as part of the Five-Point Plan⁵, one of the goals of which is to speed up the connection of clean energy projects to the electricity grid and revoke projects that do not meet the established milestones.

The new rules and milestones for queue management shall be valid for all projects with electricity grid connection contracts after November 2025 and all new connection applications received by the National Grid ESO.

Regarding projects with contractual connection dates preceding the end of 2025, the ESO announced that it classified 144 projects with an installed capacity of 29 GW (out of 232 projects with an installed capacity of 45 GW) as at a "high risk" of failing to meet their contractual connection date and even hired an independent engineering consulting firm to review said projects and provide a view of their ability to meet their connection date.

The licensing process in Romania, up to the ready for construction stage, is expected in the Company's estimate to last 24 months for PV projects, depending on the project capacity, and 24 to 36 months for wind projects. For information regarding the licensing and regulation

³ <https://www.ofgem.gov.uk/publications/cmp376-inclusion-queue-management-process-within-cusc>

⁴ Operator of the electricity system in Great Britain

⁵ <https://www.nationalgrideso.com/news/eso-leads-way-major-initiative-accelerate-connections-electricity-transmission-grid>

process in Romania, see Section 1.10.1.3 of Chapter A - Description of the Corporation's Business, attached to the Company's Annual Report for 2022.

The licensing process in Poland, up to the ready for construction stage, is expected in the Company's estimate to last 36 months for PV projects, depending on the project's capacity. For information regarding the licensing and regulation process in Poland, see Section 1.11.1.3 of Chapter A - Description of the Corporation's Business, attached to the Company's Annual Report for 2022. Further to the Company's reports regarding the adoption of legislation in Poland to establish a temporary ceiling for the prices of electricity produced, among other things, from photovoltaic installations, up until the end of 2023⁶, following the date of the Report, in July 2023, an amendment to the said legislation was approved which, subject to the approval of the President of Poland (which to date is yet to be received), expanded the applicability of the law so that electricity producers are obliged to deposit into a dedicated fund established by the regulator, 97% of the revenues they receive from the sale of GOOs certificates and from financial transactions for the sale of electricity.

In light of the fact that the Company is expected to start connecting PV projects to the electricity grid in Poland in the second half of 2024, and bearing in mind the electricity forecasts used by the Company according to its market consultants, the Company does not anticipate any damage to its operations and revenues versus its forecasts.

The licensing process in Spain, up to the ready for construction stage, is expected in the Company's estimate to last 36 months for PV projects, depending on the project capacity. For information regarding the licensing and regulation process in Spain, see Section 1.12.1.3 of Chapter A - Description of the Corporation's Business, attached to the Company's Annual Report for 2022.

The licensing process in Greece, up to the ready for construction stage, is expected in the Company's estimate to last 36 months for PV projects, depending on the project capacity. For information regarding the licensing and regulation process in Greece, see Section 1.13.1.3 of Chapter A - Description of the Corporation's Business, attached to the Company's Annual Report for 2022.

Moreover, the duration of the project construction period, in all of the countries, from the ready for construction stage up to the connection of the project to the electricity grid and commercial operation, is expected, according to the Company's estimate, to last 9 to 18 months for PV projects, depending on the project capacity, and 15 to 18 months for wind projects, depending on the project capacity, and 12 to 18 months for storage projects, depending on the project capacity.

The company's connection forecasts, both in England and in the other territories, are based, among other things, on connection dates according to the applications submitted and connection approvals actually received.

- F. The following is an analysis of the development of the projects in the various territories where the Company operates since the date of publication of the Company's Annual Report for 2022 (with the exception of storage, the data is presented in MW):

⁶ For additional information, see Section 1.11.12 of Chapter A - Description of the Corporation's Business, attached to the Annual Report for 2022.

| Country | Status of Development | 31/12/2022 | Date of Report 30/09/2023 | Change between 31/12/2022 and date of the Report 30/09/2023 |
|----------------|-----------------------|--------------|------------------------------|---|
| Italy | Ready to connect | - | - | - |
| | Under construction | 22 | 22 | - |
| | Pre-construction | 393 | 356 | -9% |
| | Licensing | 997 | 1,662 | 67% |
| | Early development | 289 | 383 | 33% |
| | Total Italy | 1,701 | 2,423 | 42% |
| UK | Ready to connect | - | - | - |
| | Under construction | - | - | - |
| | Pre-construction | 112 | 89 | -20% |
| | Licensing | 172 | 151 | -12% |
| | Early development | 48 | - | -100% |
| | Total UK | 332 | 240 | -28% |
| Romania | Ready to connect | 155 | 155 | - |
| | Under construction | 222 | 233 | 5% |
| | Pre-construction | 181 | 512 | 182% |
| | Licensing | 327 | 1,368 | 318% |
| | Early development | 801 | - | -100% |
| | Total Romania | 1,686 | 2,267 | 34% |
| Spain | Ready to connect | - | - | - |
| | Under construction | - | - | - |
| | Pre-construction | 50 | 50 | - |
| | Licensing | 52 | 52 | - |
| | Early development | 234 | 94 | -60% |
| | Total Spain | 336 | 196 | -42% |
| Poland | Ready to connect | - | - | - |
| | Under construction | 52 | 52 | - |
| | Pre- | 13 | 13 | - |

| Country | Status of Development | 31/12/2022 | Date of Report 30/09/2023 | Change between 31/12/2022 and date of the Report 30/09/2023 |
|---|-----------------------|--------------|------------------------------|---|
| | construction | | | |
| | Licensing | 530 | 746 | 41% |
| | Early development | 1,054 | 52 | -95% |
| | Total Poland | 1,649 | 863 | -48% |
| Greece | Ready to connect | - | - | - |
| | Under construction | - | - | - |
| | Pre-construction | - | - | - |
| | Licensing | 460 | 460 | - |
| | Early development | 500 | 500 | - |
| | Total Greece | 960 | 960 | - |
| Total | Ready to connect | 155 | 155 | - |
| | Under construction | 295 | 306 | 4% |
| | Pre-construction | 749 | 1,019 | 36% |
| | Licensing | 2,538 | 4,439 | 75% |
| | Early development | 2,926 | 1,029 | -65% |
| Total under development and construction | (MWp) | 6,663 | 6,949 | 4% |
| Total storage under development | (MWh) | 2,160 | 1,451 | -33% |

Italy - The Company continued to promote new projects and under-development projects since the recent report, a total increase of 42% can be observed in the under-development project pipeline in Italy compared to the publication date of the Annual Report for 2022.

England - The Company has continued to expand and deepen its development activities in the UK. However, due to a shortage of skilled personnel among the distribution network operators and the issue of electricity network overload in England, as detailed in Section 1.4.2-D above, a decrease has been observed in photovoltaic and combined development projects, in preliminary stages, ready for construction and in licensing stages. Overall, there has been a 28% decrease in the pipeline of photovoltaic projects under development. For additional information, see Subsection F below. Moreover, the main decrease in storage capacity between the date of publication of the 2022 Annual Report and the date of the Report stems, as stated in Section 1.4.2 (a) above, from failure to present projects in preliminary initiation status whose expected connection year is from 2028.

Romania - The Company continues construction of the Parau project, the Oradea project and the Scurtu Mare project with a capacity of 91.5, 86.5 and 55 megawatts respectively. During

the period there was a 34% increase in the pipeline of projects under development, and the Company expects the scope of projects reaching readiness for construction (RTB) to increase significantly over the next 12 months. For additional information, see Subsection F below.

Spain - Following a re-examination of the status of the projects, the Company continues advancing new projects in various stages of development. In total, a decrease of 42% was recorded in the pipeline of projects under construction in Spain. Moreover, there was a decrease in the capacity of photovoltaic projects in preliminary initiation status between the date of publication of the 2022 Annual Report and the date of the Report, which stems, as stated in Section 1.4.2 (a) above, from failure to present projects in preliminary initiation status whose expected connection year is from 2028.

Poland - there was a decrease in the number of projects, the Company continues to promote the development activity in Poland and is seeking to advance projects in all stages of development. Moreover, there was a decrease in the capacity of photovoltaic projects in preliminary initiation status between the date of publication of the 2022 Annual Report and the date of the Report, which stems, as stated in Section 1.4.2 (a) above, from failure to present projects in preliminary initiation status whose expected connection year is from 2028.

Storage projects in England - compared to the publication date of the Annual Report for 2022, the volume of storage projects under development decreased by approximately 33%. The main reason for the decrease, as specified in Section 1.4.2(D), is the issue of load on the electricity grid in England. Additionally, it should be noted that the Company does not include in these summaries projects that the Company anticipates will be ready for development after the year 2028 (long-term development).

- G. The Company's management anticipates that not all projects in the various stages of development will reach maturity and be Ready to Build, and therefore the Company conducts ongoing assessments regarding the chances of success and the date of completion of development. According to the Company's assessment, the expected investment, construction and connection of projects is lower than the number of projects under development and the projected capacity of projects under development.

The probabilities of successful completion of the development processes according to their status vary from country to country depending on different regulatory procedures, and on the basis of its experience, the Company assesses them as follows:

Systems in pre-construction – 85-95%.

Systems under license – 60-80%.

Systems in preliminary development – 35-40%.

- H. The following is the estimated connection for PV and wind projects, based on the Company's existing project pipeline:

| Expected connection (MW) | Italy | UK | Romania | Spain | Poland | Greece | Total |
|---|--------------|-----------|----------------|--------------|---------------|---------------|--------------|
| 2023 | 16 | - | 155 | - | - | - | 171 |
| 2024 | 69 | - | 383 | - | 52 | - | 503 |
| 2025 | 318 | 65 | 538 | 45 | 100 | - | 1,066 |
| 2026 | 296 | - | 813 | - | 269 | 345 | 1,724 |
| Total connections expected by 2026 | 700 | 65 | 1,889 | 45 | 420 | 345 | 3,464 |

- I. The following is the expected connection for storage projects based on the Company's existing project pipeline:

| Expected connections (MWh) | Italy | UK | Romania | Spain | Poland | Greece | Total |
|---|-------|------------|---------|-------|--------|--------|------------|
| 2023 | - | - | - | - | - | - | - |
| 2024 | - | 102 | - | - | - | - | 102 |
| 2025 | - | 218 | - | - | - | - | 218 |
| 2026 | - | 15 | - | - | - | - | 15 |
| Total connections expected by 2026 | - | 336 | - | - | - | - | 336 |

As stated, the numbers in the table above assume the probabilities of success in completing the project development process in the various countries and at the various stages of the project, according to the Company's estimation as of the writing of this report.

Based on the table above, in accordance with the Company's holding rate in the various projects, and based on the assumptions regarding the realization of the projects as presented in subsection 1.4.2(F) above, the expected connection solely including the Company's share in the project pipeline, is as follows:

| Estimated PV and Wind Connection (MW) | Italy | UK | Romania | Spain | Poland | Greece | Total |
|---|------------|-----------|------------|-----------|------------|------------|--------------|
| 2023 | 1 | - | 77 | - | - | - | 78 |
| 2024 | 17 | - | 193 | - | 26 | - | 237 |
| 2025 | 123 | 65 | 270 | 22 | 100 | - | 579 |
| 2026 | 230 | - | 407 | - | 269 | 169 | 1,075 |
| Total connections expected by 2026 | 371 | 65 | 947 | 22 | 395 | 169 | 1,969 |

| Estimated storage connection (MWh) | Italy | UK | Romania | Spain | Poland | Greece | Total |
|---|-------|------------|---------|-------|--------|--------|------------|
| 2023 | - | - | - | - | - | - | - |
| 2024 | - | 102 | - | - | - | - | 102 |
| 2025 | - | 218 | - | - | - | - | 218 |
| 2026 | - | 15 | - | - | - | - | 15 |
| Total connections expected by 2026 | - | 336 | - | - | - | - | 336 |

In addition, the following are the expected connections (total MWs) which includes only the company's share in the backlog of projects according to development stages as of the date of the report:

| Estimated PV and Wind Connection (MW) | 2023 | 2024 | 2025 | 2026 | Total | % |
|---------------------------------------|-----------|------------|------------|--------------|--------------|------|
| Early development | - | - | 4 | 7 | 11 | 1% |
| Licensing | - | - | 238 | 1,067 | 1,306 | 66% |
| Pre-construction | - | 90 | 337 | - | 427 | 22% |
| Under construction | 1 | 147 | - | - | 147 | 7% |
| Ready to connect | 77 | - | - | - | 77 | 4% |
| Total | 78 | 237 | 579 | 1,075 | 1,969 | 100% |

| Estimated storage connection (MWh) | 2023 | 2024 | 2025 | 2026 | Total | % |
|---|-------------|-------------|-------------|-------------|--------------|----------|
| Early development | - | - | - | 15 | 15 | 5% |
| Licensing | - | - | - | - | - | 0% |
| Pre-construction | - | - | 218 | - | 218 | 65% |
| Under construction | - | 102 | - | - | 102 | 30% |
| Ready to connect | - | - | - | - | - | 0% |
| Total | - | 102 | 218 | 15 | 336 | 100% |

J. Details of the projects in ready to connect status (amounts in EUR thousands):

| Country | Name of Project | Technology | Installed Capacity MWp | Company Share ¹ | Expected Tariff | Expected Year of Connection | First full year of operations | Expected Leverage Rate | Total Projected Construction Costs ² | Revenue Forecasted ^{2,4,3} | EBITDA ^{2,3} | Total Invested Construction Costs ⁵ |
|---------|--------------------------------------|---------------|------------------------|----------------------------|---------------------|-----------------------------|-------------------------------|------------------------|---|-------------------------------------|-----------------------|--|
| Romania | *Ratesti | Solar PV only | 155 | 50% | Market 30%, PPA 70% | 2023 | 2024 | 60% | 101,928 | 19,826 | 17,221 | 101,354 |
| | Company Share (not leveraged) | | 77 | | | | | | 50,964 | 9,913 | 8,611 | 50,677 |

* The project was connected to the electricity grid and transitioned to commercial operation status following the balance sheet date, on November 23, 2023. For additional information, see Section 1.4.1(c) above.

K. Details of projects under construction (amounts in EUR thousands):

| Country | Name of Project | Technology | Installed Capacity MWp | BESS MWh Capacity | Company Share ¹ | Expected Tariff | Expected Year of Connection | First full year of operations | Expected Leverage Rate | Total Projected Construction Costs ² | Revenue Forecasted ^{2,4,3} | EBITDA ^{2,3} | Total Invested Construction Costs ⁵ |
|---------|--|------------------|------------------------|-------------------|----------------------------|---------------------|-----------------------------|-------------------------------|------------------------|---|-------------------------------------|-----------------------|--|
| Italy | Backlog of 8 projects - UBS deal | Solar PV only | 22 | - | 5% | Market 30%, PPA 70% | 2023-2024 | 2024 | 60% | 14,920 | 2,953 | 2,482 | 14,012 |
| Poland | Resko | Solar PV only | 52 | - | 51% | Market 30%, PPA 70% | 2024 | 2025 | 60% | 41,400 | 5,050 | 4,161 | 34,803 |
| Romania | Parau | Solar PV only | 92 | - | 50% | Market 30%, PPA 70% | 2024 | 2025 | 60% | 64,600 | 10,300 | 8,203 | 47,036 |
| Romania | Scurtu Mare | Solar PV only | 55 | - | 51% | Market 30%, PPA 70% | 2024 | 2025 | 60% | 39,473 | 6,400 | 5,455 | 5,167 |
| Romania | Oradea | Solar PV only | 87 | - | 51% | Market 30%, PPA 70% | 2024 | 2025 | 60% | 62,325 | 8,588 | 6,804 | 40,819 |
| UK | West Melton (Swangate) | BESS stand-alone | - | 102 | 100% | Market prices | 2024 | 2025 | 60% | 41,332 | 8,844 | 7,323 | 14,574 |
| | Total | | 306 | 102 | | | | | | 264,050 | 42,135 | 34,428 | 142,398 |
| | Company Total Share (not leveraged) | | 145 | 102 | | | | | | 146,663 | 24,361 | 19,923 | 79,294 |

L. Details of the projects in 'ready for construction' status (amounts in EUR thousands):

| Country | Technology | Installed Capacity MWP | BESS MWh Capacity | Company Share ¹ | Expected Tariff | Expected Year of Connection | First full year of operations | Total Projected Construction Costs ² | Revenue Projected ^{2, 3, 4} | EBITDA ^{2, 3} |
|---------|--|------------------------|-------------------|----------------------------|---------------------|-----------------------------|-------------------------------|---|--------------------------------------|------------------------|
| Italy | Pipeline of 31 projects - UBS PV transaction | 47 | - | 5% | 70% PPA, 30% market | 2024 | 2025 | 29,925 | 6,148 | 5,126 |
| Italy | Pipeline of 33 PV projects up to 10MWp | 11 | - | 100% | 70% PPA, 30% market | 2024 | 2025 | 7,707 | 1,466 | 1,229 |
| Italy | Onshore Wind | 14 | - | 50% | 70% PPA, 30% market | 2024 | 2025 | 21,341 | 2,895 | 2,482 |
| Italy | Onshore Wind | 10 | - | 100% | 70% PPA, 30% market | 2025 | 2026 | 10,975 | 1,421 | 1,141 |
| Poland | Solar PV only | 13 | - | 100% | 70% PPA, 30% market | 2025 | 2026 | 7,365 | 1,305 | 1,077 |
| Romania | Solar PV only | 30 | - | 50% | 70% PPA, 30% market | 2025 | 2026 | 20,724 | 3,042 | 2,516 |
| Romania | Solar PV only | 40 | - | 50% | 70% PPA, 30% market | 2025 | 2026 | 28,360 | 3,928 | 3,227 |
| Romania | Solar PV only | 33 | - | 50% | 70% PPA, 30% market | 2025 | 2026 | 24,752 | 3,320 | 2,741 |
| Romania | Solar PV only | 60 | - | 50% | 70% PPA, 30% market | 2025 | 2026 | 39,505 | 6,704 | 5,647 |
| Romania | Solar PV only | 144 | - | 50% | 70% PPA, 30% market | 2025 | 2026 | 93,125 | 14,623 | 12,093 |
| Romania | Solar PV only | 31 | - | 51% | 70% PPA, 30% market | 2024 | 2025 | 20,723 | 3,694 | 3,159 |
| Romania | Solar PV only | 25 | - | 51% | 70% PPA, 30% market | 2024 | 2025 | 14,805 | 3,038 | 2,604 |
| Romania | Solar PV only | 54 | - | 51% | 70% PPA, 30% market | 2025 | 2026 | 47,476 | 5,842 | 4,890 |
| Romania | Solar PV only | 14 | - | 50% | 70% PPA, 30% market | 2024 | 2025 | 8,676 | 1,770 | 1,528 |
| Romania | Solar PV only | 44 | - | 50% | 70% PPA, 30% market | 2024 | 2025 | 27,244 | 5,317 | 4,557 |
| Romania | Onshore Wind | 35 | - | 50% | 70% PPA, 30% market | 2024 | 2025 | 54,694 | 9,085 | 8,082 |
| Spain | Solar PV only | 50 | - | 50% | 70% PPA, 30% market | 2025 | 2026 | 33,237 | 4,356 | 3,304 |
| UK | Solar PV + Co-located BESS | 45 | 61 | 100% | 70% PPA, 30% market | 2025 | 2026 | 51,710 | 9,035 | 7,138 |
| UK | BESS stand-alone | - | 163 | 100% | Market prices | 2025 | 2026 | 65,307 | 13,566 | 11,084 |
| UK | Solar PV only | 27 | - | 100% | 70% PPA, 30% market | 2025 | 2025 | 16,815 | 2,499 | 1,931 |
| Poland | Solar PV only | 6 | - | 100% | 70% PPA, 30% market | 2025 | 2026 | 3,761 | 576 | 467 |
| Romania | Onshore Wind | 126 | - | 50% | 70% PPA, 30% market | 2025 | 2026 | 163,231 | 27,922 | 24,240 |
| Romania | Solar PV only | 40 | - | 50% | 70% PPA, 30% market | 2025 | 2026 | 29,957 | 4,166 | 3,457 |
| Romania | Solar PV only | 80 | - | 50% | 70% PPA, 30% market | 2025 | 2026 | 51,530 | 7,915 | 6,512 |
| | Total | 981 | 224 | | | | | 872,944 | 143,635 | 120,231 |
| | Total Company share | 526 | 224 | | | | | 478,395 | 80,154 | 66,692 |

(1) The Company's share in the above tables reflects estimates by the Company's management regarding existing and future partnerships, published by the company, and not the actual holding rate as of the date of the report's publication.

(2) Construction costs, projected revenue and EBITDA are presented in the above table at 100%, and not according to the Company's share (except in relation to the total Company share in the data contained in the table as stated).

(3) Average revenue and projected EBITDA for the first full five years of operation.

- (4) The revenues are calculated based the assumption of transactions for the purchase of electricity closing at a fixed price (Power Purchase Agreement - PPA) for a period of 10 years starting from the first year of full operations and for 70% of the output, and the rest at expected market prices according to the Company's market consultants. In Romania, revenues are calculated on the basis of the assumption of price setting transactions for the purchase of electricity at a fixed price (Power Purchase Agreement - PPA) for a period of 10 years as of the second half of 2025. The PPA prices in the various markets are based on the estimates of the Company and its consultants.
- (5) Construction costs invested as of September 30, 2023.

1.4.3 Investment plan

The Company started building projects through EPC contractors who build the projects under the management and control of the company. The construction cost taken into account includes: engineering, procurement and construction with a turnkey contractor (EPC), grid connection costs, development and initiation costs. As of the date of publication of the Company's annual report for 2022, following delays in the equipment supply chain resulting from macroeconomic effects (as detailed in Section 1.7 of Chapter A - Description of the Corporation's Business attached to the company's Annual Report 2022), and a significant increase in the price of some of the raw materials, the Company anticipates a significant increase in the total construction cost of the projects it owns. However, as of the date of the Report, in the short and medium term, the Company anticipates, among other things, based on estimates of its market consultants, stability in the total construction cost of its projects, and in the long term a gradual decrease in said cost. For additional information, see Section 1.6 above.

It should be noted that in the Econergy Archmore portfolio, carried out in collaboration with the UBS fund, the Company is not required to provide equity.

Moreover, the Company assumes that the projects will be financed by senior debt at market-accepted rates at approx. 60% leverage. However, it should be noted that within the framework of agreements with RG and Phoenix, the Company establishes projects that are financed with debt at a rate of approximately 50% and 34.5%, respectively. For further details, see sections 1.4.1 (1) and 1.4.1 (2) above.

Based on these assumptions, the Company is anticipating the following investments in the various countries over the coming years (EUR millions):

| Expected Investment | Italy | UK | Romania | Spain | Poland | Greece | Total |
|--|--------------|------------|----------------|--------------|---------------|---------------|--------------|
| 2023 | 7 | 10 | 20 | 1 | 7 | - | 45 |
| 2024 | 25 | 89 | 87 | 4 | 14 | 13 | 231 |
| 2025 | 47 | 16 | 32 | 3 | 74 | 37 | 209 |
| 2026 | 68 | 12 | - | 24 | 49 | 37 | 190 |
| Total expected investment by 2026 | 147 | 127 | 139 | 31 | 145 | 87 | 675 |

It should be noted that the table above includes, among other things, investments in projects throughout all the projection years, to be connected in 2027. In this regard, it is clarified that the investments required between 2023 and 2026 to meet the connection forecasts by the end of 2026 only, amount to approx. EUR 483 million.

It should also be noted that there was an increase in the Company's investment forecast, relative to the forecast included in the Company's Annual Report for 2022, and this mainly in light of progress in the development of existing projects and the addition of new projects to the forecast.

The Company's future investment plan, on the basis of which, among other things, the Company's business forecasts regarding its projects are provided as set forth in this Report, assumes that the Company will need capital for investment which exceeds the Company's current sources of capital. As of the date of the Report, the Company has the capital required to establish all the projects which are in a state of readiness for connection and under construction. However, in the Company's estimate, it will be required to raise additional capital as early as the first half of 2024 in order to provide its share of the equity required for the construction of the projects presented in this Report and according to the investment plans described above. In order to comply with the investment plan, the Company is examining various possible financing alternatives, including raising capital from the public and/or raising private capital for the Company's subsidiaries, as well as introducing partners for projects under the

Company's development. Moreover, as mentioned in Section 1.4.1 (c) above, the Company signed a Financing Agreement for the RATESTI project, under which the Company is expected to receive approx. EUR 30 million as repayment of owner loans. Also, as mentioned in Section 1.4.1 (i) above, the Company announced the signing of a memorandum of understanding and negotiations on raising debt for Econergy England of up to EUR 150 million.

The Company's forecasts are based on the assumption of the introduction of partners in all the projects in respect of which the Company has reached agreements (Phoenix, RGREEN and UBS agreements), while holding full ownership (100%) in all other projects, with the exception of all projects in Romania for which the Company is evaluating the introduction of partners.

As of the date of the report, there is no certainty that the raising of capital will be completed in full according to the Company's forecasts. Failure to raise sufficient capital for the implementation of the Company's future investment plan described above is expected to significantly affect the Company's forecasts set forth in the Report, including the projected annual revenue estimates, the projected EBITDA estimates, the projected FFO estimates and the projected FCF estimates, as set out in this Report. However, according to the Company's estimates, insofar as the Company does not meet future capital raising plans, it has alternatives to the implementation of its investment plans, including the sale of projects, or some of them, at the Ready to Build stage (RTB) in anticipation of unlocked value for the Company and/or debt raising in the capital market.

1.4.4 Revenue forecast

In relation to each project, the Company has an assessment based on planning tools (which enable planning of the expected facility layout according to the terrain and planning constraints, until the expected facility size and efficiency rate are reached) and multi-year databases of expected sun radiation or wind speed, as the case may be. Based on the assessed installed capacity and the solar radiation or wind speed, the Company performs its estimates regarding the expected electricity output from the facility.

The Company usually uses current forecasts (on a quarterly level) from leading external market consultants regarding the expected sales prices in each region or country, depending on the facility's technology, in the coming years. The external consultants' forecast is based on electricity demand and supply forecasts in the region or country, on alternative energy prices and multi-year models. The market consultants' forecasts, which assist the Company, are accepted by lending banks in the countries of operation.

For the purpose of calculating the Company's revenues and the profitability of its operations in the coming years, and based on estimates from external market consultants, the Company assumed

projected electricity prices in the countries of operation, by technology in the coming years, as follows⁷:

| | | | Expected price 2024 | Market Prices over the First 10 Years | |
|---------|------|-----------|---------------------|---------------------------------------|-----|
| | | | | Min | Max |
| Italy | Wind | €/MWh | 90 | 76 | 125 |
| Italy | PV | €/MWh | 86 | 54 | 117 |
| UK | PV | £/MWh | 73 | 47 | 88 |
| UK | BESS | £/kW/year | 178 | 108 | 178 |
| Romania | Wind | €/MWh | 81 | 83 | 134 |
| Romania | PV | €/MWh | 77 | 60 | 128 |
| Spain | PV | €/MWh | 56 | 38 | 79 |
| Poland | PV | €/MWh | 92 | 49 | 116 |
| Greece | PV | €/MWh | 79 | 48 | 116 |

Notes:

- ** The electricity prices expected in 2024 are calculated based on the assumed closing of transactions for the purchase of electricity at a fixed price (PPA) for a period of 10 years and for 70% of the output, and the rest (30%) at expected market prices according to the Company's market consultants. The PPA prices in the various markets are based on estimates of the Company and its consultants. Moreover, the price forecast for storage systems includes rates that the Company won as part of government tenders in England for the supply of electricity as of 2027.
- Price of certificates of origin (Guarantee of Origin, "GoOs" - In light of the difficulty in predicting the price of certificates of origin (GoOs are not traded in the market as part of trade which includes publication of transaction results), the Company does not include the GoOs component in its revenue forecast. In the Company's estimate, this is a negligible part compared to the other income streams.
- The operating expenses assumed by the Company for estimating future revenue and profitability are based on quotes from vendors and existing agreements in facilities managed by the Company in ongoing operations, assumptions of inflation based on market consultants, and insights gathered by the Company's management through years of overseeing various facilities in operation.

The following is an analysis of the Company's revenue forecast based on the Company's investment plan, presented by project according to the current development status as of the date of publication of the Report (the Company's share, weighted by probability, in millions of euros):

| Revenue Forecast | 2023 | 2024 | 2025 | 2026 | Total |
|---|------------|--------------|--------------|--------------|--------------|
| Net revenue from realization of project initiation and development ⁸ | 3.7 | 84.8 | 54.0 | 14.1 | 156.6 |
| Revenue from the sale of electricity ⁹ | - | 36.7 | 128.3 | 235.6 | 400.6 |
| Revenue from the sale of services | 1.7 | 5.8 | 9.5 | 8.7 | 25.7 |
| Total | 5.3 | 127.3 | 191.8 | 258.3 | 582.9 |

⁷ The prices are presented at their real rate, without linkage.

⁸ Net revenues from realization of project initiation and development are calculated on the basis of the value of the initiated asset less development costs.

⁹ Assuming a sales volume of 70% according to the expected PPA rate for 10 years as of the first year of full operation, in Romania as of the second half of 2025, and 30% market price.

The total revenue forecast up to the end of 2026 decreased by approximately 22% compared to the forecast for the second quarter of 2023, primarily due to a delay in the expected connection of the projects.

As mentioned above, electricity prices for the benefit of revenue forecasting are calculated based on the assumption of closing transactions for the purchase of electricity at a fixed price (Power Purchase Agreement - PPA) for a period of 10 years starting from the first full year of operation and for 70% of the output and the rest at the expected market prices according to the estimates of the company's market consultants and the PPA prices in the various markets.

It should be noted that the revenue forecast, on all its components, is a Non-GAAP forecast, i.e. it was not constructed according to the accepted accounting principles. Accordingly, revenues to be recognized in the Company's financial statements in accordance with accounting principles and standards may differ from the forecast both in terms of timing and scope.

1.4.5 Business Results Projection

The Company estimates the development of the **business** results - (from the realization of an initiative, from the sale of electricity and services) in the following years as follows (the Company's share, in EUR millions):

| Business Results Projection | 2023 | 2024 | 2025 | 2026 | Total |
|------------------------------------|-------------|-------------|-------------|-------------|--------------|
| Revenue | 5.3 | 127.3 | 191.8 | 258.3 | 582.9 |
| Consolidated EBITDA | 5.3 | 113.6 | 176.3 | 224.4 | 519.8 |
| FFO | 5.3 | 110 | 156.9 | 177.5 | 449.7 |
| FCF | 5.3 | 72.8 | 93.2 | 101.1 | 272.3 |

Revenue - the index includes all income streams as presented in Section 1.4.4 above.

Consolidated EBITDA - The consolidated EBITDA index in the above table includes all of the Company's business revenue streams, such as income from electricity production, income from the realization of initiatives and income from services, and is calculated by deducting all operating and maintenance expenses and neutralizing depreciation from the total income.

FFO (Funds From Operations) - The index is calculated on the basis of the EBITDA index, taking into account the expected tax and financing expenses.

FCF (Forecasted Cash Flow) - The index is calculated on the basis of the FFO less payments in respect of the project loan principal. It should be noted that project financing agreements include a grace period allowing the project to postpone the start of repayment of the loan principal. The duration of the grace period varies between the financing agreements and may cause material differences between the forecast and the actual FCF index.

The Company is considering reclassifying this indicator since most of it is composed of initiation realization.

It should be noted that revenues as well as FFO, EBITDA, and FCF indicators are Non-GAAP indicators, i.e. they are not accounting indicators, and accordingly these indicators were not constructed according to accepted principles and accounting standards.

1.4.6 Detail of revenue forecast for the years 2023 and 2024 only according to development stages:

1.4.6.1 2023 (EUR millions)

| Total revenue | Italy | UK | Romania | Spain | Poland | Greece | Total |
|----------------------|--------------|-----------|----------------|--------------|---------------|---------------|--------------|
| Early development | - | - | - | - | - | - | - |
| Licensing | - | - | - | - | - | - | - |
| Pre-construction | - | - | 4 | - | - | - | 4 |
| Under construction | - | - | 1 | - | - | - | 1 |
| Ready to connect | - | - | - | - | - | - | - |
| Total | - | - | 5 | - | - | - | 5 |

| Net revenues from project initiation and development | Italy | UK | Romania | Spain | Poland | Greece | Total |
|---|--------------|-----------|----------------|--------------|---------------|---------------|--------------|
| Early development | - | - | - | - | - | - | - |
| Licensing | - | - | - | - | - | - | - |
| Pre-construction | - | - | 4 | - | - | - | 4 |
| Under construction | - | - | - | - | - | - | - |
| Ready to connect | - | - | - | - | - | - | - |
| Total | - | - | 4 | - | - | - | 4 |

| Revenue from the sale of electricity | Italy | UK | Romania | Spain | Poland | Greece | Total |
|---|--------------|-----------|----------------|--------------|---------------|---------------|--------------|
| Early development | - | - | - | - | - | - | - |
| Licensing | - | - | - | - | - | - | - |
| Pre-construction | - | - | - | - | - | - | - |
| Under construction | - | - | - | - | - | - | - |
| Ready to connect | - | - | - | - | - | - | - |
| Total | - | - | - | - | - | - | - |

| Revenue from the sale of services | Italy | UK | Romania | Spain | Poland | Greece | Total |
|--|--------------|-----------|----------------|--------------|---------------|---------------|--------------|
| Early development | - | - | - | - | - | - | - |
| Licensing | - | - | - | - | - | - | - |
| Pre-construction | - | - | (1) 0 | - | - | - | (1) 0 |
| Under construction | (1) 0 | - | 1 | - | (1) 0 | - | 1 |
| Ready to connect | - | - | (1) 0 | - | - | - | (1) 0 |
| Total | 0 | - | 1 | - | 0 | - | 1 |

(1) Revenues lower than EUR 1 million.

1.4.6.2 2024 (EUR millions)

| Total revenue | Italy | UK | Romania | Spain | Poland | Greece | Total |
|----------------------|--------------|-----------|----------------|--------------|---------------|---------------|--------------|
| Early development | - | - | - | - | - | - | - |
| Licensing | - | - | 39 | - | - | - | 39 |
| Pre-construction | 16 | - | 32 | 4 | - | - | 52 |
| Under construction | 1 | 6 | 13 | - | 2 | - | 21 |
| Ready to connect | - | - | 15 | - | - | - | 15 |
| Total | 16 | 6 | 99 | 4 | 2 | - | 127 |

| Net revenues from project initiation and development | Italy | UK | Romania | Spain | Poland | Greece | Total |
|---|--------------|-----------|----------------|--------------|---------------|---------------|--------------|
| Early development | - | - | - | - | - | - | - |
| Licensing | - | - | 38 | - | - | - | 38 |
| Pre-construction | 14 | - | 29 | 4 | - | - | 46 |
| Under construction | - | - | - | - | - | - | - |
| Ready to connect | - | - | - | - | - | - | - |
| Total | 14 | - | 67 | 4 | - | - | 85 |

| Revenue from the sale of electricity | Italy | UK | Romania | Spain | Poland | Greece | Total |
|---|--------------|-----------|----------------|--------------|---------------|---------------|--------------|
| Early development | - | - | - | - | - | - | - |
| Licensing | - | - | - | - | - | - | - |
| Pre-construction | 1 | - | 1 | - | - | - | 2 |
| Under construction | 0 | 6 | 12 | - | 2 | - | 20 |
| Ready to connect | - | - | 15 | - | - | - | 15 |
| Total | 1 | 6 | 28 | - | 2 | - | 37 |

| Revenue from the sale of services | Italy | UK | Romania | Spain | Poland | Greece | Total |
|--|--------------|-----------|----------------|--------------|---------------|---------------|--------------|
| Early development | - | - | - | - | - | - | - |
| Licensing | - | - | 1 | - | - | - | 1 |
| Pre-construction | 1 | - | 2 | - | - | - | 3 |
| Under construction | - | - | 1 | - | - | - | 1 |
| Ready to connect | - | - | 1 | - | - | - | 1 |
| Total | 1 | - | 4 | - | - | - | 5 |

(1) Revenues lower than EUR 1 million.

1.4.7 Projection of business results from electricity sales only by development stages:

Forecast of business results from the sale of electricity alone is used by the Company's management to examine the profitability of the project's core activity and is a basis, inter alia, for making managerial decisions. Below is the development of the project business results arising from the sale of electricity according to development stages (the Company's share, in EUR millions):

| Revenue from the sale of electricity | 2023 | 2024 | 2025 | 2026 | Total | % |
|---|-------------|-------------|-------------|-------------|--------------|----------|
| Early development | - | - | - | 3 | 3 | 1% |
| Licensing | - | - | 18 | 129 | 147 | 37% |
| Pre-construction | - | 2 | 69 | 71 | 142 | 36% |
| Under construction | - | 20 | 30 | 24 | 74 | 18% |
| Ready to connect | - | 15 | 11 | 8 | 34 | 9% |
| Total | - | 37 | 128 | 236 | 401 | 100% |

| EBITDA from the sale of electricity | 2023 | 2024 | 2025 | 2026 | Total | % |
|--|-------------|-------------|-------------|-------------|--------------|----------|
| Early development | - | - | | 3 | 3 | 1% |
| Licensing | - | - | 16 | 113 | 129 | 37% |
| Pre-construction | - | 2 | 61 | 59 | 122 | 35% |
| Under construction | - | 18 | 26 | 20 | 63 | 18% |
| Ready to connect | - | 13 | 10 | 7 | 30 | 9% |
| Total | - | 33 | 113 | 202 | 347 | 100% |

| FFO from the sale of electricity | 2023 | 2024 | 2025 | 2026 | Total | % |
|---|-------------|-------------|-------------|-------------|--------------|----------|
| Early development | - | - | | 2 | 2 | 1% |
| Licensing | - | - | 14 | 93 | 107 | 39% |
| Pre-construction | - | 2 | 53 | 41 | 96 | 34% |
| Under construction | - | 16 | 19 | 14 | 49 | 18% |
| Ready to connect | - | 11.3 | 7 | 5 | 23 | 8% |
| Total | - | 29 | 93 | 155 | 277 | 100% |

| FCF from the sale of electricity | 2023 | 2024 | 2025 | 2026 | Total | % |
|---|-------------|-------------|-------------|-------------|--------------|----------|
| Early development | - | - | - | | | 0% |
| Licensing | - | - | - | 11 | 11 | 10% |
| Pre-construction | - | - | 3 | 50 | 52 | 47% |
| Under construction | - | | 14 | 14 | 28 | 25% |
| Ready to connect | - | 2 | 14 | 3 | 18 | 17% |
| Total | - | 2 | 30 | 78 | 110 | 100% |

The Company presents a decrease in revenue forecast from the sale of electricity for the year 2023-2024 in light of the delay in connection of two of the Company's projects (the Ratesti project which was already connected as of the date of the Report and the Resko project in Poland) and in light of the delay in initiating construction of a number of new projects which are in ready for construction status following a delay in the realization of the Company's fund raising plans. It should be noted that the revenue forecast from the sale of electricity is a Non-GAAP forecast, i.e. it was not constructed according to the accepted accounting principles. In addition, EBITDA and FFO indices are Non-GAAP indices, calculated on the basis of the assumptions underlying the business results forecast.

The EBITDA index (Earnings Before Interest, Tax, Depreciation and Amortization) from the sale of electricity is an index representing the system's operational efficiency, and is used by the Company's decision makers. The index is calculated as an operating profit (revenues from electricity production less operating and maintenance costs) neutralizing the depreciation of the systems (this in contrast to the consolidated EBITDA index, EBITDA from electricity sales does not include all of the Company's business income streams, such as income from the realization of initiatives and income from services).

The FFO index (Funds From Operations) is calculated on the basis of the EBITDA index, taking into account the expected tax and financing expenses. This index is an accepted index reflecting the ability to service the debt fund out of the receipts generated by the systems.

The projected free cash flow to the owner after servicing the FCF (Free Cash Flow) debt is calculated based on the FFO less payments for the loan fund.

As can be seen in the tables above, the Company's expected revenue and profitability indicators derive from systems under construction, nearing construction and systems

ready for connection for which, in the Company's estimate, the probability of realization is very high (85%-95% probability of realization).

1.4.8 The effect of the interest rate increase on the company and sensitivity analysis

As of the publication date of this Report, inflation for the last 12 months in Great Britain stands at 4.6%, and in the Eurozone at 2.9%.¹⁰ The monetary policy of the Central Bank of England seeks to ensure that inflation in the country in the medium and longer term will remain at 2%, a similar trend also reflected in the forecasts of the European Central Bank.¹¹

In order to curb the continued rise in inflation and cool demand, as well as in response to similar moves in the US, central banks in the UK and in Europe began raising interest rates in mid-2022, while moderating the rates of increase during the second half of 2023. ¹²The interest rate increases carried out and inflation expected to remain above target in the short term, are expected to lead to an increase in the Company's financing cost in future fund raising.

The Company has fixed interest financing agreements with strategic partners (the "Infragreen Fund" "The Phoenix") for financing of projects whose construction has begun and/or is expected to begin in the next 12 months, and a financing agreement was signed in relation to the Ratesti project which was connected to the electricity grid (in addition to hedging for interest rate). The agreements allow the Company flexibility if it seeks to refinance said projects, when market conditions improve its situation relative to the existing loan agreements.

The company does not have the financing agreements or material obligations that are linked to inflationary changes. On the other hand, the electricity prices in the countries of activity are affected by the rising inflation and therefore in the company's estimation in the short-to-medium term it might even enjoy the rising inflation.

In view of the continued increase in interest rates in the markets, below is a sensitivity analysis for the Company's FFO forecast based on an interest rate increase of 0.5%, 1% and 1.5%:

| FFO sensitivity analysis to changes in interest rates | 2024 | 2025 | 2026 |
|--|-------------|-------------|-------------|
| Change in FFO following a 0.5% change in interest on debt | -0.34% | -0.95% | -1.65% |
| Change in FFO following a 1.0% change in interest on debt | -0.69% | -1.90% | -3.32% |
| Change in FFO following a 1.5% change in interest on debt | -0.70% | -1.94% | -3.43% |

1.4.9 The effects of the geopolitical situation in Europe and Israel and the effect of the Iron Swords War

On October 7, 2023, the terrorist organization Hamas attacked the State of Israel. As a result of the attack, the Israeli government declared the State of Israel in a state of war as of said date (hereinafter: "**War**"). The impact on Israel's economy in October-November 2023¹³ was

¹⁰ Office for National Statistics, Consumer price inflation, UK: October 2023 and Eurostat: September 2023.

¹¹ UK's Office for National Statistics, European Central Bank, October 2023.

¹² Monetary policy decisions, European Central Bank, 26 October 2023.

¹³ For further details, see the following publications:

- Ministry of Finance, Accountant General's Division, preliminary estimate for execution of the budget, government surplus/deficit and its financing, October 2023;
- Ministry of Finance, Economic Response to Combat - Iron Swords, October 2023;
- Bank of Israel, Briefing by the Governor of the Bank of Israel regarding the Monetary Policy Decision, October 2023;

influenced by actions taken due to the war situation, such as significant reserve enlistment, employee absenteeism from workplaces, and decreased activities in educational institutions. This trend could persist based on the duration and extent of the ongoing conflict. In addition to macroeconomic effects in Israel, including an effect on spending, the deficit, the rate of inflation and growth, the impact of the war is also evident in the stock indices in the TASE, in the exchange rate of the shekel against foreign currencies and in the increase in yields in the bond market. Moreover, international rating companies have announced that the credit rating of the State of Israel has been placed under negative monitoring and/or negative rating forecast, at this stage, without downgrading Israel's credit rating.

As of the date of approval of the Report, the war and its consequences are not expected to have a material impact on the Company's activities, bearing in mind that all of the Company's projects are located in Europe and Great Britain, as is most of the Company's workforce. That said, changes in foreign exchange rates and the availability and cost of the Company's funding sources related to the Israeli economy, may affect the Company's activities, but in light of the fact that all of the Company's activities are concentrated in Europe and a significant part of the Company's funding sources are from Europe, the company anticipates that the said impact will, at most, be restricted.

The geopolitical situation in Europe, and in particular in the countries where the Company operates, may have an impact on the economy in Europe, on the prices of goods, transportation and energy, and as a result - on the Company's activities. During 2022, Russia's military attack on Ukraine and the rise in inflation created great pressure in the energy market which resulted in a very substantial increase in the gas, oil, and carbon markets, causing a considerable increase in electricity prices in Europe. However, in the fourth quarter of 2022, there was a new drop in energy in general and gas prices in particular, among other things following a series of measures taken by the European Commission to diversify gas supply, reduce energy consumption in the Eurozone and prevent a sharp increase in energy prices, as part of the comprehensive Repower EU program, among them restrictions on the price of electricity. For additional information about this matter and the effects of the Company's operations and forecasts, see Sections 1.7.4 and 1.7.5 of Chapter A - Description of the Corporation's Business, attached to the Annual Report 2022.

For details regarding changes and the possibility of advancing substantial changes in the legal system in Israel and their effects, see Section 1.4.9 of the Board of Directors' report for the second quarter of 2023 published by the Company on August 20, 2023 (Reference No.: 2023-01-095472).

The Company's estimates regarding forecasted capacities, projected connection dates, probabilities for connecting facilities, investment plan forecast, revenue forecast, business results forecast (including revenue, EBITDA, FFO and available cash flow) of the Company for the years 2023-2026, as well as macro-economic effects on the Company's activity, are forward-looking information, as defined in the Securities Law, based on the Company's plans on the date of the Report, under the assumptions as set forth above, the realization of which is uncertain and not under the sole control of the Company. The estimates are based on the Company's plans with regards to each system and its characteristics, which may not materialize due to factors beyond the Company's control, such as delays in obtaining the permits required for the construction of the systems, changes in system construction costs, construction delays, delays in the supply of system parts, changes in exchange rates, regulatory changes, changes in financing costs including failure to raise sufficient capital sources for the implementation

- Bank of Israel, Research Division, The Economic Cost of Absenteeism During the Iron Swords War, November 2023;

of the Company's future investment plan described above that, as of the date of the Report, there is no certainty that these will be fully completed according to the Company's forecasts, changes in interest rates, system defects, weather effects, changes in the consumer's electricity rates, changes in electricity consumption, changes in tax rates, changes in the electricity economy, the consequences of the corona crisis, etc. It should be emphasized that there is no certainty regarding the implementation of projects in pre-construction, among other things, due to the fact that these projects are subject to the receipt of permits and licenses for which their receipt is uncertain, as well as due to concern regarding the existence of any of the risk factors detailed in Section 1.29 of Chapter A – Description of the Corporation's Business, attached to the Annual Report for 2022.

1.4.10 The impact of global supply chains on the Company's operations

In 2022, there was a downward trend in haulage costs of products and they returned to their pre-pandemic level. This was due to a decrease in the volume of trade and rate of growth in China and a gradual decrease in port congestion and increase in the supply of containers. In 2023 the trend of decreasing product costs continued, as of the date of the Report, the costs of the key products required for the Company's operations reached a significantly lower level relative to the corresponding cost on the eve of the corona virus outbreak.

In accordance with these trends and with the expectation of the price level remaining stable in the short term, the Company maintains its estimates regarding the costs of establishing projects in the short term as of the date of publication of the Company's Annual Report 2022.

For additional information about the macroeconomic effects of the company's operations, see Section 1.7 of Chapter A - Description of the Corporation's Business, attached to the annual report for 2022.

The Company's assessments regarding trends, forecasts and developments in the Group's macroeconomic environment as detailed above is forward-looking information as defined in the Securities Law, based, among other things, on publications and on expectations and assessments regarding economic or sectoral developments, the realization of which is uncertain and not under the Company's control. Therefore, it is possible that the aforementioned developments and trends will materialize differently, due in part to factors that by their very nature are not under the Company's control or due to the realization of risk factors detailed in Section 1.29 of Chapter A – Description of the Corporation's Business, attached to the Annual Report for 2022.

2. Financial Position

The following table presents the Statement of Financial Position items in accordance with the consolidated financial statements, and the explanations for the main changes that took place therein:

| Item | As of September 30 | | As of December 31 | Explanations of the Board of Directors |
|--|--------------------|----------------|-------------------------|---|
| | 2023 | 2022 | 2022 | |
| | EUR thousands | | | |
| Cash and cash equivalents | 31,003 | 21,192 | 20,017 | See Section 4, liquidity analysis. |
| Accounts receivable and debit balances | 18,726 | 7,144 | 13,120 | The is mainly due to acquisitions made during the period which increased the VAT receivable balance as well as an increase in interest receivable from affiliated companies. |
| Financial assets at fair value through profit and loss | - | 3,273 | - | |
| Customers | 61 | 24 | 23 | |
| Total current assets | 49,790 | 31,633 | 33,160 | |
| Restricted cash | 6,496 | 7,979 | 5,036 | Increase in collateral due to changes in exchange rates |
| Systems under construction and development (including land) | 162,118 | 49,075 | 80,187 | The increase in the reporting period is due to continued investments in development projects. |
| Fixed assets | 716 | 477 | 527 | |
| Right-of-use assets, net | 10,361 | 7,126 | 9,352 | The increase in the reporting period is due to an addition in respect of the offices in London as well as expansion of offices in Israel and Italy. |
| Deferred tax asset | 2,784 | 15 | 877 | |
| Loans to affiliated companies | 83,805 | 28,627 | 39,624 | The increase is mainly due to a loan of approx. EUR 42 million during the second quarter for the Parau project. The balance at the end of the period consists of loans for the Parau project totaling approx. EUR 40 million and for the Ratesti project totaling approx. EUR 44 million. |
| Investments in companies accounted for using the equity method | 35,470 | 18,836 | 32,811 | The increase compared to the corresponding period is mainly due to revaluation of the remaining investment (50%) of the project company Parau. |
| Total non-current assets | 301,750 | 112,135 | 168,414 | |

| Item | As of September 30 | | As of December 31 | Explanations of the Board of Directors |
|--|--------------------|----------------|-------------------------|---|
| | 2023 | 2022 | 2022 | |
| | EUR thousands | | | |
| Total assets | 351,540 | 143,768 | 201,574 | |
| Liabilities to vendors and service providers | 5,973 | 2,805 | 6,627 | |
| Accounts payable and credit balances | 6,119 | 2,338 | 2,070 | The increase is mainly due to an increase in interest payable to Phoenix and RG. |
| Liabilities for deferred consideration | 4,574 | 5,802 | 4,010 | |
| Financial liabilities at fair value through profit or loss | 8,868 | - | 2,365 | The increase is due to the weakening of the Shekel against the Euro. |
| Total current liabilities | 25,534 | 10,945 | 15,072 | |
| Other long-term liabilities | 3,140 | 3,137 | 3,697 | |
| Long-term loan from an affiliated party | 91,367 | - | 964 | The increase is due to receipt of loans amounting to approx. EUR 37.8 million from RG and additional loans amounting to approx. EUR 55.5 million from Phoenix. |
| Deferred tax liability | 2,778 | - | 849 | |
| Debt component in respect of convertible bonds | 72,773 | 62,211 | 58,317 | The increase is due to the expansion of Series A bonds (approx. EUR 19 million) offsetting the decrease in the bond balance due to the weakening of the shekel against the euro. |
| Conversion component at fair value through profit or loss in lieu of convertible bonds | 2,937 | 4,906 | 1,503 | The change is derived from the updating of the fair value of the conversion component in the bonds and receipt of a conversion loan to finance the Resko project in Poland amounting to approx. EUR 22 million. The conversion component from the loan is approximately EUR 2 million according to the valuation. |
| Lease liabilities | 9,694 | 6,651 | 9,059 | The increase in the reporting period is due to an addition in respect of the offices in London as well as expansion of offices in Israel and Italy. |
| Total non-current liabilities | 182,689 | 76,905 | 74,389 | |
| Total liabilities | 208,223 | 87,850 | 89,461 | |

| Item | As of September 30 | | As of December 31 | Explanations of the Board of Directors |
|---|--------------------|----------------|-------------------------|--|
| | 2023 | 2022 | 2022 | |
| | EUR thousands | | | |
| Share capital and premium | 62,981 | 62,618 | 62,618 | |
| Capital reserves | 71,960 | 8,051 | 47,864 | |
| Retained earnings (accumulated deficit) | (14,008) | (15,462) | (9,745) | |
| Capital attributed to parent company shareholders | 120,933 | 55,207 | 100,737 | |
| Minority rights | 22,384 | 711 | 11,376 | |
| Total equity | 143,317 | 55,918 | 112,113 | See statement of changes in capital. |
| | | | | |
| Total liabilities and equity | 351,540 | 143,768 | 201,574 | |

3. Results of operations

The following table presents the Statement of Comprehensive Income items in accordance with the financial statements, and explanations of the main changes that took place therein (EUR thousands)

| Item | As of September 30 | | As of December 31 | Explanations of the Board of Directors |
|---|--------------------|--------------|-------------------|--|
| | 2023 | 2022 | 2022 | |
| | EUR thousands | | | |
| Revenues from the provision of services | 981 | 1,509 | 1,817 | The section primarily includes revenue from asset management, technical support and project management. |
| Revenues from development realization | - | - | 7,166 | In 2022, profit was generated from the realization of the investment as well as from the revaluation of the balance of the investment (50%) in the Parau project in Romania. |
| Total revenue | 981 | 1,509 | 8,983 | |

| Item | As of September 30 | | As of December 31 | Explanations of the Board of Directors |
|--|--------------------|----------------|-------------------|---|
| | 2023 | 2022 | 2022 | |
| | EUR thousands | | | |
| Cost of revenues | 1,622 | 1,090 | 1,650 | The increase during the period is due to the expansion of activity and an increase in the number of employees. |
| Development expenses | 558 | 1,075 | 1,281 | The item mainly includes direct wage expenses and expenses in respect of share based payment in the framework of allocating options to employees. |
| Administrative and general expenses | 7,177 | 5,259 | 7,806 | The increase is due to salary expenses due to hiring new employees. |
| The Company's share in losses of a company accounted for using the equity method | 674 | 835 | 1,183 | |
| Total Expenses | 10,031 | 8,259 | 11,920 | |
| Operating loss | (9,050) | (6,750) | (2,937) | |
| Financing income | 10,307 | 7,955 | 10,256 | During the period, revenues were generated from exchange rate differences amounting to approx. EUR 5.8 million, interest revenues from loans to affiliated companies amounting to approx. EUR 3 million, and revenues from the revaluation of the conversion component of the bonds amounting to approx. EUR 1.2 million. |
| Financing expenses | 8,025 | 4,587 | 5,025 | During the period losses arose from the revaluation of the preliminary contract amounting to approx. EUR 6.5 million and interest expenses of approx. EUR 1.1 million in respect of loans from related parties. |
| Financing income, net | 2,282 | 3,368 | 5,231 | |
| Profit (loss) before taxes on income | (6,768) | (3,382) | 2,294 | |
| Income tax | 20 | 28 | 27 | |
| Profit (loss) for the period | (6,788) | (3,410) | 2,267 | |

| Item | As of September 30 | | As of December 31 | Explanations of the Board of Directors |
|--|--------------------|----------------|-------------------|--|
| | 2023 | 2022 | 2022 | |
| | EUR thousands | | | |
| Parent company shareholders | (4,263) | (3,347) | 2,370 | |
| Minority rights | (2,525) | (63) | (103) | |
| Adjustments from translation of financial statements of foreign activities | (247) | (461) | (439) | |
| Total comprehensive income (loss) | (7,035) | (3,871) | 1,828 | |
| Total comprehensive income attributed to: | | | | |
| Parent company shareholders | (4,472) | (3,808) | 1,931 | |
| Minority rights | (2,563) | (63) | (103) | |

4. Liquidity

| Item | As of September 30 | | As of December 31 | Explanations of the Board of Directors |
|---|--------------------|----------|-------------------|--|
| | 2023 | 2022 | 2022 | |
| | (EUR thousands) | | | |
| Net cash flow used in operating activities | (13,104) | (11,527) | (13,231) | The main flow in the period is due to changes in VAT balances receivable and timing differences for payments to construction vendors. |
| Net cash flow used in investing activities | (124,273) | (51,717) | (97,947) | The main cash flow in the period arises from provision of a loan to the Parau project (approx. EUR 42.3 million) and continued investments in development projects (approx. EUR 45 million). |
| Net cash flow provided by financing activities | 148,452 | (1,610) | 46,734 | <ul style="list-style-type: none"> - During the reporting period, EUR 37.5 million were transferred to the Company from the sale of 7.5% of the UK subsidiary's shares. - The Company received loans from the Phoenix amounting to approx. EUR 54.5 million to finance the Resko project in Poland and the Oradea project in Romania projects. - The Company raised bonds for approx. EUR 19 million. - The Company received a loan from RG of approximately EUR 37.8 million. |

5. Development of Capital

See the consolidated report on the changes in capital in the consolidated financial statements.

6. Working capital

The Company's working capital according to the consolidated interim financial statements as of September 30, 2023 amounts to approx. EUR 24,256 thousand (compared to working capital amounting to EUR 20,688 thousand in the corresponding period).

7. Projected cash flow

In accordance with Regulation 10(b)(14) of the report regulations, the Company examined the existence of warning signs.

The Company has a negative cash flow from operating activities in its consolidated financial statements as of December 31, 2022 totaling approx. EUR 13,231 thousand, and a negative cash flow from operating activities in its consolidated interim financial statements as of September 30, 2023 amounting to approx. EUR 13,104 thousand.

At its meeting on May 27, 2023, the Company's Board of Directors discussed the projected cash flow, reviewed the existing and expected sources and needs for cash, and also reviewed the sources of financing and potential amounts of financing available to the Company, including inter alia the Company's cash balance.

Based on an examination of said data, the Company's Board of Directors determined that there is no reasonable concern that during the projected cash flow period the Company will not meet its existing and expected liabilities on their due date, and also determined that the Company has no liquidity problem and that the Company expects to meet the financial benchmarks it has undertaken, and all based on the following reasons:

- The Company is expecting revenue from the sale of electricity in respect of several projects that are expected to be connected to the electricity grid over the coming year.
- The Company is expecting cash flow through bank financing for projects financed with owner loans.
- Flow from realization of project initiation.
- The Company is expecting revenues from services provided to the subsidiary Econergy England, as well as interest revenue for loans provided to the latter.

For further details, see also Notes 1(e) to the Company's consolidated financial statements as of September 30, 2023.

8. Financing sources

Financing activity for the initiation and construction of projects (Project Finance) for the generation of electricity using renewable energy technology, is expected to be partly financed by project finance from a bank, through dedicated bank loans taken as senior debt by the project corporations (SPCs) or the Company, and partly by shareholders' loans (provided to the project as equity). As of the date of the report, the Company has not yet taken project finance loans for projects under construction. For further information, see Section 1.19 of Chapter A - Description of the Corporation's Business, attached to the Company's annual report for 2022.

In order to comply with the investment plan, the Company is looking into various options for financing alternatives that include raising capital from the public, and/or raising private capital and/or debt for the Company's subsidiaries, as well as introducing partners for projects developed by the Company. In this framework, the Company has entered into the following agreements and memoranda of understanding:

- On November 17, 2022 Econergy International Ltd ("**Econergy England**"), a wholly owned subsidiary of the Company, signed binding agreements with a number of companies from the Rgreen Invest Group, a leading investment fund in renewable energy in France incorporated as a company in France (hereafter collectively: "**RG**"), regarding RG's investment of EUR 87.5 million in Econergy England's capital, as well as regarding entry into

partnership with capital and provision of financing for the Company's projects in Europe at an additional total scope of approx. EUR 163.3 million ("**agreements**"). For further details, see Section 1.4.1(a) above.

- On January 4, 2023, Econergy England signed a Binding agreement with Phoenix Insurance Company Ltd. regarding commencing cooperation, investment and provision of financing for the Company's projects in Romania and Poland amounting to approx. EUR 150 million. For further details, see Section 1.4.1(b) above.
- On November 21, 2023, Ratesti Solar Plant, ("**project company**"), a corporation owned (50%) by Econergy England, signed an agreement for the provision of project financing to the project with Raiffeisen Bank International AG, one of the leading banks in Austria and Central Europe and with its subsidiary, Raiffeisen Bank S.A (collectively, "**Raiffeisen Group**"), at a total scope of approx. EUR 60 million by the Raiffeisen Group. For further information, see Section 1.4.1(c) above.
- On September 4, 2023, Econergy England signed a memorandum of understanding with a large European investment fund for the provision of financing by way of a loan to Econergy England, for the purpose of establishing the Company's projects in Europe and the United Kingdom, at a total scope of up to EUR 150 million. It should be clarified that as of the date of this Report, a binding agreement is yet to be signed between Econergy England and the Lender, and the terms of the memorandum of understanding may change as part of the signing of such binding agreement. For further information, see Section 1.4.1(l) above.
- In addition, on December 9 2022, the Company raised debt amounting to approx. NIS 242.5 million from the public, through the issuance of bonds convertible into the Company's shares from a new series and their listing on TASE Ltd. On January 12, 2023, the Company completed a substantial private offering of convertible bonds (Series A) by way of expanding the series of convertible bonds, at a scope of approx. NIS 70 million (net). For more details, see Appendix A to this report.

Part B - Aspects of Corporate Governance

9. Donations

The Company has not adopted a policy regarding donations, and as of the date of the report, the Company has no commitment to make donations in the future.

10. Minimum number of directors with accounting and financial expertise

According to the provisions of Section 92(A)(12) of the Companies Law, 1999 (the "Companies Law"), the Company's Board of Directors has determined that the minimum number of directors required in the Company who possess accounting and financial expertise will be two (2), including external directors (appointed in accordance with the provisions of the Companies Law, subject to the Company becoming a public company) given the nature of the Company's activities, the complexity of its operations and its size.

11. Independent Directors

In its Articles of Association, the Company did not adopt provisions regarding the proportion of independent directors according to the provisions of the First Schedule to the Companies Law. On September 29, 2021, the Company's General Meeting approved the appointment of two external directors to the Company, and on August 9, 2021, the Company appointed an additional director who was classified as an independent director by the Company's Audit Committee at its meeting on January 11, 2022.

12. Independent signatory

As of the date of the report, the Company does not have an independent signatory, as defined in the Securities Law.

13. Events during the reporting period and subsequent to the date of the Statement of Financial Position

For information regarding events during the reporting period and subsequent to the balance sheet date, see Note 3 to the consolidated interim financial statements dated September 31, 2023, as well as Section 1.4 above.

14. The effectiveness of internal control over financial reporting and disclosure

A report on the effectiveness of internal control over financial reporting and disclosure is attached to this Report.

Part C - Disclosure Provisions in connection with the Corporation's Financial Reporting

15. Critical accounting estimates

For details on the critical accounting estimates used by the company in its financial statements, see Note 3 to the annual consolidated financial statements as of December 31, 2022.

16. The Company's liabilities by due dates as of September 30, 2023

For details regarding the status of the Company's liabilities according to due dates, see the Statement of Liabilities that the Company publishes at the same time as the publication of the Report, with the information included therein presented in the report by way of reference.

17. Valuations

The following is information regarding material valuations that were used as a basis for determining the value of data in the report:

For the purpose of determining the estimated value of the conversion component of convertible bonds issued by the Company (Series A), the Company relied on a material valuation summarized as follows:

| Identification of the subject of the valuation: | Valuation of the fair value of a conversion component in Series A bonds as of September 30, 2023 |
|---|---|
| Date of the valuation: | September 30, 2023 |
| The value of the subject of the valuation according to the appraisal: | Valuation of the fair value of a conversion component in Series A bonds as of September 30, 2023 is estimated at EUR 888 thousand. |
| Identification of appraiser: | EFS Consulting and Investment (2009) Ltd. specializes in provision of economic and financial advice and independent professional valuations, in accordance with international IFRS accounting principles and Israeli standards, for financial reporting purposes and as an expert opinion for courts. The Company's customers include dozens of public companies traded in Israel and abroad and private companies. The appraiser on behalf of the Company is Sagi Ben-Shalosh. |
| Reference to indemnity agreements with the appraiser: | The appraiser's liability, to the extent that it stems from the valuation, will in no case exceed the total consideration paid in respect of the valuation multiplied by 3. In the event that the appraiser is charged with legal proceedings, the Company will indemnify the appraiser accordingly (beyond the liability of the appraiser, as aforesaid), except in the event of malice on the part of the appraiser. |
| Methodology and key assumptions according to which the valuation was performed: | B&S options model Standard Deviation - 38% Risk-free interest 4.5% The base asset - the Company's share price on the stock exchange at the time of the calculation - NIS 12.58 |

Mr. Eyal Podhorzer,
Director and CEO

Mr. Shlomo Zohar,
Chairman of the Board of
Directors

Date: November 29, 2023

A report on the effectiveness of internal control over financial reporting and disclosure

The management, under the supervision of the Board of Directors of Eenergy Renewable Energy Ltd. ("Company"), is responsible for establishing and maintaining adequate internal control over financial reporting and disclosure in the Company.

For this matter, the members of the Board are:

3. Mr. Eyal Podhorzer, Director and CEO;
4. Mr. Nir Peleg, CFO.

Internal control over financial reporting and disclosure includes controls and procedures in practice at the Company designed by the CEO and the most senior officer in the field of finance or under their supervision or by the person who performs said duties in practice, under the supervision of the Company's Board of Directors and which are designed to provide reasonable security with regard to the reliability of the financial reporting and the preparation of reports according to the provisions of the law, and to ensure that information that the Company is lawfully required to disclose in its published reports is collected, processed, summarized and reported at the time and in the format stipulated by the law.

The internal control includes, among other things, controls and procedures designed to ensure that information the disclosure of which is required of the Company as stated above, is collected and transmitted to the Company's management, including the CEO and the most senior officer in the field of finance or to those who perform said duties in practice, and this to enable decisions to be made at the appropriate time, regarding requirements of disclosure.

Due to its structural limitations, internal control over financial reporting and disclosure is not designed to provide absolute assurance that misrepresentation or omission of information in reports will be prevented or discovered.

In the quarterly report regarding the effectiveness of internal control over financial reporting and disclosure, which was attached to the quarterly report for the period ended September 30, 2023 ("the latest quarterly report regarding Internal Control"), the internal control was found to be effective.

Up to the date of the Report, no event or matter has been brought to the attention of the Board of Directors and the management that could change the evaluation of the effectiveness of the internal control, as set forth in the most recent quarterly report regarding internal control;

As of the date of the Report, on the basis of statements in the latest quarterly report regarding internal control, and based on information brought to the attention of the management and the Board of Directors as stated above, the internal control is effective.

Executive Statements

CEO Statement

I, Eyal Podhorzer, hereby declare that:

1. I have examined the quarterly statement of Eenergy Renewable Energy Ltd. (hereinafter: "**Company**") for the third quarter of 2023 (hereinafter: "**Statements**");
2. Based on my knowledge, the statements do not include any misrepresentation of a material fact and do not lack a representation of a material fact which is necessary so that the representations included therein, in view of the circumstances in which such representations were included, will not be misleading with respect to the reporting period;
3. Based on my knowledge, the financial statements and other financial information included in the statements do properly reflect, in all material respects, the Company's financial position, operating results and cash flows as of the dates and for the periods to which the statements relate;
4. I have disclosed to the Company's auditor and Board of Directors and the corporation's audit and financial statement committees, based on my most recent assessment of the internal control over financial reporting and disclosure:
 - a. all the significant deficiencies and material weaknesses in the establishment or operation of the internal control over financial reporting and the disclosure that could reasonably have a negative impact on the corporation's ability to collect, process, summarize or report financial information in a way that calls into question the reliability of financial reporting and the preparation of financial statements in accordance with the provisions of the law ; and -
 - b. any fraud, whether material or immaterial, involving the CEO or his direct subordinates or in which other employees are involved who play significant role in the internal control over financial reporting and disclosure.
5. I, jointly or severally with others at the Company:
 - a. Established controls and procedures, or verified the establishment and fulfillment of controls and procedures under my supervision, designed to ensure that material information relating to the corporation, including its consolidated companies as defined in the Securities Regulations (Annual Financial Statements), 5770-2010, is brought to my attention by others in the Company and the consolidated companies, in particular during the preparation of the reports, and;
 - b. Established controls and procedures, or verified the establishment and fulfillment of controls and procedures under my supervision, intended to reasonably ensure the reliability of the financial reporting and the preparation of financial statements in accordance with the provisions of applicable law, including in accordance with accepted accounting principles.
 - c. I have not been informed of any event or matter that occurred during the period between the date of the last report (quarterly or periodic, as the case may be) and the date of this Report, which has the potential to change the conclusion of the Board of Directors and management regarding the effectiveness of the internal control over the financial reporting and disclosure in the corporation.

The aforesaid does not derogate from my responsibility or the responsibility of any other person, under any law.

Date: November 29, 2023

Eyal Podhorzer, CEO

Statement of the Most Senior Finance Officer

I, Nir Peleg, hereby declare that:

1. I have examined the interim financial statements and other financial information included in the interim financial statements of Econergy Renewable Energy Ltd. (hereinafter: "**Company**") for the third quarter of 2023 (hereinafter: "**Statements**" or "**Interim Statements**");
2. To my knowledge, the interim financial statements and other financial information included in the interim financial statements do not include any misrepresentation of a material fact and do not lack a representation of a material fact which is necessary so that the representations included therein, in light of the circumstances in which such representations were included, will not be misleading with respect to the reporting period;
3. To the best of my knowledge, the interim financial statements and other financial information included in the interim financial statements adequately reflect, in all material respects, the Company's financial position, operating results and cash flows for the dates and periods to which they relate;
4. I have disclosed to the Company's auditor and Board of Directors and to the corporation's audit and financial statement committee, based on my most recent assessment of the internal control over financial reporting and disclosure:
 - a. All the significant deficiencies and material weaknesses in the establishment or operation of the internal control over financial reporting and disclosure, insofar as such relate to the interim financial statements and other financial information included in the interim period statements, that could reasonably adversely impact the corporation's ability to collect, process, summarize or report financial information in a manner that may call into question the reliability of such financial reporting and the preparation of financial statements pursuant to the provisions of applicable law; and -
 - b. any fraud, whether material or immaterial, involving the CEO or his direct subordinates or in which other employees are involved who play significant role in the internal control over financial reporting and disclosure.
5. I, jointly or severally with others at the Corporation -
 - a. Established controls and procedures, or verified the establishment and fulfillment of controls and procedures under our supervision, designed to ensure that material information relating to the corporation, including its consolidated companies as defined in the Securities Regulations (Annual Financial Statements), 5770-2010, is brought to my attention by others in the corporation and the consolidated companies, in particular during the preparation of the reports, and
 - b. Established controls and procedures, or verified the establishment and fulfillment of controls and procedures under my supervision, intended to reasonably ensure the reliability of the financial reporting and the preparation of financial statements in accordance with the provisions of applicable law, including in accordance with accepted accounting principles;
 - c. I have not been informed of any event or matter that occurred during the period between the date of the last report (quarterly or periodic, as the case may be) and the date of this Report, which relates to the interim financial statements and any other financial information included in the reports for the interim period, which in my opinion has the potential to change the conclusion of the Board of Directors and management regarding the effectiveness of the internal control over the financial reporting and disclosure in the corporation.

The aforesaid does not derogate from my responsibility or the responsibility of any other person, under any law.

Date: November 29, 2023

Nir Peleg, CFO

Appendix A - Information regarding Promissory Notes Issued by the Companyer 30, 2023 (in
NIS thousands)**A. Issuance of bonds (Series A)**

| | Bonds (Series A) |
|--|---|
| Issue date | December 9, 2021 |
| Par value on the issue date (NIS thousands) | 250,000 |
| Par value As of September 30, 2023 (NIS thousands) | 334,738.5 |
| Par value CPI-linked As of September 30, 2023 (NIS thousands) | Unlinked |
| Accrued interest As of September 30, 2023 (NIS thousands) | - |
| Stock market value As of September 30, 2023 (NIS thousands) | 282,854 |
| Interest type and rate | Fixed annual interest at a rate of 2.5% |
| Principal repayment dates | One payment on June 30, 2026 |
| Interest payment dates | Semi-annual payments on June 30 of each of the years 2022 to 2026 and on December 31 of each of the years 2022 to 2025 |
| Linkage base | None |
| Conversion right | The bonds are convertible into the Company's shares from the date of issue and until June 30, 2026 |
| Main conditions for conversion | Each NIS 35.5 PV of the bonds can be converted into one ordinary share of the Company ¹⁴ |
| Guarantee to pay the commitment | None |
| Early redemption | In the event of a decision of the Board of Directors of the Stock Exchange, as detailed in Section 8 of the Trust Deed. |

¹⁴ Subject to adjustments as set forth in Section 10 of the terms on the back of the Trust Deed page.

| | Bonds (Series A) |
|--|---|
| Materiality¹⁵ | Material series |
| Liens in favor of bondholders, validity of liens, terms of replacement of liens | None |
| Restrictions in connection with the creation of additional liens | The Company will not create a general floating lien on all its existing and future assets and rights for the benefit of a third party, unless at the same time as the creation of the floating lien for the benefit of the third party, it will create a lien of the same type and degree, pari passu according to the ratio of the debts to fully secure the Company's commitment to the bondholders (Series A). |
| Restrictions on the authority to issue additional promissory notes | None |
| Financial covenants | As detailed in Section 2 below. |
| At the end of the reporting year and during it, was the Company in compliance with all the conditions and obligations under the trust deed | Yes |
| Have the conditions been met for the promissory notes' immediate repayment or for the realization of the collateral, and a description of the violations (if any) | No |
| Was the Company required by the trustee to perform actions | No |
| Name of trust company Name of person in charge of the series Address Telephone | Reznik Paz Nevo Trusts Ltd. Hagar Shaul, Adv. 14 Yad Harutsim, Tel Aviv 03-6389200 |
| Bondholders meeting | No bondholders meeting was held |
| Bond rating | The bonds are not rated |

¹⁵ A series of promissory notes is material if the total liabilities in its respect as of the end of the reporting year as presented in the Company's separate financial statement (according to Regulation 9C of the Securities Regulations (Periodic and Immediate Reports), 5770-1970, constitute 5% or more of the Company's total liabilities as presented in said data.

1. Financial covenants and other material terms - Bonds (Series A)

The following is information regarding the Company's compliance with the financial covenants of the bonds (Series A).

The Company's compliance with each of the financial covenants will be examined on the date of publication of the financial statements by the Company from the date of their issuance onwards (except for the financial covenant regarding the ratio of financial debt to adjusted consolidated EBITDA, which will be examined from the date of publication of the financial statements for the period ended June 30, 2024):

| Financial covenants | Compliance with Financial Covenants As of September 30, 2023 | Data as of September 30, 2023 |
|--|--|-------------------------------|
| Solo equity will not be less than EUR 35 million over a period of two consecutive quarters | Yes | 120,933 thousand EUR |
| The solo financial debt to the total solo balance sheet, as defined in the trust deed, will not exceed a rate of 75% over a period of two consecutive quarters. | Yes | 39% |
| From the date of publication of the financial statements to the period ended June 30, 2024, the ratio between the financial debt and the adjusted consolidated EBITDA will not exceed 18 over a period of two consecutive quarters ¹⁶ | N/R | N/R |

"Solo equity", "Financial debt", "Solo financial debt", "Adjusted consolidated EBITDA" - as defined in the trust deed.

For further information regarding the financial covenants, see Note 13 to the financial statements of 2022.

As of September 30, 2023, and as of the date of approval of the Report, the Company is in compliance with all of its commitments to the bondholders (Series A).

¹⁶ In this regard, it should be clarified that the ratio in this section will not be examined during the period prior to the date of publication of the financial statements for the period ended June 30, 2024, and accordingly, if the Company does not meet this ratio in said period, such shall not be deemed non-compliance with the financial covenant.