



Board of Directors Report

On the State of Affairs of Econergy
Renewable Energy Ltd.
As of September 30, 2024

Board Report

On the Status of Econergy Renewable Energy Ltd.

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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, 2024, in accordance with the Securities Regulations (Periodic and Immediate Reports) 5730-1970 (hereinafter: "**Reporting Regulations**").

Part A | The 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 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.

On July 7, 2021, the Company published a supplementary prospectus and a shelf prospectus (dated July 8, 2021, Ref: 2021-01-049951), and on July 9, 2021, the Company published a supplementary notice (Ref: 2021-01-050950) (hereinafter collectively - the "**Prospectus**"). The Company's shares are traded on the Tel Aviv Stock Exchange Ltd. (hereinafter - "**TASE**") since 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 - England;
- 1.1.3. Area of activity - Romania;
- 1.1.4. Area of activity - Poland;
- 1.1.5. Area of activity - Spain;
- 1.1.6. Greece Area of activity.

1.2 Holding Structure

For details regarding the holdings structure of the Company, see Section 1.3.5 in Chapter A – Corporate Business Description attached to the Annual Report for 2023, as published on March 28, 2024 (Reference No: 2024-01-027754) (hereinafter - the "**Annual Report for 2023**").

1.3 Business Environment

For a detailed description of 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 in Chapter A – Corporate Business Description, attached to the Annual Report for 2023, and also Section 1.5 below.

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

1.4.1 Significant Events During the Report Period and Up to the Date of Publication of the Report

A. Parau Project Connection

On April 14, 2024, the Parau project began commercial operation, when the project was connected to the electricity grid and a gradual flow of electricity to the grid began, with full power flow being carried out in the weeks following connection. For more details regarding the project connection, see the Company's immediate report from April 15, 2024 (Reference No: 2024-01-042753), fully included in this report by reference.

B. Cooperation and Receipt of Financing from Phoenix Insurance Company Ltd. Regarding the Company's Projects in Romania and Poland with a Total Scope of Approx. EUR 150 Million

On January 4, 2023, Econergy UK signed a cooperation agreement, a convertible loan and fixed loan agreements, and a shareholders' agreement with the Phoenix Insurance Company Ltd. and entities related thereto (hereinafter collectively - the "**Phoenix**") with respect to the entry into a cooperation and the provision of loans by the Phoenix for the financing of part of the construction costs of the Company's photovoltaic projects in Romania and Poland (in this section - the "**Project(s)**") in the total amount of approx. EUR 150 million (in this section - the "**Agreements**" and the "**Loans**", respectively).

For details regarding the terms of the Agreements and the Loans, see Section 1.20.8 of Chapter A of the Annual Report for 2023, and also immediate reports from January 5, 2023, and May 16, 2023 (Reference No: 2023-01-002413 and 2023-01-044518, respectively), fully included in this report by reference.

According to the Agreements, on May 15, 2024, the Company completed the signing, through Econergy UK and other companies held by the Company, of the following binding Agreements:

1. A binding agreement with the Phoenix regarding the provision of financing for the Company's Scurtu Mare project in Romania, which is in “project under construction” status, in a total amount of approx. EUR 44.7 million, 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 as needed for the development of the project, after meeting accepted conditions for such loans, including the completion of securities registration and the like. Below are details regarding the funding of the Scurtu Mare Project – Phoenix's financing (66.67% of the project's financing) – approximately EUR 30 million, which includes:
 - A convertible loan (49% of the project's financing): approximately EUR 22 million.
 - A fixed loan (17.67% of the project's financing): approximately EUR 8 million.
 - The first payment in the amount of approximately 7.5 million euros was received by the Company on May 22, 2024.
 - On July 15 2024, an additional payment of approximately 20.4 million euros was received.
 - On October 2024 2024, a third payment of approximately EUR 1.5 million was received.

2. A binding agreement with Phoenix regarding the provision of financing for the Company's Bobicesti project in Romania, which is in the “project under construction” status, with a total scope of approximately EUR 20 million, in accordance with the investment principles detailed in the previous report regarding the cooperation agreement, convertible loan and fixed loan agreements, and a shareholders' agreement with Phoenix. The financing will be provided from time to time in accordance with the project's development needs after meeting the conditions customary for this type of loan, including completion of the recording of collateral, etc. The following are details regarding the financing of the Bobicesti project - Phoenix financing (66.67% of the project financing) - approx. EUR 13.3 million, which includes:
 - A convertible loan (49% of the project financing): approx. EUR 9.8 million.
 - A fixed loan (17.67 % of the project financing): approx. EUR 3.5 million.
 - The financing was received in two installments during the second and third quarters of 2024.

3. A binding agreement with the Phoenix regarding the provision of financing for the Company's Melinesti project in Romania, which is in “project under construction” status, in a total amount of approx. EUR 26.5 million, 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 needs of the project development, after the fulfillment of acceptable conditions for loans of this type, including the completion of the registration of collateral, etc. Below are details regarding the financing of the Melinesti project – funding of the Phoenix (66.67% of the project funding) – approximately 17.6 million euros, which includes:

- Convertible loan (49% of the project's financing): approximately EUR 13 million.
- Fixed loan (17.67% of the project's financing): approximately EUR 4.6 million.
- The first payment of approximately 12.6 million euros was received on August 6, 2024.
- An additional payment of approximately EUR 5 million was received in October 2024.

The Company's assessments regarding its expected revenue from the agreements and the projects are forward-looking information, as this term is defined in the Securities Law, 1968, the realization of which is uncertain and not under the sole control of the Company. The above assessments are based, among other things, on the Company's plans and estimates, and may not materialize due to factors beyond the Company's control, as well as due to the materialization of any of the risk factors described in Section 1.29 of Chapter A of the Annual Report for 2023.

On October 30, 2024, Phoenix exercised its right to convert into shares a convertible loan of EUR 4.2 million into shares in ECONERGY PV4 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ RESKO SP.K, which holds the full rights to the Resko project in Poland. For further details, see immediate reports from May 16, 2023 and October 31, 2024 (Reference No.: 2023-01-044518 and 2024-01-612876, respectively), which are presented in full in this Report by reference.

- C. On March 4, 2024, the Company purchased the Dalmarnock Project—a storage project in Scotland with a capacity of 40 megawatts, at a total cost of approximately EUR 5 million, which was paid in full on the day of purchase.

D. Granting of Options to Employees

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 report of a private allocation to employees, for the allocation of 144,500 options convertible into 144,500 ordinary Company shares, to 8 of the Company's employees, as well as 735,000 options convertible into 735,000 ordinary Company shares to Altschuler Benefits Ltd. (the "**Trustee**") which will be used as a pool for future granting of options to employees. On May 14, 2023, the allocation of such warrants (the "**Options Database**") was completed. For more details, see Immediate reports from March 28, 2023, May 7, 2023 and May 14, 2023 (Reference No.: 2023-01-029845, 2023-01-048603 and 2023-01-051291).

On March 20, 2024, the Company's Board of Directors approved the granting of 30,500 additional options to 5 offerees from the Company's option pool for Company employees, with an exercise price set at NIS 15.92.

On May 29, 2024, the Company's Board of Directors approved the grant of 183,000 option writs, to 13 beneficiaries, from the employee option pool of the Company, and the exercise price for them was set at NIS 15.25.

On August 27, 2024, the Company's Board of Directors approved the granting of 193,500 warrants to 13 offerees, out of the Company's employee stock options and the exercise price for them was set at NIS 13.86.

On November 13, 2024, the Company's Board of Directors approved the granting of 52,000 Warrants to 4 offerees from the Company's option pool for Company employees, with an exercise price set at NIS 23.24.

In accordance with the decision of the Company's Board of Directors dated November 13, 2024, the allocation of 282,500 Warrants convertible into 282,500 ordinary shares of the Company was approved to 19 employees of the Company, as well as 1,950,000 Warrants convertible into 1,950,000 ordinary shares of the Company to a trustee who will serve as a pool for future grants of warrants to employees. The allocation of the aforementioned Warrants is subject to obtaining approvals by law. For further details, see the description and report of a private allocation that is neither exceptional nor material, which will be published shortly after the publication of this Report.

E. Binding Agreement with Rivage Investment Funds for Providing a Loan to the Subsidiary in England for the Development and Acquisition of the Company's Projects in Europe and Britain with a Total Scope of Up to EUR 150 Million

On February 7, 2024, Econergy UK signed a binding agreement with the Rivage Investment¹ ("**Rivage**") funds, for the provision of a loan to Econergy UK for the development, construction and acquisition of the Company's projects in Europe and the UK (mainly in Italy, England and Romania) in a total amount of approx. EUR 150 million (in this section - the "**loan**", and the "**loan agreement**", respectively).

The loan amount is expected to be used by Econergy UK to continue the development and construction of the Company's pipeline of projects in the target markets in the short term, according to the Company's investment plan detailed in Section 1.4.3 below. According to the Loan Agreement, the loan will be made available in two tranches:

EUR 100 million to be provided starting from the financial closing date of the Loan Agreement for a period of up to 24 months, under the pre-determined drawdown conditions detailed in the Loan Agreement, according to the development and establishment needs of projects and/or the acquisition of projects in Europe and Britain presented by Econergy UK to the lenders, according to the provisions of the Loan Agreement ("**the First Tranche**");

An additional EUR 50 million, after the fulfillment of conditions detailed in the Loan Agreement ("**the Second Tranche**").

During the first nine months of 2024, EUR 100 million was received and an additional EUR 50 million is expected to be received by the end of the first quarter of 2025, subject to certain conditions being met for the withdrawal.

For details regarding the terms of the Loan Agreement and the Loan, including the conditions for making the Second Tranche available, repayment dates, interest, financial ratios, compliance of

¹ Rivage Private Debt Fund – Fund for Infrastructure Climate Solutions (Rivage PD- FIC; Rivage Euro Debt Infrastructure High Return

the Company with them, securities, grounds for immediate repayment, and other main restrictions and provisions, see Section 8 below, and also the immediate report of the Company from February 8, 2024 (Reference No: 2024-01-014511), fully included in this Report by reference.

F. Engagement in a Binding Agreement for the Acquisition of UBS Holdings in Econergy Archmore by Econergy UK

On February 7, 2024, a binding agreement was signed between companies owned by UBS and Econergy UK, according to which Econergy UK will acquire all of UBS's holdings in Econergy Archmore in consideration for a total of approx. EUR 8 million, so that after the transaction is completed, Econergy UK will hold 90% of the shares of Econergy Archmore.

According to accounting rules, upon gaining control the Company is required to present the profit, if any, from the difference between the market value reflected from the consideration for gaining control and the value of the holding at the date of the transaction.

As a result of the foregoing, the Company recorded, during the first quarter of 2024, a profit of approximately 37 million euros which is presented in the financial statements under a profit from the realization of initiation.

For further details, see Section 1.8.2.2 in Chapter A of the Annual Report for 2023, and also the immediate report from February 8, 2024 (Reference No: 2024-01-014517), fully included in this report by reference.

G. Engagement in a Binding Agreement for the Acquisition of Limited Partner Holdings in Econergy Development 1

On February 8, 2024, and March 18, 2024, binding agreements were signed between the Company, Econergy Management Italy Ltd. (a subsidiary), and the remaining limited partners, whereby the Company purchased all the limited partner holdings in Econergy Development 1, a partnership held by the Company at 85.7%, in exchange for approximately EUR 4 million, after which the Company will hold 100% of all rights in Econergy Development 1.

For further details, see Section 1.8.2.2 in Chapter A of the Annual Report for 2023, fully included in this report by reference.

H. Sale of the company's holdings in the Niculesti project in Romania and other assets held for sale

In light of the fact that the company has significant project development activity in Romania with an accumulation of projects of over 2.2 gigawatts and the company's assessment of its ability to establish projects in Romania according to the company's work plan, the company's management began advanced negotiations for the sale of two projects at a stage towards a cumulative scope of 289 megawatts. The Company anticipates that the selling price of the various projects will range between EUR 110-145 thousand per megawatt, compared to a significantly lower development cost of approximately EUR 15 thousand per megawatt. The company is expected to record revenue from the realization of the development accordingly, and expects that a transaction for the sale of the Niculesti project will be completed by the end of 2024, and a transaction for the sale of the second project will be signed by the end of the first quarter of 2025.

Instead, on June 13, 2024, Econergy UK signed a binding agreement to sell all its holdings in the project's corporations in Romania holding a photovoltaic Niculesti project totaling about 214.26 megawatts, which is in the stage ahead of construction, in exchange for €145,000 per megawatt and an additional fee for the land for the project, for a total of about €32.9 million. 10% of the consideration (a total of approximately 3.29 million euros) was paid upon signing the agreement, and the balance of the consideration will be paid upon completion of the transaction, which is expected to be carried out by the end of 2024. For more details see immediate report from June 16, 2024 (reference number: 2024-01-060870), presented in this report in full by way of reference.

I. Entering into a financing agreement for the Swangate Project in England

On August 23, 2024, Swangate Energy Storage Limited (the “Project Company”), a corporation held (100%) by Econergy International Ltd., a company controlled by the Company (“Econergy UK”), signed with Goldman Sachs International Bank of the Goldman Sachs Group Inc. International, for a financing agreement to provide project financing in the amount of about £27 million, for an electricity storage project using Swangate batteries in England with a capacity of about 50 megawatts S megawatts per hour.

As part of the financing agreement, a loan of approximately £25 million will be used mainly to pay the construction and repayment expenses of shareholder loans provided for the purchase and construction of the project and an additional loan of approximately £2 million will be used to finance VAT expenses.

For details regarding the terms of the financing agreement, including repayment dates, interest, financial covenants and the company's compliance with them, collateral, grounds for immediate repayment, and additional main restrictions and provisions, see section 8 below, as well as an immediate report of the company dated August 25, 2024 (reference number: 2024-01-087414), presented in this report in full by way of reference.

On October 5, 2024, the Swangate project was connected to the electricity grid, and the gradual flow of electricity to the grid began. For more details see the Company's immediate report from October 7, 2024 (Reference No.: 2024-01-608171), presented in this Report in full by reference.

J. Shelf Prospectus

On September 19, 2024, the Company published a Shelf Prospectus, dated September 20, 2024 (Reference No.: 2024-01-604506), by virtue of which the Company is authorized to issue various types of securities through shelf offering reports, in which all the specific details for that offering will be completed, including the details and terms of the securities in accordance with the provisions of any law.

K. Negotiations for Additional Investment in Econergy UK Capital by Rgreen Invest Fund

The Company is in negotiations, within the framework of which a non-binding Memorandum of Understanding was signed with the Rgreen Invest fund, for an investment of up to EUR 50 million in exchange for shares of Econergy UK.

For further details, see the Company's immediate report dated September 15, 2024 (Reference No.: 2024-01-603259), which is presented in full in this Report by reference.

L. Entering into a Virtual Power Purchase Agreement (VPPA) and entering into a financing agreement for the Resko project in Poland

On November 4, 2024 ECONERGY PV4 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ RESKO SP.K (hereinafter: the "**Project Corporation**"), a corporation held by Econergy UK and Phoenix, signed a Virtual Power Supply Agreement (VPPA) with a leading multinational technology company in its field, for the Resko solar photovoltaic power generation project in Poland, with an installed capacity of 52 megawatt. As part of the VPPA Agreement, the Project Corporation and the buyer entered into an agreement to fix the price of electricity to be produced in the Resko project, in the amount of 75% of the production (the "**Electricity Quota**") for a period of 19 years from the date of commercial operation of the Resko project, and for the transfer of green certificates or other environmental products resulting from the production as defined in the agreement to the buyer in accordance with the aforementioned Electricity Quota.

Additionally, on October 31, 2024, the Project Corporation entered into a financing agreement to provide project financing in a total amount of approx. EUR 33 million with POWSZECHNA KASA OSZCZĘDNOŚCI BANK POLSKI S.A. in relation to the Resko project.

For additional details, including the principal terms of the Financing Agreement and the VPPA Agreement, see the Company's immediate reports dated November 3, 2024 and November 5, 2024 (Reference No.: 2024-01-613188 and 2024-01-613776, respectively), which are presented in full in this Report by reference.

The Company's estimates regarding the completion of the sale of assets in Romania, their scope, the consideration to be paid for them, and the date of the sale, the Company's estimates regarding the receipt of approvals for the allocation of warrants according to the description, and the profit to be recorded for them, are forward-looking information, as defined in the Securities Law, 5728-1968, the realization of which is uncertain and is not within the Company's exclusive control. The above assessments are based, among other things, on the Company's estimates, and may not materialize due to factors beyond the Company's control, as well as due to the materialization of any of the risk factors described in Section 1.29 of Chapter A of the Annual Report for 2023.

1.4.2 Project Development Status







It should be noted that the association of the projects with the various statuses regarding development stages, in accordance with the details below, is based on the company's existing accumulation of projects and on the company's existing work plan for realizing projects as specified

in section 1.4.4 below and in section 1.3.4 of Chapter A of the annual report for 2023, and which does not take into account continued initiation and development of additional projects.

The development status of the projects is determined according to these principles:

- **"Project in Initiation"** – Systems that as of the report date have not yet matured to licensing and where all of the following conditions are met: feasibility tests for network connection are conducted; comprehensive tests of land type limitations and licensing are conducted; binding engagement with relevant landowners exists; economic feasibility tests are conducted;
- **"Projects under license"** - Systems for which there is a connection to the land and grid connection approval (except in Poland where grid connection approval is obtained at the final stage of project development) and which are in the process of obtaining a building permit.
- **"Pre-construction project"** - Systems that have received all the required approvals for starting construction or systems for which there is approval for connection to the grid and for which all significant approvals have been received (including approval for an environmental survey) in order to obtain final licensing permits.
- **"Projects under construction"** - Systems whose construction process has begun.
- **"Project ready for connection"** - Systems whose physical construction stage has been fully completed or for which a connection request has been submitted, but have not yet been connected to the electricity grid.
- **"Project in Commercial Operation" ("In Operation")** – Systems where the establishment has been completed and the electricity produced in them is being flowed to the relevant electrical network.
- It should be noted that the Company's projects are presented below with a separation between the installed capacity (MWp) of photovoltaic and wind projects and the nominal storage volume (MWh) of battery storage projects.

- A. The following is a summary of the status of photovoltaic and wind projects under development, and the predicted capacities, in the countries in which the Company operates, as of the date of publication of the Report (data presented in MW):²







Status	 Italy	 England	 Romania	 Spain	 Poland	 Greece	Total
In operation	19	-	246	-	-	-	265
Ready for Connection	3	-	87	-	52	-	142
Under construction	8	-	170	-	-	-	178
Pre-Construction	193	68	573	-	-	-	834
Licensing	1,599	135	945	-	434	460	3,573
Development	279	1,254	79	469	423	500	3,004
Total MW in Development	2,101	1,457	2,100	469	909	960	7,996
Number of PV and Wind Projects	129	16	22	3	27	3	200
Among them, PV Projects Integrated with Storage		13					13







- B. Below is a summary of storage project status in development and forecasted capacities, as of the report's publication date (data presented in MWh):

Storage Projects	BESS stand-alone (as of report date)	BESS co-located (as of report date)	Total (as of report date)
In operation	102	-	102
Ready for Connection	-	-	-
Under construction	245	-	245
Pre-Construction	241	-	241
Licensing	875	263	1,138
Development	5,861	3,508	9,369
Total MWh Storage	7,324	3,771	11,095
Number of Storage Projects	29	13	42

² The data includes projects in "Under Development" status that have received approval to connect to the electricity grid starting in 2029 and beyond.

- C. Below is a summary of projects by type (for PV and wind projects data presented in MW, for storage projects data in MWh), as of the report's publication date:

Type of Project	 Italy	 England	 Romania	 Spain	 Poland	 Greece	Total
PV	1,565	1,457	1,939	469	909	960	7,299
Wind	536	-	161	-	-	-	697
Total Projects in Development	2,101	1,457	2,100	469	909	960	7,996

Type of Project	 Italy	 England	 Romania	 Spain	 Poland	 Greece	Total
BESS (co-located)	-	3,771	-	-	-	-	3,771
BESS (stand-alone)	2,143	2,778	-	-	2,403	-	7,324
Total Projects in Development	2,143	6,549	-	-	2,403	-	11,095

Regarding storage projects, besides the projects already in development in Italy, England and Poland as detailed above, the Company is exploring and promoting entry into the storage sector in other markets where it operates.

The Company continuously assesses the development status and expected connection dates in each country, derived from the expected development process in each country and the expected project construction process after the readiness phase for construction until the connection to the electric grid. Due to delays in the supply chain for equipment arising from macroeconomic effects (as detailed in Section 1.7 of Chapter A of the Annual Report for 2023), the Company expects, temporarily, some delays in the construction period of some projects, which are not expected to significantly affect the Company's operations, as detailed below:

- The licensing process in Italy, up to the RTB stage, is expected, according to the Company's assessment, to take a period of 24 to 36 months for PV projects depending on the project capacity, and a period of 36-48 months for wind projects. For details regarding the licensing and regulatory process in Italy, see Section 1.8.1.5 of Chapter A of the Annual Report for 2023. The Company is promoting development of projects but experiences delay mainly due to the development of new grid infrastructures by electric grid operators, longer waiting times than expected at local authorities, and opposition from local environmental organizations and others.

Agro-voltaic technology in Italy - Among the various projects the company develops in Italy with photovoltaic technology, there are projects in agro-voltaic technology, in which agricultural activity and electricity generation facilities take place together, in one area cell, by establishing solar facilities integrated with current agricultural work, in accordance with the requirements of regulation in Italy.

In this regard, it should be noted that on June 11, 2024, the Italian Parliament enacted the DL Agricoltura Law which came into force on June 16, 2024³. The law prohibits the establishment of ground-mounted solar PV photovoltaic systems on agricultural land, except in the following cases:

1. Establishment of photovoltaic systems with ground base trackers, which are not systems with agro-voltaic technology. This applies to areas classified as: (1) closed quarries and mines or unsuitable for further exploitation; (2) areas adjacent to factories and industrial facilities (including existing photovoltaic systems); or (3) areas adjacent to the highway network.
2. Establishment of Advanced Agrivoltaic Plants -systems that combine integrated technological solutions in real time for soil control and monitoring and agricultural output.
3. Systems that began the licensing process on the eve of the law's entry into force (i.e., until 06/15/2024).

Energy storage in Italy – the company has started developing storage projects in Italy. In light of the ambitious targets for renewable energy in Italy for 2030, such as power targets installed in photovoltaic facilities⁴, and a worsening problem in the Italian transmission network, when in the south of the country are most of the means of production (photovoltaic and wind facilities) and there is difficulty in transferring the energy produced to the demand centers in the north, the Italian⁵ government has announced a assistance plan totaling about 17.7 billion euros for the construction and operation of energy storage facilities under approval. Storage project⁶ revenues in Italy include several types of potential revenues⁷: (1) Capacity Payments, (2) Wholesale Market, (3) Ancillary Services, and (4) Fast Reserve Supply and Demand Balance. As of the date of this Report, the Company has begun the development of a backlog of storage projects in Italy with a total capacity of 2.1 gigawatt hours, of which

³ https://www.gazzettaufficiale.it/atto/serie_generale/caricaDettaglioAtto/originario?atto.dataPubblicazioneGazzetta=2024-07-13&atto.codiceRedazionale=24A03724&elenco30giorni=false

⁴ Italy - Draft Updated NECP 2021-2030: https://commission.europa.eu/publications/italy-draft-updated-necp-2021-2030_en
Baringa, Wholesale Power Market Report, Update Q2/2024.

⁵ Italy - Draft Updated NECP 2021-2030, Terna: STUDY ON REFERENCE TECHNOLOGIES FOR ELECTRICITY STORAGE,

⁶ https://ec.europa.eu/commission/presscorner/detail/en/ip_23_6758

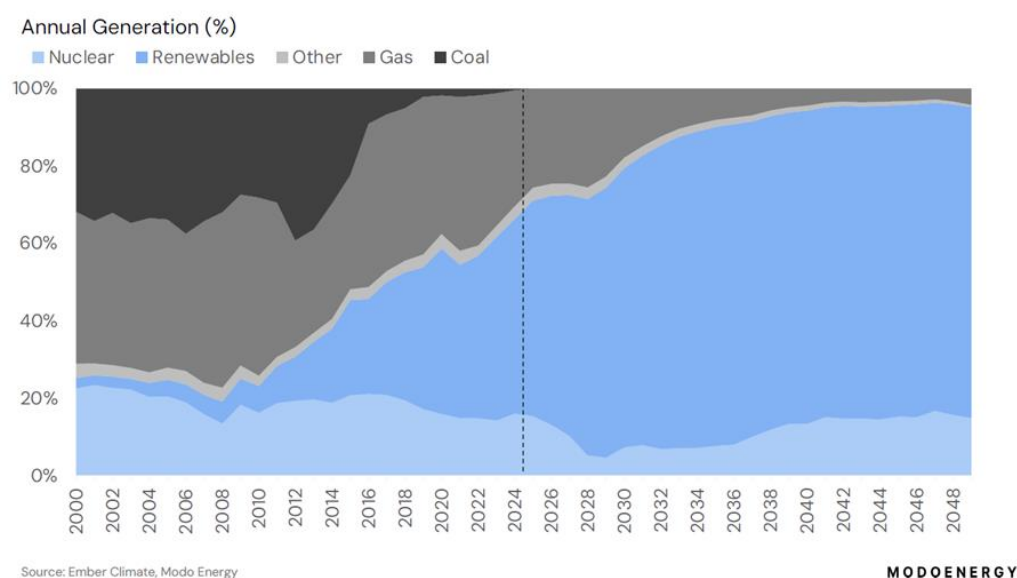
⁷ https://www.e3analytics.eu/wp-content/uploads/2023/05/Battery_Storage_Market_Analysis_E3A_May_2023_ITALY.pdf, Page 9-10

1.9 gigawatt hours are projects at the initiation stage and 0.2 gigawatt hours at the licensing stage.

- The licensing process in the England, up to the RTB stage, is expected, according to the Company's assessment, to take a period of 18 to 24 months for PV projects, depending on the project capacity, and a period of 24 months for storage projects. For details regarding the licensing and regulatory process in England, see Section 1.9.1.3 of Chapter A of the Annual Report for 2023.

Continuing the Labor Party's policy of supporting renewable energy - on September 30, 2024, the last coal-fired power plant in the United Kingdom closed. Between 2012 and 2024, there was a sharp decline in electricity production by coal-fired power plants, alongside a four-fold increase in electricity production from renewable energies (photovoltaic and wind systems). This move supports the new target set by the Labor Government: zero percent carbon emissions (Decarbonization) by the end of 2030⁸.

Below is a graph depicting the electricity generation mix between the years 2000-2024 and a forecast until 2048⁹



- According to the Company's estimate, the licensing process in Romania, up to the RTB stage, is expected to last 24 months for PV projects, depending on the project capacity, and 24 to 36 months for wind projects. For details regarding the licensing and regulatory process in Romania, see Section 1.10.1.3 of Chapter A of the Annual Report for 2023.

In this regard, it should also be noted that¹⁰ the Romanian Ministry of Energy approved in early August 2024 the government tender plan through CFD contracts

⁸ <https://labour.org.uk/change/>

⁹ Ember Climate, ModoEnergy UK Company Market Advisor Forecast

¹⁰ <https://legislatie.just.ro/Public/DetaliiDocument/286539>

(Contracts for Differences). According to reports, in 2024, tenders are expected to be issued for a planned capacity of 500 megawatts in photovoltaic technology and 1 gigawatt in onshore wind technology. In 2025, the planned capacity is 2 gigawatts in photovoltaic technology and 1.5 gigawatts in onshore wind technology.

- The Company estimates that the licensing process in Poland, up to the RTB stage, is expected to take approx. 36 months for PV and storage projects, depending on the project capacity. For information regarding the licensing and regulation process in Poland, see Section 1.11.1.3 of Chapter A of the Annual Report for 2023.

The Company has begun developing storage projects in Poland. Based on the Company's consultant's forecasts¹¹, a rapid increase in electricity generation from renewable energy technologies is expected in Poland in the coming years, which will necessitate a significant expansion in the integration of energy storage facilities. In 2022, energy storage projects in Poland were awarded availability agreements for the first time in a government tender. In the most recent tender held in December 2023, storage accounted for approximately 24% of the total winning capacity, compared to about 3% in 2022.¹² In addition to income from availability payments (Capacity Payments), the field may allow additional potential revenue, such as (1) the sale and purchase of electricity (Wholesale Market), (2) Ancillary Services and (3) balancing supply and demand in the electricity grid (Balancing Mechanism). As of the report date, the Company continued developing a portfolio of storage projects with a total capacity of 2,403 megawatt-hours, including 1.6 gigawatt-hours of projects in the initiation phase, 0.7 gigawatt-hours in the licensing phase, and 0.1 gigawatt-hours nearing construction.

As part of a large-scale support program of the European Commission¹³, in early October 2024, the Commission approved a support program for the Polish government of EUR 1.2 billion to support investments in storage facilities with an aggregate capacity of at least 5.4 gigawatt hours.

The support will be provided only to new storage facilities with a capacity of at least 4 megawatt hours until December 31, 2025, and aims to reduce Poland's dependence on electricity production from polluting fuels and integrate renewable energy sources into the national electricity grid.

The support will be provided both through direct grants and through loans, with the total amount of support for both together not exceeding 45% of the total investment cost of the storage project, and the option will be given to increase it for small and

¹¹ Aurora Energy Research, Polish Flexible Energy Market Forecast, Update June 2024 – Central Scenario

¹² Aurora Energy Research, Polish Power and Renewables Market Forecast, Update April 2024

¹³ Temporary Crisis and Transition Framework(TCTF):
https://competition-policy.ec.europa.eu/state-aid/temporary-crisis-and-transition-framework_en




medium-sized companies (up to 65% and 55% of the total investment cost, respectively).



As of the date of the Report, the Company's accumulated storage in development in Poland, which includes eight projects totaling approximately 2.4 gigawatt hours, meets the criteria required to receive the direct grants and/or loans, and the Company intends to examine the feasibility of participating in the program at its discretion.

- The Company estimates that the licensing process in Spain, up to the RTB stage, is expected to take 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 of the Annual Report for 2023.
- The Company estimates that the licensing process in Greece, up to the RTB stage, is expected to take 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 of the Annual Report for 2023.

Moreover, the duration of the project construction period, in all countries, from the RTB stage up to the project's connection to the electricity grid and commercial operation, is expected, according to the Company's estimate, to take 9 to 18 months for PV projects, depending on the project capacity, 15 to 18 months for wind projects, depending on the project capacity, and 12 to 21 months for storage projects, depending on the project capacity.

- D. The following is an analysis of the projects' development in the various territories where the Company operates since the 2023 Annual Report (with the exception of storage, the data is presented in MW):

Country	Development Status	Date of publication of report 12/31/2023	Report Publication Date Report Dated 30/9/2024
 Italy	In operation	4	19
	Ready for Connection	17	3
	Under construction	-	8
	Pre-Construction	262	193
	Licensing	1,526	1,599
	Development	513	279
	Total Italy	2,322	2,101
 England	In operation	-	-
	Ready for Connection	-	-
	Under construction	-	-
	Pre-Construction	201	68
	Licensing	22	135
	Development	1,354	1,254
	Total England	1,577	1,457
 Romania	In operation	155	246
	Ready for Connection	92	87
	Under construction	198	170
	Pre-Construction	591	573
	Licensing	1,251	945
	Development	-	79
	Total Romania	2,287	2,100
 Spain	In operation	-	-
	Ready for Connection	-	-
	Under construction	-	-
	Pre-Construction	50	-
	Licensing	-	-
	Development	221	469
	Total Spain	271	469
	In operation	-	-

Country	Development Status	Date of publication of report 12/31/2023	Report Publication Date Report Dated 30/9/2024
 Poland	Ready for Connection	51	52
	Under construction	-	-
	Pre-Construction	-	-
	Licensing	488	434
	Development	429	423
	Total Poland	968	909
 Greece	In operation	-	-
	Ready for Connection	-	-
	Under construction	-	-
	Pre-Construction	-	-
	Licensing	460	460
	Development	500	500
	Total Greece	960	960
Total	In operation	159	265
	Ready for Connection	160	142
	Under construction	198	178
	Pre-Construction	1,104	834
	Licensing	3,747	3,573
	Development	3,017	3,004
Total in Development and Construction	MW	8.385	7,996
Total Storage in Development in England	MWh	6.747	6,549
Total Storage in Development in Poland	MWh		2,403
Total storage under development in Italy	MWh		2,143
Total Storage in Development	MWh	6.747	11,095

Italy – Since the last report, the Company has connected three projects to the power grid and continued developing new projects as well as those already in the development process. In addition, the Company began developing accumulated storage projects with a total capacity of 2.1 gigawatt hours, including 1.9 gigawatt hours of projects at the initiation stage and 0.2 gigawatt hours at the licensing stage. As of the Report publication date, the Company's portfolio of storage projects in Italy includes eleven stand-alone projects.

England – The Company continued to develop and construct projects in the country. In addition, the Company completed the construction of the West Melton (Swangate) project, which was connected to the electricity grid on October 5, 2024 as detailed in Section 1.4.1.I. In addition, the Company has begun the construction of the Immingham and Dalmarnock storage projects with a capacity of 163 and 82 megawatt hours, respectively. The Company expects the projects to be connected to the electricity grid in the second quarter of 2026 and the third quarter of 2025, respectively. As of the date of publication of the report, accumulated storage projects in England include 10 stand-alone projects and 13 co-located projects.

Romania – The Ratesti project with a capacity of about 155 megawatts, and the Parau project with a capacity of about 92 megawatts, were connected to the electric grid. The Company continues the construction of the Bobicesti and Melinesti projects and the Scurtu Mare project with a capacity of 25, 31 and 55 megawatts respectively. The Company completed the construction of the Oradea project, which is expected to connect to the electricity grid in the first quarter of 2025. Bobicesti and Scurtu Mare projects are expected to finish construction and connect to the electricity grid at the first quarter of 2025 and the end of 2024, respectively. The Melinesti project is expected to finish construction and connect to the electricity grid in the second quarter 2025. Additionally, as of the report's publication date, the company began constructing the Iancu Jianu project with a capacity of 58 megawatts.

Spain - The Company continues to develop the existing pipeline of projects in the country.

Poland – The Company continued the development of portfolio storage projects with a total capacity of 2,403 megawatt hours, of which 1.6 gigawatt hours of projects in the development stage, 0.7 gigawatt hours in licensing and 0.1 gigawatt hours in preparation for construction. As of the date of publication of the report, portfolio storage projects in Poland including eight stand-alone projects. The Company expects the Resko project to be connected to the electricity grid in the first quarter of 2025.

Greece – The Company continues to develop the existing project portfolio in the country.

- E. The Company's executive anticipates that not all projects at various development stages will reach full maturity and readiness for construction, and therefore the Company performs ongoing assessments of the likelihood of success and the completion time of the 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 Initiation – 35-40%.

F. PV and wind (MW) projects connection forecasts

The following are the expected PV and wind project connections, based on the Company's existing project pipeline:

Expected connection (MW)	 Italy	 England	 Romania	 Spain	 Poland	 Greece	Total	Cumulative
Projects connected until 2024	-	-	155	-	-	-	155	155
2024	22	-	147	-	-	-	169	324
2025	61	-	201	-	52	-	314	638
2026	74	61	295	-	132	-	562	1,200
2027	355	86	698	21	362	345	1,867	3,067
Total Connections Expected by 2027	512	147	1,496	21	546	345	3,067	3,067

The following are the expected storage project connections based on the Company's existing project pipeline:

Expected Connections (MWh)	 Italy	 England	 Romania	 Spain	 Poland	 Greece	Total	Cumulative
Projects connected until 2024	-	-	-	-	-	-	-	-
2024	-	102	-	-	-	-	102	102
2025	-	82	-	-	-	-	82	184
2026	-	292	-	-	241	-	533	717
2027	323	182	-	-	1,004	-	1,509	2,226
Total Connections Expected by 2027	323	658	-	-	1,245	-	2,226	2,226

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 estimate as of the date of this report.

Based on the table above, in accordance with the Company's expected 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, including only the Company's share in the project pipeline, according to the development stages as of the date of the report, is as follows:

Development Status	Segment	Projects connected until 2024	2024	2025	2026	2027	Total by 2027
In operation	Italy	-	12	-	-	-	12
	England	-	-	-	-	-	-
	Romania	78	46	-	-	-	124
	Spain	-	-	-	-	-	-
	Poland	-	-	-	-	-	-
	Greece	-	-	-	-	-	-
	Total in Operation	78	58	-	-	-	136
Ready for Connection	Italy	-	2	-	-	-	2
	England	-	-	-	-	-	-

Development Status	Segment	Projects connected until 2024	2024	2025	2026	2027	Total by 2027
	Romania	-	-	44	-	-	44
	Spain	-	-	-	-	-	-
	Poland	-	-	26	-	-	26
	Greece	-	-	-	-	-	-
	Total ready to connect	-	2	70	-	-	72
Under construction	Italy	-	-	4	-	-	4
	UK	-	-	-	-	-	-
	Romania	-	28	87	-	-	115
	Spain	-	-	-	-	-	-
	Poland	-	-	-	-	-	-
	Greece	-	-	-	-	-	-
	Total under construction	-	28	91	-	-	119
Pre-Construction	Italy	-	-	23	29	45	97
	England	-	-	-	61	-	61
	Romania	-	-	-	127	-	127
	Spain	-	-	-	-	-	-
	Poland	-	-	-	-	-	-
	Greece	-	-	-	-	-	-
	Total pre-construction	-	-	23	217	45	285
Licensing	Italy	-	-	12	25	189	226
	England	-	-	-	-	86	86
	Romania	-	-	-	21	334	355
	Spain	-	-	-	-	-	-
	Poland	-	-	-	106	210	316
	Greece	-	-	-	-	169	169
	Total Under License	-	-	12	153	989	1,152
Development	Italy	-	-	-	-	10	10
	England	-	-	-	-	-	-
	Romania	-	-	-	-	16	16
	Spain	-	-	-	-	21	21
	Poland	-	-	-	17	152	169
	Greece	-	-	-	-	-	-

Development Status	Segment	Projects connected until 2024	2024	2025	2026	2027	Total by 2027
	Total Early Development	-	-	-	17	199	216
Total in Development	Italy	-	13	39	55	243	350
	England	-	-	-	61	86	147
	Romania	78	74	131	149	350	782
	Spain	-	-	-	-	21	21
	Poland	-	-	26	123	362	511
	Greece	-	-	-	-	169	169
	Total PV and Wind (MWp)	78	87	196	388	1,231	1,980

In addition, the following are the expected connections (total MWh) which includes only the storage projects according to the Company's share of the project pipeline according to development stages and based on the assumptions of the realization of the projects as presented in Section 1.4.2(F) above as of the date of the report:

Estimated Storage Connection (MWh)	Projects connect ed until 2024	2024	2025	2026	2027	Total
Development	-	-	-	-	976	976
Licensing	-	-	-	153	351	504
Pre-Construction	-	-	-	217	182	399
Under construction	-	-	82	163	-	245
Ready for Connection	-	-	-	-	-	-
In operation		102	-	-	-	102
Total	-	102	82	533	1,509	2,226

G. Use of Non-GAAP Metrics

The EBITDA, FFO and FCF indices of the Company's projects are non-GAAP financial indices, i.e., they are not accounting indices, and accordingly, these indices were not built according to the accounting standards.

Some of the companies are held/expected to be held for valuation of the Company, by a third party as detailed in Note 2 of the Company's financial statements. The established engagement

patterns within the Group regarding systems that are not under the Company's control are managed using the book value method. According to this method, the results of held corporations are not expressed in a detailed manner in the financial statements of the company (income, expenses, etc.), but through a single “net” amount, which does not allow the reader to calculate the above indicators out of the financial statements. Thus, as for the evaluation of the Company, it is of importance in presenting the total revenues and financial indicators as stated, in such a way as to allow the readers of the reports to examine and analyze the results of the different systems.

EBITDA (earnings before interest, taxes, depreciation, and amortization) - The index is calculated as the revenues of a project less all expenses except financing, taxes, depreciation, and amortization.

FFO (funds from operations) – The index is calculated based on the EBITDA index, considering tax and financing expenses excluding financing expenses for shareholder loans.

FCF (free cash flow) - The free cash flow to the owner after the debt service is calculated on the basis of the FFO less payments in respect of a loan principal, excluding the shareholder loan principal.

H. Details of projects in operational status (amounts in thousands of euros), as of the date of publication of the Report (excluding project results for the nine-month period ending on September 30, 2024):

Country	Name of Project	Technology	Installed Capacity MWp	Storage Capacity MWh	The Company's Share ⁽¹⁾	First Full Year of Operations	Validity of Electricity Sales Agreement ⁽⁴⁾	Amortized cost	Expected Leverage Rate ⁽²⁾	Total invested construction costs as of September 30, 2024. ⁽⁶⁾	KWh/ KWp/ Year	The project results for the nine-month period ended September 30, 2024				Projected results for first five full years of operation ⁽⁵⁾			
												Revenue ⁽³⁾	EBITDA	FFO	FCF	Projected revenues ⁽³⁾	EBITDA	FFO	FCF
Italy	Gallo Assunta	PV	1	-	50%	2025	Irrelevant	811	60%	811	2,044	-	-	-	-	152	132	95	78
Italy	Palmeri	PV	1	-	50%	2025	Irrelevant	861	60%	861	2,046	-	-	-	-	149	129	94	69
Italy	Rivarolo	PV	11	-	50%	2025	Irrelevant	8,662	60%	8,662	1,587	-	-	-	-	1,334	1,102	799	594
Italy	Favari	PV	1	-	50%	2025	Irrelevant	869	60%	869	1,949	-	-	-	-	144	124	90	71
Italy	Cumiana	PV	4	-	100%	2025	Irrelevant	3,262	60%	3,326	1,542	334	303	121	-	502	412	288	205
Romania	Parau	PV	92	-	50%	2025	Irrelevant	63,040	55%	63,040	1,434	6,726	6,368	6,412	-	10,201	8,222	5,919	4,340
Romania	Ratesti	PV	155	-	50%	2024	Irrelevant	100,969	60%	101,862	1,416	15,291	14,593	10,899	-	17,599	15,106	10,743	5,122
England	West Melton	BESS	-	102	100%	2025	Irrelevant	33,035	71%	33,035	-	-	-	-	-	5,282	3,876	1,966	69
Total			265	102				211,509		212,466		22,351	21,264	17,432	-	35,362	29,103	19,994	10,549
The Company's Share			135	102								11,343	10,784	8,777	-	20,573	16,695	11,123	5,411

(1) The Company's share - actual.

(2) The leverage ratio in the Ratesti and West Melton projects is the actual leverage ratio. The leverage of the other projects in the table is expected leverage, according to the Company's assessment.

(3) The revenue forecast is based on the price forecast for the third quarter of 2024. Revenues are calculated on the basis of the assumption of closing fixed price electricity purchase transactions (PPA) for a period of 10 years starting from the first full year of operation, in Romania starting from the second half of 2025, and to 70% of the output, and the rest at expected market prices according to the Company's market advisors. The PPA prices in the various markets are based on the estimates of the Company and its consultants.

(4) PPA agreements have not yet been signed.

(5) The figure reflects an estimated average of each of the first five full operating years.

(6) For the West Melton project, the total expected costs are 41,032.

I. Detail of the projects in statuses under construction and ready for connection (amounts in EUR thousand), as of the report publication date:

Country	Name of Project	Technology	Project Status	Installed Capacity MWp	Storage Capacity MWh	Company Share ⁽¹⁾	Expected Year of Connection	First Full Year of Operations	Validity of Electricity Sales Agreement	Total Projected Construction Costs ⁽²⁾	Total invested construction costs as of September 30, 2024.	Expected leverage rate ⁽⁴⁾	KWh/ KWp/ Year	Project Results - annual projections for the first five full years of operation ⁽⁵⁾			
														Revenues ^{(2), (3)}	EBITDA ⁽²⁾	FFO	FCF
Italy	Indovina 2	PV	Ready for Connection	1	-	50%	2024	2025	Irrelevant	1,003	893	60%	2,008	150	129	95	70
Italy	Baldacchino Benedetto	PV	Ready for Connection	1	-	50%	2024	2025	Irrelevant	974	840	60%	2,060	154	133	99	66
Italy	Societa Verde	PV	Ready for Connection	1	-	50%	2024	2025	Irrelevant	954	811	60%	2,056	153	133	99	67
Italy	Casucci Giuseppa	PV	Under construction	2	-	50%	2025	2026	Irrelevant	1,756	610	60%	2,015	293	251	178	133
Italy	Leini Doneddu	PV	Under construction	6	-	50%	2025	2026	Irrelevant	4,626	890	60%	1,553	686	558	409	332
Poland	Resko	PV	Ready for Connection	52	-	51%	2025	2025	2044	44,639	41,978	69%	1,143	4,186	3,388	2,167	751
Romania	Melinesti-Goesti	PV	Under construction	31	-	51%	2025	2026	Irrelevant	22,733	13,341	55%	1,507	3,426	2,904	1,976	1,335
Romania	Bobicesti	PV	Under construction	25	-	51%	2025	2026	Irrelevant	18,523	15,186	55%	1,528	2,818	2,394	1,727	1,292
Romania	Scurtu Mare	PV	Under construction	55	-	51%	2024	2025	Irrelevant	37,068	34,623	55%	1,480	6,345	5,441	3,992	2,571
Romania	Iancu Jianu	PV	Under construction	58	-	100%	2025	2026	Irrelevant	33,396	22,791	71%	1,545	6,556	5,579	3,998	3,278
Romania	Oradea	PV	Ready for Connection	87	-	51%	2025	2025	Irrelevant	66,529	66,529	52%	1,264	7,996	6,393	4,391	1,637
England	Immingham	BESS	Under construction	-	163	100%	2026	2027	Irrelevant	55,350	5,081	62%	-	10,499	8,159	6,454	2,512
England	Dalmarnock	BESS	Under construction	-	82	100%	2025	2026	Irrelevant	23,493	5,291	75%	-	4,702	3,555	2,595	619
Total				319	245					311,044	208,864			47,963	39,017	28,180	14,663
The Company's Share				191	245					213,535	122,730			35,107	28,361	20,756	10,612

(1) The Company's share in the table above reflects its management's estimates in relation to existing partnerships.

(2) The data is presented in the above table at 100%, and not according to the Company's share (except in relation to the total Company share included in the table).

(3) The revenue forecast is based on the price forecast for the third quarter of 2024. Except for the Resko project in Poland, the revenues in PV projects are calculated based the assumption of transactions for the purchase of electricity closing at a fixed price (PPA) for a period of 10 years starting from the first year of full operations (in Romania, from the second half of 2025) and for 70% of the output, and the rest at expected market prices according to the Company's market consultants. The PPA prices in the various markets are based on the estimates of the Company and its consultants. Projected revenues of the Resko project in Poland are calculated in accordance with the signed VPPA Agreement. Revenues from storage projects are calculated based on the price forecast of the Company's consultants.

(4) With the exception of the Resko project, the leverage is expected leverage, according to the Company's estimate.

(5) The figure reflects an estimated average of each of the first five full operating years.

J. Details of the projects with “pre-construction” status (amounts in EUR thousands):

Country	Name of Project	Technology	Installed Capacity MWp	BESS MWh Capacity	Company Share ⁽¹⁾	Year of Construction Start	Expected Year of Connection	First Full Year of Operations	Total projected construction costs ²	Total invested construction costs as of September 30, 2024.	Expected Leverage Ratio	KWh/ KWp/ Year	Project Results - annual projections for the first five full years of operation ⁽⁴⁾			
													Revenues ^{(2),(3)}	EBITDA ⁽²⁾	FFO	FCF
Italy	Accumulation of 13 projects up to 10 MWp	PV	62	-	50%-100%	2025-2025	2025-2026	2026-2027	46,730	6,444	60%	1,464 - 2,033	7,726	6,412	4,523	3,148
Italy	Lombardore Benigno	PV	19	-	50%	2025	2025	2026	14,163	332	60%	1,520	2,089	1,693	1,171	673
Italy	Guarini	PV	99	-	50%	2025	2027	2027	76,756	1,311	60%	1,768	12,835	10,716	7,694	4,671
Poland	Konin	BESS	-	98	100%	2025	2026	2027	35,931	415	60%	-	6,937	5,701	4,381	2,700
Romania	Baneasa	PV	33	-	50%	2024	2025	2026	23,050	1,350	55%	1,435	3,491	2,933	2,200	1,409
Romania	Mircea Voda	PV	34	-	50%	2024	2025	2026	21,663	2,104	55%	1,391	3,460	2,889	2,188	1,444
Romania	Ovidiu	PV	60	-	51%	2024	2025	2026	44,426	1,933	55%	1,572	6,905	5,897	4,431	2,922
Romania	Mihailesti	PV	54	-	50%	2025	2025	2026	34,116	1,840	55%	1,524	6,035	5,107	3,849	3,308
Romania	Salbatica 3	Wind	35	-	51%	2024	2026	2027	63,037	6,817	50%	3,025	9,626	8,634	6,597	6,187
Romania	Rosiori	PV	40	-	51%	2024	2025	2026	24,561	1,817	70%	1,459	4,312	3,634	2,597	1,531
England	Exton	PV	47	-	100%	2025	2026	2027	32,658	444	55%	1,129	4,258	3,306	2,222	830
England	Orrell	BESS	-	143	100%	2025	2026	2027	44,362	3,453	60%	-	9,187	7,139	5,664	2,438
England	Berrington	PV	21	-	100%	2025	2026	2027	13,852	594	60%	1,131	1,902	1,477	953	363
Total			504	241					475,305	28,854			78,763	65,538	48,470	31,624
The Company's Share			298	241					121,279	7,930			52,102	42,914	31,803	19,717

(1) The Company's share in the table above reflects the Company's management assessments in relation to existing and future partnerships published by the Company and not the actual holding rate as of the date of publication of the report.

(2) The data is presented in the above table at 100%, and not according to the Company's share (except in relation to the total Company share included in the table).

- (3) The revenue forecast is based on the price forecast for the third quarter of 2024. Revenues from PV and wind projects are calculated on the basis of the assumption of closing fixed-price electricity purchase transactions (PPA) for 10 years starting from the first full operating year (in Romania from the second half of 2025) and to 70% of the output, and the rest at expected market prices according to the Company's market advisors. The PPA prices in the various markets are based on the estimates of the Company and its consultants. Revenues from storage projects are calculated based on the price forecast of the Company's consultants.
- (4) The figure reflects an estimated average of each of the first five full operating years.

K. Details of the licensed projects whose construction, according to the Company's estimate, will begin by the end of 2025 (amounts in thousands of euros):

Country	Name of Project	Technology	Installed Capacity MWp	BESS MWh Capacity	Company Share ⁽¹⁾	Year of Construction Start	Expected Year of Connection	First Full Year of Operations	Total projected construction costs ²	Expected Leverage Ratio	KWh/ KWp/ Year	Project Results - annual projections for the first five full years of operation ⁽⁴⁾			
												Revenues ^{(2), (3)}	EBITDA ⁽²⁾	FFO	FCF
Italy	Acate	PV	1	-	50%	2025	2025	2026	641	60%	2,051	123	106	76	56
Italy	Pecetto Valenza	PV	10	-	100%	2025	2026	2026	6,412	60%	1,481	1,034	833	588	375
Italy	Selvazzano	PV	5	-	100%	2025	2025	2026	3,511	60%	1,487	580	467	331	215
Poland	Nadziejewo PV	PV	28	-	100%	2025	2026	2027	17,544	60%	1,118	2,308	1,837	1,386	749
Poland	Janiszewko PV	PV	67	-	100%	2025	2026	2027	45,701	60%	1,063	5,249	4,121	2,992	842
Poland	Policko	PV	12	-	50%	2025	2026	2026	7,891	60%	1,230	1,076	878	674	367
Poland	Chwalkowo	PV	25	-	100%	2025	2026	2027	13,608	60%	1,147	2,086	1,671	1,249	814
Poland	Janiszewko BESS	BESS	-	204	100%	2025	2026	2027	62,537	60%	-	14,453	11,877	9,367	5,348
Poland	Nadziejewo BESS	BESS	-	60	100%	2025	2026	2027	21,281	60%	-	3,086	2,314	1,688	670
Poland	ZARY	BESS	-	102	100%	2025	2026	2027	32,961	60%	-	7,226	5,938	4,602	3,087
Poland	Karlino	BESS	-	102	100%	2025	2026	2027	33,460	60%	-	7,226	5,938	4,560	4,073
Romania	Parau 2	PV	310	-	50%	2025	2027	2028	204,275	55%	1,400	31,813	26,401	19,199	14,669
Romania	Bobicesti 2	PV	57	-	50%	2025	2025	2026	37,745	55%	1,523	6,331	5,357	3,993	3,339
Total			515	468					487,567			82,591	67,738	50,705	34,604
The Company's Share			324	468					114,315			62,920	51,367	38,735	25,389

- (5) The Company's share in the table above reflects the Company's management assessments in relation to existing and future partnerships published by the Company and not the actual holding rate as of the date of publication of the report.

- (6) The data is presented in the above table at 100%, and not according to the Company's share (except in relation to the total Company share included in the table).
- (7) The revenue forecast is based on the price forecast for the third quarter of 2024. Revenues from PV and wind projects are calculated on the basis of the assumption of closing fixed-price electricity purchase transactions (PPA) for 10 years starting from the first full operating year (in Romania from the second half of 2025) and to 70% of the output, and the rest at expected market prices according to the Company's market advisors. The PPA prices in the various markets are based on the estimates of the Company and its consultants. Revenues from storage projects are calculated based on the price forecast of the Company's consultants.

The figure reflects an estimated average of each of the first five full operating years.

The Company's assessments regarding the duration of the development and licensing process for projects in different countries, the duration of the construction of projects in different countries, expected grid connection dates, completion probabilities of projects at various stages, forecasted capacities, forecasted construction costs, forecasted income, expected selling price, expected leverage ratio, forecasted EBITDA, forecasted FFO, and other data derived from these are considered forward-looking information, as defined by this term in the Securities Law. These estimates may not materialize, in whole or in part, or may materialize differently than estimated by the Company, as a result of various factors beyond the Company's control. As of the date of this report, there is no certainty regarding the implementation of the projects mentioned above or regarding the timelines for their completion, including, among other things, due to the fact that the completion of the projects involves: obtaining regulatory approvals, which there is no certainty will be received; raising the required funding for the construction of the projects, which there is no certainty will be raised; completing due diligence regarding projects at advanced stages, which there is no certainty that its results will indicate the economic feasibility of developing and constructing the project; and also due to the realization of one or more of the risk factors detailed in section 1.29 of Chapter A of the Annual Report for 2023.







1.4.3 Investment Plan

The Company's latest Investment Plan is detailed within this Report, in light of the Company's intentions to carry out expected capital and/or debt raisings, and it does not result in a change in the Company's policy of providing detailed forecasts once a year within the annual report, except if there is a material change in the Company's plans. The Plan includes the cost of initiation, development and construction of the projects. 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 an EPC contractor and grid connection costs. Following delays in the equipment supply chain resulting from macroeconomic effects, as detailed in Section 1.7 of Chapter A of the Annual Report for 2023, and a significant increase in the price of some raw materials, the Company has expected a significant increase in the total construction cost of its projects. However, 2023 was characterized by a sharp price drop for the main raw materials in the production process of solar panels and storage batteries when the price of lithium, which is the main raw material in the production of lithium-ion batteries, dropped by approx. 80%¹⁴, and the price of polysilicon, which is one of the main components in the solar panel production process, decreased by approx. 68% from a level of approx. USD 25 per ton at the beginning of 2023 to approx. USD 8 per ton at the end of 2023.¹⁵

Accordingly, as of the date of the report, in the short and medium term, the Company expects, among other things, based on its market consultants' estimates, stability in its projects' total construction cost, and in the long term a gradual decrease in the cost.

Moreover, the Company assumes that the projects will be financed by senior debt at market-accepted leverage rates between 55% and 80%. 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 approx. 50% and 34.5%, respectively. It should be noted that projects financed during the construction stage at a lower rate than is customary in the market will undergo a refinancing process at a later stage.

Based on these assumptions, the Company expects the following investments in the various countries in the coming years (the Company's leveraged share, in EUR millions):

Expected Investment	 Italy	 England	 Romania	 Spain	 Poland	 Greece	Total
2024	11	38	38	-	12	-	99
2025	51	80	39	2	69	13	254
2026	90	51	41	7	188	53	430
2027	236	8	-	42	-	19	305
Total Expected Investment by 2027	388	177	118	51	269	85	1,088

¹⁴ <https://tradingeconomics.com/commodity/lithium>

¹⁵ Rethink Energy Research

The table above includes investments in projects during all the years of the forecast, some of which will be connected after 2027. In this regard, it should be clarified that the investments required between 2024 and 2027 in order to meet the connection expectations by the end of 2027 alone amount to approx. EUR 738 million.

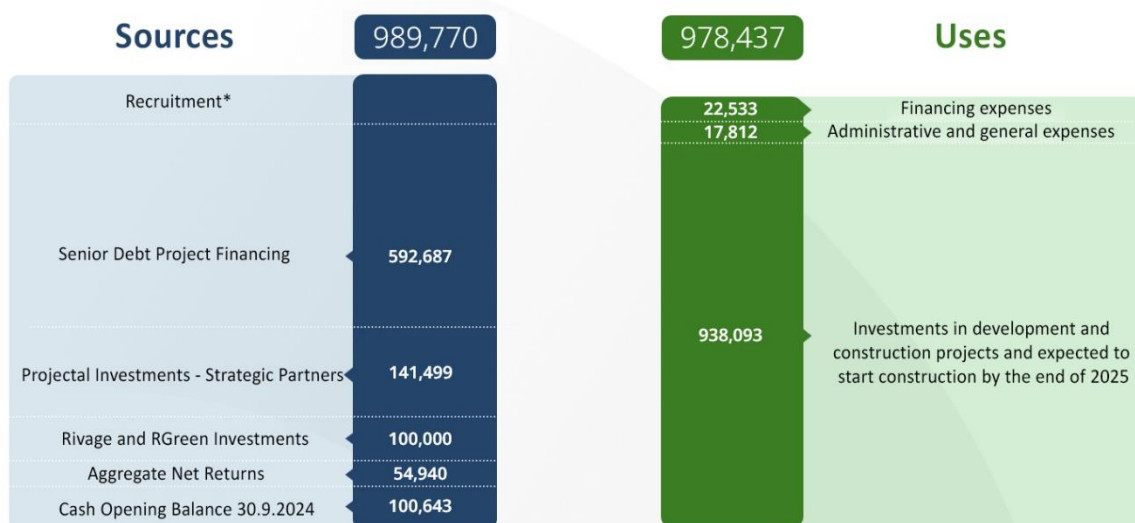
It should be noted that the table does not include investments in two projects in Romania with a capacity of approx. 289 MW in the pre-construction stage that are designated for sale. For additional information, see Section 1.4.1(H) above.

It should also be noted that in the Company's investment expectations forecast, there was an increase compared to the forecast included in the Company's 2023 Annual Report due to progress in the development of existing projects, the addition of new projects to the forecast and the purchase of the share of UBS Group funds in a joint venture for the development of renewable energy projects in Italy by the subsidiary in the UK.

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 exceeding the Company's current sources of capital. The Company estimates that as of the date of publication of the Report, it has or will receive during 2024 and 2025 the sources of capital required to implement the investment plan by the end of 2025. In order to comply with the investment plan, the Company is examining various options for financing alternatives that include raising capital or debt from the public, and/or raising private capital or debt for the Company's subsidiaries, as well as bringing in partners for projects developed by the Company or the sale of projects in the RTB stage.

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 adequate capital sources for the implementation of the future investment plan of the Company as described above, is expected to significantly affect the Company's detailed forecasts in the report, including on the estimated annual revenue, forecasted EBITDA, and forecasted FFO, as detailed in this report. However, the Company estimates that to the extent that it 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 RTB stage in anticipation of increased value for the Company and/or debt raising in the capital market.

1.4.4 Below is a forecast of sources and uses by the end of 2025, the Company's share in thousands of euros, for projects in the “Under Construction” status and expected to begin construction by the end of 2025:



The amount of sources does not include debt raising through the issuance of bonds to the public, which the Company is examining as stated in an immediate report published by the Company on November 6, 2024 (Reference No.: 2024-01-614055).

Sources Section:

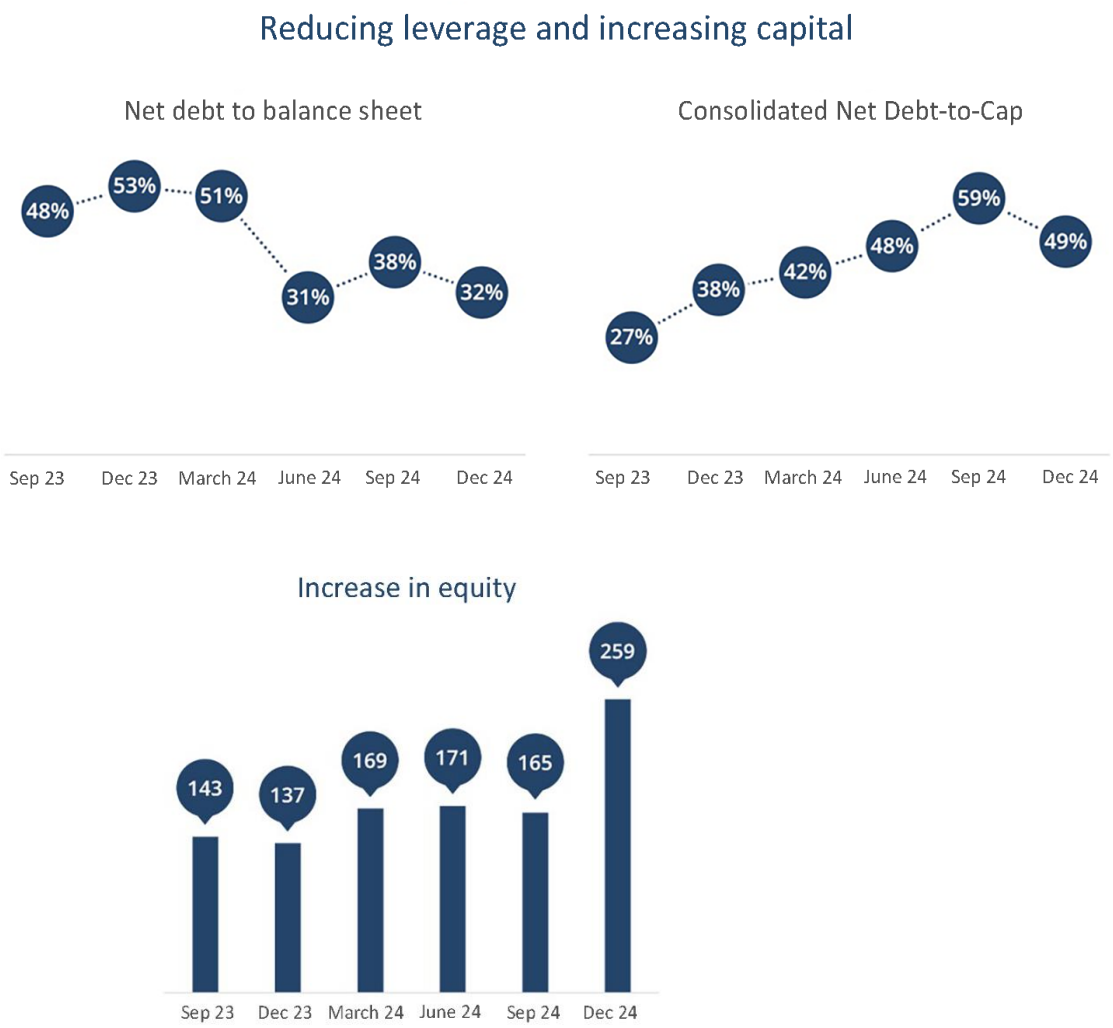
1. Cumulative net cash flow and proceeds from the sale of projects by the end of 2025 – including the Company's share of net cash flow (FCF) from the projects, a transaction to sell the Niculesti project which will be completed by the end of 2024, and a transaction to sell an additional project in Romania which is expected to be signed by the end of the first quarter of 2025. For additional information, see Section 1.4.1(H) of this Report.
2. Strategic Partner Investments:
 - a. Rgreen Invest Fund: A Memorandum of Understanding was signed for an investment of EUR 50 million in exchange for shares in Econergy UK. For additional information, see Section 1.4.1(K) of this Report.
 - b. Rivage Fund: Expected to inject an additional EUR 50 million loan into Econergy UK, expected to be received by the end of the first quarter of 2025. For additional information, see Section 1.4.1(E) of this Report.
3. Senior Debt Project Financing: Including Expectations for financing investments in projects in construction status and expected to begin construction by the end of 2025 through project financing agreements from additional financing entities.
4. The Company is examining the possibility of raising debt from the public through the issuance of a new series of bonds (Series B). For further details, see a report published by the Company on November 6, 2024 (Reference No.: 2024-01-614055)

Uses Section:

The Company estimates that investments in projects that are in the development backlog by the end of 2025 and construction will begin by 2025 are guaranteed - the entire budget required for construction is embodied in uses.

1.4.5 Financial Relations

Below are changes in financial relations over the past 12 months and expectations for the fourth quarter of 2024.



1.4.6 Revenue Forecast

The Company's latest Revenue Forecast in light of the Company's intentions to carry out capital and/or debt raisings, and it does not result in a change in the Company's policy of providing detailed forecasts once a year within the annual report, except if there is a material change in the Company's plans.

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 solar radiation or wind speed, as relevant. Based on the estimated 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 from leading external market consultants regarding the expected sales prices in each region or country, according to 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 follows¹⁶:

Country	Technology		Expected Price 2024	Market Prices over the First 10 Years	
				Min	Max
Italy	Wind	EUR/MWh	84	85	104
Italy	PV	€/MWh	81	62	99
England	PV	€/MWh	79	72	86
England	BESS	€/kW/year	69	69	138
Romania	Wind	EUR/MWh	86	90	121
Romania	PV	EUR/MWh	77	59	96
Spain	PV	EUR/MWh	50	40	60
Poland	PV	EUR/MWh	78	59	79
Poland ⁽³⁾	BESS	€/kW/year	Irrelevant	79	333
Greece	PV	EUR/MWh	72	53	88

(1) Starting in 2026.

Comments:

- The prices indicated in the table above are in EUR. Prices in England are translated from GBP to EUR according to the exchange rate forecast obtained from a market consultant.
- The electricity prices expected during 2024 are calculated based the assumption of transactions for the purchase of electricity closing 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

¹⁶ Except for Spain and Greece, market prices based on third quarter forecasts, Spain and Greece – second quarter. Prices are presented at their real value, without linkage.

its consultants. In addition, the price forecast for storage systems includes rates won by the Company in government tenders in the UK for the supply of electricity starting in 2027.

- It should be noted that for storage projects there is no assumption regarding the closing of transactions for the sale of electricity at a fixed price.
- It should also be noted that, except for storage prices in Poland, the maximum and minimum prices in the table represent prices in 2024 and 2033 respectively, meaning that the period of convergence from maximum to minimum price is ten years.¹⁷
- Price of certificates of origin (Guarantee of Origin, "GoOs") - In view of the difficulty in predicting the price of certificates of origin (GoOs are not traded in the market as part of trade that includes the publication of transaction results), the Company does not include the GoOs component in its revenue forecast. The Company estimates that this is an insignificant portion in relation to the other revenue streams, and in any case, PPA electricity sales agreements usually include the sale of certificates of origin. The operating expenses assumed by the Company for estimating future revenue and profitability are based on price quotes from suppliers and existing agreements in facilities managed by the Company in ongoing operations, inflation assumptions obtained by market consultants, as well as its management's knowledge from many years of operating facilities.

The following is an analysis of the Company's revenue forecast as of the date of publication of the Report (the Company's share, in EUR millions)¹⁸:

Revenue Forecast	2024	2025	2026	2027	Total
Net revenue from realization of project initiation and development¹⁹	66	17	32	-	115
Revenue from the Sale of Electricity^{20,21}	20	43	102	340	505
Revenue from the Sale of Services	1	3	5	6	15
Total	87	63	139	346	635

Comments:

- The revenue forecast for 2024 and 2025 includes, among other things, revenue from the realization of initiatives in the amount of approximately EUR 29 and 3 million, respectively, expected from the sale of two projects in the pre-construction phase in Romania with a capacity of approximately 289 megawatts. For additional information, see Section 1.4.1(H) above.

¹⁷ Market consultants' storage price forecast in Poland starts from 2026. The Company is not expected to connect storage projects in Poland before 2026.

¹⁸ The forecasts reflect the share of the subsidiary in the UK, in which the Company holds 80%.

¹⁹ Net revenue from realization of project initiation and development are calculated based on the value of the initiated asset, less development costs.

²⁰ Except for the Resko project, assuming a sales volume of 70% according to the expected PPA rate for 10 years starting from the first year of full operation, in Romania from the second half of 2025, and 30% market price.

²¹ Not including projects held for sale. In 2024, including revenues of approximately five million euros from compensation by the construction contractor for failure to meet the grid connection deadline.

- Net income from the realization of an initiative between 2025 and 2027 does not assume the sale of additional projects.
- The Company's forecasts refer to the existing project pipeline on the date of publication and therefore the net income forecast from the realization of project initiation and development decreases over the years.
- In addition, the forecast includes an estimate of revenues from the realization of an initiative in the amount of approx. EUR 38.5 million expected to be recorded following the purchase of the share of the UBS Group funds in a joint venture for the development of renewable energy projects in Italy by the subsidiary in the UK.
- As mentioned above, except for the Resko project, the electricity prices for the revenue forecast are calculated based on the assumption of closing transactions for purchasing electricity at a fixed price (PPA) for a period of 10 years from the first full year of operation and for 70% of the output and the rest at expected market prices according to the Company's market advisors and PPA prices in different markets based on the Company's estimates and its advisors.

It should be noted that the revenue forecast, in all its components, is a Non-GAAP forecast, meaning it was not constructed according to the accepted accounting rules. Accordingly, revenues which will be recognized in the Company's financial reports according to the rules and accounting standards may be different from the forecast both in terms of timing and scope.

Business Results Forecast

The Company's latest Business Results Forecast in light of the Company's intentions to carry out capital and/or debt raisings, and it does not result in a change in the Company's policy of providing detailed forecasts once a year within the annual report, except if there is a material change in the Company's plans. The Company estimates the development of business results (from the realization of initiative, from electricity sales, and from services) in the coming years as follows (the Company's share, in EUR million):

Business Results Forecast	2024	2025	2026	2027	Total
Revenues	87	63	139	346	635
Consolidated EBITDA	81	56	122	297	556
FFO	70	45	102	240	457

According to the Company's forecasts, the consolidated equity as of December 31, 2024 is expected to increase by an estimated amount of approx. EUR 122 million compared to the balance as of December 31, 2023 (the shareholders' share of the increase is approx. EUR 92 million). The majority of the projected growth is expected to stem from:

- An additional investment by the RG Fund in the share capital of Econergy UK in the amount of EUR 50 million.
- Conversion of loans into equity in the amount of approximately EUR 12 million (loans provided by strategic partner "Phoenix" to finance the RESKO and ORADEA projects).

- c. A profit recorded from its acquisition of control of Archmore Econergy in the amount of approximately EUR 37 million due to the acquisition of UBS's share in projects in Italy.
- d. Estimated expected profit from the sale of a project of approximately 214 megawatts in Romania in the amount of approximately EUR 29 million and estimated expected net profit from the sale of electricity and the provision of services in the amount of approximately EUR 4 million.

Revenue - The index includes all revenue streams as presented in Section 1.4.6 above.

Consolidated EBITDA - The EBITDA index in the table above includes all the Company's business revenue streams, such as revenues from electricity production, revenues from the realization of initiative, and revenues from services, and is calculated by deducting all operating and maintenance expenses from the net revenues.

FFO - The index is calculated based on the consolidated EBITDA index, taking into account the expected tax and financing expenses.

It should be noted that revenues as well as FFO and EBITDA indices are Non-GAAP indices, meaning they are not accounting indices, and accordingly, these indices were not built according to the accepted rules and accounting standards.

Business results forecast only from electricity sale according to development stages²²:

Forecast of business results only from the sale of electricity is used by the Company's management to examine the profitability of the project's core activity and is a basis, among other things, for managerial decision making. The following is the development of the project business results stemming from the sale of electricity according to the development stage (the Company's share, in EUR million):

Revenues from Electricity Sales	2024	2025	2026	2027	Total
Development	-	-	-	66	66
Licensing	-	-	20	152	172
Pre-Construction	-	1	32	70	103
Under construction	-	15	23	26	64
Ready for Connection	2	6	7	7	22
In Commercial Operation	18	21	20	19	78
Total	20	43	102	340	505

EBITDA from the Sale of Electricity	2024	2025	2026	2027	Total
Development	-	-	-	58	58
Licensing	-	-	18	134	152
Pre-Construction	-	1	27	58	86
Under construction	-	13	18	20	51
Ready for Connection	2	5	6	5	16

²² In 2024, the above forecast includes expected revenues of approx. EUR 5 million, which are expected to result from compensation to be provided by the construction contractor for failure to meet the grid connection deadline.

EBITDA from the Sale of Electricity	2024	2025	2026	2027	Total
In Commercial Operation	16	17	16	16	62
Total	18	36	85	291	430

FFO from the Sale of Electricity	2024	2025	2026	2027	Total
Development	-	-	-	52	52
Licensing	-	-	15	112	127
Pre-Construction	-	1	23	43	67
Under construction	-	11	13	13	37
Ready for Connection	2	3	4	4	11
In Commercial Operation	12	11	10	10	41
Total	14	26	65	234	339

Forecast of revenue from electricity sales for connected projects, ready for connection and under construction, and projects expected to begin construction by the end of 2025 by development stages (Company's share, in millions of euros):

Revenues from Electricity Sales	2024	2025	2026	2027	Total
Licensing	-	-	19	68	87
Pre-Construction	-	1	31	53	85
Under construction	-	15	23	26	64
Ready for Connection	2	6	7	7	22
In Commercial Operation	18	21	19	19	77
Total	20	43	99	173	335

EBITDA from the Sale of Electricity	2024	2025	2026	2027	Total
Licensing	-	-	17	61	78
Pre-Construction	-	1	26	45	72
Under construction	-	13	18	20	51
Ready for Connection	2	5	6	5	18
In Commercial Operation	16	17	16	16	65
Total	18	36	83	147	284

FFO from the Sale of Electricity	2024	2025	2026	2027	Total
Licensing	-	-	15	50	65
Pre-Construction	-	1	22	33	56
Under construction	-	11	13	13	37
Ready for Connection	2	3	4	4	13
In Commercial Operation	12	11	10	10	43

FFO from the Sale of Electricity	2024	2025	2026	2027	Total
Total	14	26	64	110	214

It should be noted that the revenue forecast from the sale of electricity does not include projects designated for sale, as stated in Section 1.4.1 (h) above.








It should also be noted that the revenue forecast from the sale of electricity is a non-GAAP forecast, meaning that it was not constructed according to accepted accounting principles. In addition, EBITDA and FFO metrics are non-GAAP metrics, calculated based on the assumptions underlying the business results forecast.










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

The FFO metric (Funds from Operations) is calculated based on the EBITDA metric, taking into account the expected tax and financing expenses. This metric is an accepted indicator reflecting the ability to service the debt principal from the receipts generated by the systems.

1.4.7 Project financing forecast

In addition to providing project financing for the Ratesti project, the Swangate (West Melton) project and the Resko project (for further details see Sections 8 and 1.4.1 (l) of this Report), as of the date of publication of the Report, the Company is in advanced negotiations in several countries simultaneously regarding project financing in the amount of EUR 252 million, according to the attached table:

Country	Name of Project	Technology	Installed Capacity (MWp, MWh)	Status	Total financing (in EUR millions)	Status	Financing
 Romania	Ratesti	Photovoltaic	155MW	In Commercial Operation	60	Signed Agreement	
 England	Swangate	Storage	102 MWh	In Commercial Operation	33	Signed Agreement	
 Poland	Resko	Photovoltaic	52MW	Ready for Connection	33	Signed Agreement	
 Romania	Parau	Photovoltaic	92MW	In Commercial Operation	39		Under Advanced Negotiations

Country	Name of Project	Technology	Installed Capacity (MWp, MWh)	Status	Total financing (in EUR millions)	Status	Financing
 Romania	Oradea	Photovoltaic	87MW	Ready for Connection	35		
 Romania	Iancu Jianu	Photovoltaic	58MW	Under construction	24		
 Romania	Salbatica 3	Wind	35MW	Pre-Construction	30		
 Romania	Melinesti-Goesti	Photovoltaic	31MW	Under construction	15		
 Romania	Bobicesti	Photovoltaic	25MW	Under construction	11		
 Romania	Scrutu Mare	Photovoltaic	55MW	Under construction	22		
 England	Dalmarnock	Storage	82MWh	Under construction	18		
 England	Inmingham	Storage	163MWh	Under construction	28		
 Italy	Backlog of 12 projects	Photovoltaic	65MW	In commercial activation, ready to connect and set up	30		
Total Financing Agreements in Advanced Negotiations			448MW, 245MWh		252		
Total financing agreements (signed and in advanced negotiations)			655MW, 347MWh		378		

The Company estimates that most of the financing agreements indicated in the table, which are in advanced negotiations, are expected to be closed by the end of the second quarter of 2025.

The Company's assessments regarding the completion of the financing transactions detailed above, the negotiation process leading to a binding agreement, their scope, terms, and the timing of their execution, constitute forward-looking information, as defined in the Securities Law, 1968, the realization of which is uncertain and not entirely within the Company's control. **The aforementioned assessments are based, *inter alia*, on the Company's assessments, and may not be realized due to factors that are not under the Company's control, as well as due to the concern of the existence of one of the risk factors listed in section 1.29 of Chapter A of the annual report for 2023.**

1.4.8 The Impact of Changes in Interest Rates on the Company

Inflation in the last 12 months preceding the reporting date is 1.7% in the United Kingdom,²³ and 2.0% in the Eurozone.²⁴ In October of this year, the European Central Bank announced a decrease in the interest rate as a result of positive progress in the process of reducing inflation, but with a declared intention to return inflation to the 2% target in the medium term.²⁵ In the United Kingdom, the Bank of England's monetary policy works to ensure that the country's inflation rate in the medium to long term is around 2%, and up until June this year it had met this target.²⁶

In September 2024, the Bank of England announced that it would leave interest rates at 5%.²⁷ In Europe, a decision was made to further reduce interest rates, to 3.25%.²⁸ Despite the positive trend, the Company is acting with the necessary caution and estimates that the interest rate changes made and inflation expectations in the short term are expected to improve the Company's cost of financing in future funding rounds.

According to forecasts of the European Central Bank²⁹, inflation in the active countries will moderate in 2024 and 2025: annual inflation in the Eurozone is expected to fall to 2.2% in 2025 compared to an estimate of 2.5% in 2024. According to Bank of England forecasts, the annual inflation rate in the UK is expected to be 2.5% in 2025 compared to an estimate of 2.3% in 2024³⁰.

In August 2024, the credit rating company Fitch announced the downgrade of Israel's credit rating from A+ to A. In September 2024, the credit rating company Moody's decided to double downgrade Israel's credit rating, from A2 to Baa1, with a negative forecast, and in early October 2024, S&P also took a similar step, lowering Israel's credit rating from A+ to A- with a negative outlook. This situation may lead to an increase in financing costs in shekels.

The Company has fixed-interest financing agreements with strategic partners ("Infragreen Fund", "Phoenix", "Rivage") to finance projects whose construction has begun and/or is expected to begin in the next 12 months, and financing agreements have also been signed in relation to the Ratshti project, the Rasco project and the Swangate project that were connected to the electricity grid (along with interest rate hedging). The agreements allow the Company flexibility if it wishes to refinance these projects when market conditions will improve its situation compared to the existing loan agreements.

The Company does not have financing agreements or material liabilities linked to inflationary changes. On the other hand, the electricity prices in the countries of activity are affected by the rising inflation and therefore, the Company estimates that in the short-to-medium term it might even benefit from the rising inflation.

The following is a sensitivity analysis for the Company's FFO forecast based on an interest rate increase of 0.5%, 1% and 1.5% compared to the existing interest rate as of the date of the report.

²³ Office for National Statistics, Consumer price inflation, UK: September 2024.

²⁴ https://ec.europa.eu/eurostat/databrowser/view/prc_hicp_manr/default/table?lang=en&category=prc.prc_hicp.

²⁵ <https://www.ecb.europa.eu/press/pr/date/2024/html/ecb.mp241017~aa366eaf20.en.html>.

²⁶ <https://www.bankofengland.co.uk/monetary-policy/inflation>.

²⁷ <https://www.bankofengland.co.uk/monetary-policy-summary-and-minutes/2024/september-2024>.

²⁸ <https://www.ecb.europa.eu/press/pr/date/2024/html/ecb.mp241017~aa366eaf20.en.html>.

²⁹ https://www.ecb.europa.eu/press/projections/html/ecb.projections202409_ecbstaff~9c88364c57.en.html.

³⁰ <https://www.bankofengland.co.uk/-/media/boe/files/monetary-policy-report/2024/august/monetary-policy-report-august-2024.pdf>.

Sensitivity Analysis of FFO to Changes in Interest Rates	2024	2025	2026	2027
Change in FFO following a 0.5% change in interest on debt	-0.04%	-0.56%	-0.84%	-1.06%
Change in FFO following a 1.0% change in interest on debt	-0.07%	-1.12%	-1.69%	-2.14%
Change in FFO following a 1.5% change in interest on debt	-0.11%	-1.69%	-2.54%	-3.23%

1.4.9 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 that date (hereinafter - the "**War**"). Over the past few months, the war has expanded on several fronts, the most significant of which are on the northern border and in targeted incidents against Iran.

The measures taken in the wake of the war, including extensive reservist mobilization, employee absences from work, and a reduction in activities in educational institutions, have affected the state of the Israeli economy, and this trend may continue depending on the period of fighting, its scope, and its duration. Macroeconomic impacts are expected in Israel, including an impact on spending, the deficit, the inflation rate, and growth. In addition, since the beginning of the War, credit rating agencies have made decisions to downgrade Israel's credit rating and/or place it on a watch list.

Nevertheless, 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 the UK, as is most of the Company's personnel.

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 sharp decline in gas prices in particular and energy in general, partly due to a series of measures taken by the European Commission to diversify the gas supply, reduce energy consumption in the Eurozone and prevent a sharp increase in energy prices, as part of the comprehensive RepowerEU plan, including limitations on the price of electricity.

In December 2023, the Commission approved a 12-month extension of three emergency regulations to improve the security of the gas supply and strengthen market resilience, which included the

temporary regulation limiting the price of electricity that extended until January 2025, the temporary regulation for coordinating gas purchases and cross-border exchanges in the event of a shortage that was extended until December 2024, and the regulation for the acceleration of renewable energy sources, which ended at the end of June 2024. In addition, in 2023 several additional plans were published promoting renewable energy and increasing the energy independence of the European Union. For additional information on this matter and the effects on the Company's activities and forecasts, see Section 1.3 above and Sections 1.7.4 and 1.7.5 of Chapter A of the Annual Report for 2023

1.4.10 Forecast of electricity demand in the Eurozone

Despite a decline in electricity demand over the past decade in the Eurozone, according to a market consultant forecast³¹, significant growth in electricity demand is expected in the coming years, with total electricity demand in the EU countries expected to increase by 38% to 4,520 TWh by 2035.

The increase in electricity consumption is mainly due to the increase in the use of electric vehicles, electrolysis (green hydrogen production) and industrial heating, which is expected to increase 5-fold to a level of over 11. Gigawatts by 2035.

Additional new demand of approximately 80 TWh by 2030 is expected to result from the accelerated growth in artificial intelligence (AI) tools, which is causing the accelerated establishment of server farms (Data Centers).

The Company's assessments regarding forecasted capacities, expected connection dates, probabilities of facility connections, investment plan forecasts, revenue forecasts, business results forecasts (including revenues, EBITDA, FFO) for the years 2024-2026, expectations regarding the increase in the Company's equity, anticipated recognition of capital gains from the sale of projects in the pre-construction phase in Romania, expected progress in negotiations on project financing transactions, and anticipated recognition of accounting profits following the acquisition of UBS Group funds' shares in a joint venture for the development of renewable energy projects in Italy by the Company's subsidiary in England, inflation and interest rate developments, and macroeconomic impacts on the Company's operations constitute forward-looking information, as defined in the Securities Law, based on the Company's plans and assessments as of the report date, under the assumptions detailed above, the realization of which is uncertain and not entirely within the Company's control. The estimates are based on the Company's plans with regard 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 of the Company's future investment plan described above, for which, as of the date of the report, there is no certainty that these will be fully completed in accordance with 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, geopolitical changes, etc. It should be emphasized that there is no certainty regarding the implementation of projects in pre-construction, among other things, due

³¹ Bringa Demand outlook | Historical and projected EU power demand - Reference Case

to the fact that these projects are subject to permits and licenses whose 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 of the 2023 Annual Report.

1.4.11 Impact of Global Supply Chains on the Company's Operations

In 2022, there was a downward trend in the transportation costs of products and they returned to their level just prior to the coronavirus outbreak. 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. During 2023, the trend of declining product costs continued. As of the report date, the costs of the main products required for the Company's operations have reached a significantly lower level than even before the outbreak of the COVID-19 pandemic.

The war may have various effects on maritime transportation prices, among other things due to statements by terrorist organizations regarding restrictions on vessel movement, but at this stage the Company does not recognize an impact on its operations. The Company adjusted its estimates regarding project construction costs in accordance with these trends.

For additional information regarding the macroeconomic effects on the Company's operations, see Section 1.7 of Chapter A of the Annual Report for 2023.

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 of the Annual Report for 2023.

2. Financial Position

The following table will present the sections of the balance sheet in accordance with the consolidated financial statements, and the explanations for the main changes that have occurred in them:

Item	As of September 30		As of December 31	Explanations
	2024	2023	2023	
	(in EUR thousand)			
Cash and Cash Equivalents	79,306	31,003	52,412	See details of the change in the liquidity table in Section 4 below.
Customers	142	61	-	
Accounts receivable and debit balances	23,064	18,726	18,811	The balance mainly includes VAT receivable in the amount of approximately EUR 16 million and interest receivable from affiliated companies in the amount of approximately EUR 5.3 million.
Assets Held for Sale	9,084	-	5,583	The increase is due to investments in projects held for sale in Romania during the period and the classification of an additional project in Italy as held for sale.
Total Current Assets	111,596	49,790	76,806	
Restricted Cash	8,389	6,496	5,300	
Systems Under Construction and Development (Including Land)	318,727	162,118	181,325	The increase is due to continued investment in development projects and the acquisition of "development" assets as part of the acquisition of companies during the period.
Connected power generation systems	3,345	-	-	
Intangible Assets	40,032	-	-	Excess cost due to business combinations and an increase in - holding percentages in Archmore, see Note 5 of the Financial Reports.
Goodwill	9,548	-	-	Goodwill due to business combinations and an increase in - holding percentages in Archmore, see Note 5 in the Financial Reports.
Fixed assets	1,106	716	720	
Right-of-use Assets	21,503	10,361	10,715	The main increase is due to additions of assets in projects in Romania and England.
Deferred Tax Asset	23	2,784	21	
Loans to Associates	64,007	83,805	61,646	

Item	As of September 30		As of December 31	Explanations
	2024	2023	2023	
	(in EUR thousand)			
Investments in companies accounted for using the equity method	52,209	35,470	35,605	The increase in investment is due to business combinations and an increase in holding rates in Archmore (see note 5 of the financial statements (EUR 5.6 million)) and equity profits for the period of EUR 7.2 million.
Total Non-Current Assets	518,889	301,750	295,332	
Total Assets	630,485	351,540	372,138	
Liabilities to Suppliers and Service Providers	17,222	5,973	1,773	The increase is due to liabilities to construction suppliers that were mostly paid after the cut-off date.
Accounts payable and credit balances	15,103	4,076	7,758	The increase stems mainly from interest payable to related parties in respect of the loans of RG and Phoenix as well as from prepaid income in respect of the sale of Niculesti in the amount of approximately 3 million euros.
Contingent Consideration Liabilities	3,622	4,574	1,359	
Conversion component at fair value through profit or loss	5,875	2,937	4,289	
Financial Liabilities at Fair Value Through Profit or Loss	11,131	8,868	8,454	Losses from the revaluation of the hedging transaction due to the weakening of the Shekel.
	52,953	26,428	23,633	
Convertible Loans	103,441	39,601	57,142	Reclassified as a current liability according to the amendment to IAS 1.
Convertible Bonds	74,803	73,289	74,359	Reclassified as a current liability according to the amendment to IAS 1.
Total Current Liabilities	231,197	139,318	155,134	
Other long-term liabilities	2,807	3,140	6,224	
Long-term Loans from Associated Parties	77,520	53,293	62,762	
Other Long-Term Loans	122,627	-		Financing, net of transaction costs, received during the year - - EUR 100 million from Rivage and approximately EUR 27 million from Goldman Sachs Bank pursuant to loan agreements.

Item	As of September 30		As of December 31	Explanations
	2024	2023	2023	
	(in EUR thousand)			
Deferred Tax Liability	11,132	2,778	643	Deferred tax liability due to business combinations and an increase in holding rates in Archmore, see Note 5 to the financial statements.
Lease Liabilities	20,438	9,694	10,517	The main increase is due to additions of assets in projects in Romania and England.
Total Non-Current Liabilities	234,524	68,905	80,146	
Total Liabilities	465,721	208,223	235,280	
Equity Attributed to Company Shareholders	134,272	120,933	114,114	
Minority rights	30,492	22,384	22,744	
Total Equity	164,764	143,317	136,858	
Total Liabilities and Equity	630,485	351,540	372,138	

3. Operating Results

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

Section	for the 9 months period ended September 30		For the period of one year ended on December 31	Explanations
	2024	2023	2023	
	(in EUR thousand)			
Revenue from Electricity Sales	334	-	-	Revenue from electricity sales from the Cumiana project, which was connected in Q1-2024.
Revenue from the provision of services	1,339	981	1,099	The item mainly includes revenue from asset management, technical support, and project management.

Section	for the 9 months period ended September 30		For the period of one year ended on December 31	Explanations
	2024	2023	2023	
	(in EUR thousand)			
Revenue from Realization of Initiative	37,004	-	-	Derives from business combinations and an increase in holding rates in Archmore, see Note 5 to the financial statements.
The Company's Share in the Profits of Companies Accounted for Using the Equity Method, Net	7,242	-	-	The majority of the profit is attributed to the Ratesti and Parau projects in Romania.
Total Revenues	45,919	981	1,099	
Maintenance of Systems and Related	410	453	613	
Depreciation and Amortizations	4,241	519	960	The increase is due to reductions of projects that fell through during the period.
Wages and Related Expenses	7,222	4,561	7,308	The increase during the period is due to the expansion of activities and an increase in the number of employees.
Administration, Headquarters and Others	3,462	3,824	4,870	The change results from an increase in professional services as part of the activity expansion.
The Company's Share in Losses of Equity-Accounted Investees, Net	-	674	537	
Total Expenses	15,335	10,031	14,288	
Profit (loss) for the Period	30,584	(9,050)	(13,189)	
Financing income	9,886	10,307	9,480	
Financing expenses	9,093	8,025	8,623	
Profit (loss) Before Income Tax	31,377	(6,768)	(12,332)	
Taxes on income (Tax Benefit)	(170)	20	1,151	
Net Profit (loss) for the Period	31,547	(6,788)	(13,483)	
Other total comprehensive loss	(238)	(247)	(85)	

Section	for the 9 months period ended September 30		For the period of one year ended on December 31	Explanations
	2024	2023	2023	
	(in EUR thousand)			
Total Comprehensive Profit (Loss) Including Other	31,309	(7,035)	(13,568)	

4. Liquidity

Item	For the 9 months period ended September 30		For the period of one year ended on December 31	Explanations
	2024	2023	2023	
	(in EUR thousand)			
Net cash flow used in operating activities	(4,846)	(13,099)	(14,808)	The main cash flow is due to wage payments, headquarters, VAT receivable, and timing differences for payments to erection suppliers.
Net Cash Flows from Used in Investing Activities	(140,720)	(124,278)	(125,607)	<ul style="list-style-type: none">• Providing loans totaling approximately EUR 2.4 million to projects in Italy.• Purchases during the period for the development and construction of projects totaling approximately EUR 134 million.• An investment of EUR 3.9 million in the included EGD company.
Net cash flow generated from Financing Activities	173,080	148,452	173,905	<ul style="list-style-type: none">• During the period, approximately EUR 95 million was invested in the Company from RIVAGE, approximately EUR 28 million from Goldman Sachs for the Swagate project, and approximately EUR 56 million from Phoenix (amounts are presented after deducting financing costs).• Purchase of the remaining shares in the subsidiary Development 1 for approximately EUR 4 million.

5. Development of Capital

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

6. Working Capital

The Company's negative working capital according to the consolidated financial statements as of September 30, 2024, amounts to approximately EUR 119,601 thousand (compared to EUR 89,528 thousand as of September 30, 2023), and consists of current assets less current liabilities as detailed below:

- a. Current assets amounted to approx. EUR 111,596 thousand and include mainly cash, cash equivalents, accounts receivable and debit balances.
- b. Current liabilities amounted to approximately EUR 231,197 thousand and include balances in respect of convertible loans and convertible debentures, which are presented within current liabilities following an amendment to IAS 1 that entered into force on January 1, 2024.

7. Forecasted Cash Flows

In accordance with Regulation 10(b)(14) of the Report Regulations, the Company has examined the existence of warning signs.

The Company has a negative cash flow from operating activities in its consolidated financial statements as of September 30, 2024 in the amount of approx. EUR 4,846 thousand, and a negative cash flow from operating activities in its consolidated financial statements as of September 30, 2023 in the amount of approx. EUR 13,099 thousand.

The Company had a positive cash flow from operating activities in its separate financial statements as of September 30, 2024, and December 31, 2023, amounting to approximately EUR 1,776 thousand and EUR 4,329 thousand respectively.

Following Note 2B(1) of the Consolidated Financial Statements, in January 2020, the IASB published an amendment to IAS 1 regarding the requirements for classifying liabilities as current or non-current. The amendment took effect starting January 1, 2024.

The Company has convertible debentures that can be immediately converted into ordinary shares of the Company and loans that can be immediately converted into ordinary shares of the Project Company, where the conversion components were classified in its financial statements as financial liabilities. As a result of the above amendment, liabilities in the amount of 135,790 thousand euros and in the amount of 115,827 thousand euros as of December 31, 2023 and September 30, 2023 respectively, were reclassified from non-current liabilities to current liabilities.

Thus, as of September 30, 2024, the Company faced a deficit in working capital in its consolidated statements amounting to EUR 119,601 thousand (net of loans and convertible debentures, the Company had positive working capital of EUR 58,643 thousand), due to the conversion option of the debentures and loans that were classified for a short term.

At its meeting on November 13, 2024, 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 these data, the Company's Board of Directors has 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 does not have a liquidity problem and that the Company expects to be in compliance with the financial covenants to which it has committed, 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 in the coming year.
- The company is expecting a cash flow from the sale of assets in Romania.
- The Company is expecting a cash flow through bank financing for projects that were financed by shareholder loans.
- The Company expects that it can create cash flow from the realization of project initiation that is expected to generate initiation profits for the Company.

8. Financing Sources

Financing for project initiation and construction activities (Project Finance) for the production of electricity using renewable energy technology is expected to be partially carried out through project-bank financing, through dedicated bank loans that will be taken as senior debt by the project corporations (SPCs) or the Company, and partially through the shareholder loans (provided as equity in the project). As of the date of the report, the Company has not yet taken project finance loans for projects under construction. For additional information, see Section 1.20 of Chapter A of the Annual Report for 2023. In order to comply with the investment plan, the Company is examining various options for financing alternatives, including raising capital from the public, and/or raising private capital for the Company's subsidiaries, as well as introducing partners in projects under its development. Meanwhile, the Company has entered into the following agreements:

- a. On November 17, 2022, Econergy UK entered into binding agreements with a number of companies from the Rgreen Invest Group, a leading renewable energy investment fund in France incorporated as a company in France (hereinafter collectively: "**RG**"), regarding RG's investment of 87.5 million euros in Econergy UK capital, as well as regarding the entry into a equity partnership and providing financing for the Company's projects in Europe with an additional total of approximately 163.3 million euros. For additional information, see Section 1.4.1(A) above.
- b. On January 4, 2023, Econergy UK signed a binding agreement with Phoenix Insurance Company Ltd. regarding entering into a cooperation, investment and provision of financing for the Company's projects in Romania and Poland in a total amount of approx. EUR 150 million. For additional information, see Section 1.4.1(B) above.
- c. Project Financing:
 - On November 21, 2023, Ratesti Solar Plant, (the "**Project Company**"), a corporation held (50%) by Econergy UK, signed an agreement for the provision of project financing for 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 amount of approx. EUR 60 million by the Raiffeisen Group. On December 22, 2023, the conditions for financial closure of the financing agreement were met and the full amount of the loan funds were transferred to the project company. For additional information regarding the financing agreement, see Section 1.20.10 of Chapter A of the Annual Report for 2023, and immediate reports published by the Company on November 22, 2023 and November 26, 2023 (Refs: 2023-01-126582 and 2023-01-127749, respectively), which are included in this report in full by way of reference.

- On August 23, 2024, Swangate Energy Storage Limited (the "Project Company"), a corporation held (100%) by Econergy International Ltd., a company controlled by the Company ("Econergy UK"), signed with Goldman Sachs International Bank of the Goldman Sachs Group Inc. International, for a financing agreement to provide project financing in the amount of about £27 million, for an electricity storage project using Swangate batteries in England with a capacity of about 50 megawatts S megawatts per hour. For more information, see Section 1.4.1 (I) above.
- On October 31, 2024, ECONERGY PV4 SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ RESKO SP.K, a corporation wholly owned by Econergy UK, which is a company controlled by the Company, and 49% directly by Phoenix Insurance Company Ltd. and Phoenix Pension and Provident Fund Ltd., signed with POWSZECHNA KASA OSZCZĘDNOŚCI BANK POLSKI S.A. ("**PKO**") a financing agreement to provide project financing in a total amount of approximately EUR 33 million, for a solar photovoltaic electricity production project in Poland with an installed capacity of 52 megawatt. For more information, see Section 1.4.1 (L) above.
- d. On February 7, 2024, Econergy UK signed a binding agreement with the Rivage Investment ("Rivage") funds, for the provision of a loan to Econergy UK for the development, construction and acquisition of the Company's projects in Europe and the UK (mainly in Italy, England and Romania) in a total amount of approx. EUR 150 million. For additional information, see Section 1.4.1(E) above.
- e. On December 9, 2022, the Company raised debt from the public in the amount of approximately NIS 242.5 million, through the issuance of bonds convertible into the Company's shares of a new series and their listing for trading on the Tel Aviv Stock Exchange 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, in the amount of approximately NIS 70 million (net). For additional information, see Appendix A to this report.

Below are details about significant loans taken by the Group companies:

The Borrower	The Lender	Balance as of September 30, 2024 (EUR thousand)	Interest Terms and Linkage ³²	Dates of Repayment	Financial Covenants and Compliance Calculation as of September 30, 2024	Default Event Cross default	Ecurities, Mortgages, Guarantees, and Repurchase Rights for the Loan and Their Value in The Financial Statements	Additional Information
Ratesti Solar Plant SRL	Raiffeisen Bank International AG Raiffeisen Bank S.A.	57,790	3-month Euribor plus a margin of between 3% and 4%	The loan interest is payable in quarterly payments starting from December 31 2023. The loan principal is repaid in quarterly, unequal installments, starting from September 30, 2024, until December 31, 2033. In addition, the agreement includes a Cash Sweep mechanism to accelerate the repayment of the loan.	Starting June 30, 2024, the DSCR ³³ will not be less than 1.2. The value of the borrower's assets is higher than the value of its liabilities (including contingent liabilities). The net asset value of the borrower is at least 50% higher than the allocated capital As of the date of the Report, the Company meets the criteria (DSCR as of the date of the Report stands at 1.88).	he agreement includes standard reasons for immediate repayment in project financing agreements, such as non-payment, non-compliance with financial ratios, breach of obligations, false representations, cross default concerning other debts of the borrower, cessation of repayment by the borrower or its shareholders and construction and maintenance contractors, illegality of the obligation under the financing agreements, cessation of activity, unlawful acts, abandonment, change in law, illegality, non-compliance with the COD and obtaining the specified Generation License, significant	The loan is secured by customary securities in project financing agreements including a fixed mortgage on the shares, owner loans provided to the borrower by its shareholders, the assets and bank accounts of the borrower, a negative pledge commitment, and subordination of owner loans provided to the borrower.	The agreement includes representations and obligations as customary in such transactions, including a commitment that the COD of the project will be by February 2024, that the Generation License will be obtained by March 31, 2025, etc. Also, the agreement includes the right to perform early repayment and also obligations to perform early repayment in cases as customary in project financing agreements including in the event of a change of control in the borrower, Early repayment (except in the cases specified in the agreement), during the first 4 years involves the payment of an early repayment fee as detailed in the agreement. Additionally, the agreement includes various restrictions concerning distributions as customary in project financing agreements. For additional information, see the immediate report published by the Company on November 22, 2023

³² Without transaction fees (including credit provision fee, credit cancellation fee, and credit non-utilization fee) and arrears interest.

³³ DSCR - the ratio between the cash flow for the period (EBITDA plus (or minus) net working capital and additional payments received that are not included in EBITDA) and the payments under the financing agreement for the same period (principal, interest, fees, etc.).

The Borrower	The Lender	Balance as of September 30, 2024 (EUR thousand)	Interest Terms and Linkage ³²	Dates of Repayment	Financial Covenants and Compliance Calculation as of September 30, 2024	Default Event Cross default	Ecurities, Mortgages, Guarantees, and Repurchase Rights for the Loan and Their Value in The Financial Statements	Additional Information
						damage, change of control, significant adverse change, legal proceedings with a significant adverse effect, termination of any of the project agreements with significant effect, cancellation of the Generation License or another permit related to environmental quality, etc. ³⁴		(Ref: 2023-01-126582), which its information in this annual report brought by way of reference.
Econergy International Ltd.	Rivage Private Debt Fund – Fund for Infrastructure Climate Solutions (Rivage PD-FIC; Rivage Euro Debt Infrastructure High Return	94,991 ³⁵	For the First Framework - fixed interest rate between 9%-9.5% For the Second Framework (if granted by the lenders) - an interest rate	For the First Framework - the loan will be secured for a period of 5 years from financial closing, the loan principal will start to be repaid in the middle of the fifth year and the remainder at the end of the loan.	a. Commitment that no distribution will be made by Econergy UK, except for interest and principal payments on behalf of debentures (Series A') issued by the Company	Standard reasons for immediate repayment as customary in such loan agreements, including among others: non-payment, non-compliance with financial ratios, breach of obligations, false representations, Cross Default concerning debts and/or obligations of project corporations, cessation of repayment by	Securities customary in a transaction of this type, including: mortgage on the holdings of the company in shares of Econergy UK and also mortgage on the holdings of Rgreen Invest	The Company has committed to additional major restrictions and instructions: A. To have surpluses sufficient for the payment of its obligations according to the terms of the debentures (Series A') issued by the company, through raising debt and/or capital and/or realization of assets. b. Commitment to meeting project backlog targets in relation to the development rate of the projects approved by the lender's technical

³⁴ Further to the application dated 11.3.24, the Company has completed the conditions set forth in the financing agreement except for the completion of the project. In coordination with the lender, the Project Company will submit a request to extend the date for completion of the project until the end of 2024.

³⁵ The loan is provided in two frameworks: EUR 100 to be provided starting from the financial closing date of the loan agreement for a period of up to 24 months, according to the preliminary conditions for withdrawal detailed in the loan agreement, according to the needs of the development and construction of projects and/or acquisition of projects in Europe and UK to be presented by Econergy UK to the lenders, in accordance with the terms of the loan agreement (the "**First Framework**"); and an additional EUR 50 million, after the fulfillment of the conditions detailed in the loan agreement (the "**Second Framework**").

The Borrower	The Lender	Balance as of September 30, 2024 (EUR thousand)	Interest Terms and Linkage ³²	Dates of Repayment	Financial Covenants and Compliance Calculation as of September 30, 2024	Default Event Cross default	Ecurities, Mortgages, Guarantees, and Repurchase Rights for the Loan and Their Value in The Financial Statements	Additional Information
			not exceeding Mid Swap plus 6% - 6.5%	Interest is payable every 3 months. For the Second Framework - the loan will be secured no earlier than June 30, 2024, for a period not shorter than that of the First Framework and according to the terms to be determined.	under the terms detailed in the loan agreement; b. Compliance with the LTV ratio consolidated between 55% and 75% at various dates as detailed in the loan agreement, from March 31, 2024. As of the date of the report, the Company meets the benchmark (consolidated LTV ratio as of the date of the report 15%). Moreover, concerning obtaining the Second Framework: c. Compliance with the ratio of total equity to total assets of not less than 30%. d. Compliance with the consolidated LTV ratio not exceeding 60%	the borrower and/or significant project corporations and/or a third party providing securities, cessation of activity, legal proceedings significant against the group, significant adverse events, non-performance of actions specified in the loan agreement for the purpose of repaying the principal of the debentures (Series A'), unlawful acts, abandonment, changes in law, change of control.	in shares of Econergy UK; mortgage on bank accounts of Econergy UK; mortgage on owner loans provided to Econergy UK by the Company; mortgage on the holdings of Econergy UK in shares of significant subsidiary companies to which the loan alone will be provided by the lender (if there are such loans)	advisor at several dates, as detailed in the loan agreement. c. Commitment to developing projects in the photovoltaic, wind, and storage sectors in Europe and Britain under the terms detailed in the agreement, to allow periodic supervision and control by Rivage over the development pace, and to meet the development targets as detailed in the loan agreement. d. Use of the loan for the purpose of acquiring projects at the RTB stage or advanced initiation will be to the extent of no more than EUR 20 million, and subject to meeting the profitability ratios set in the loan agreement concerning such projects. e. Senior financing will be allowed for projects subject to the terms detailed in the loan agreement. f. Restrictions were set on the transfers of shares of the company and Rgreen Invest in the borrower, and of the controlling shareholders of the company until the conditions set in the loan agreement are met. For additional details, see the immediate report published by the company on February 8, 2024 (reference number: 2024-01-014511) which is included in this report by way of reference.

The Borrower	The Lender	Balance as of September 30, 2024 (EUR thousand)	Interest Terms and Linkage ³²	Dates of Repayment	Financial Covenants and Compliance Calculation as of September 30, 2024	Default Event Cross default	Ecurities, Mortgages, Guarantees, and Repurchase Rights for the Loan and Their Value in The Financial Statements	Additional Information
					from the signing date until December 31, 2024, and not more than 65% thereafter.			
Swangate Energy Storage Limited	Goldman Sachs International Bank (“GS”)	27,635 ³⁶	Annual interest according to the rate "Sonia - three months" plus an annual margin in the range of about 3%-3.5% regarding the General Framework, and regarding the VAT Framework, plus an annual margin of	The final repayment date of the loan is 31.12.2031. The principal will be repaid in quarterly installments starting from 31.03.2025, with an annual fixed payment of about 10%-12% of the initial loan amount, plus a balloon payment in the 7th year from the date of the loan at the rate of about 30% of the initial loan amount.	Debt coverage ratio (Loan Life Cover Ratio) of at least 1.05, which will be reviewed starting on March 31, 2025 and every six months thereafter.	The financing agreement includes grounds for immediate repayment, as is customary in such agreements, including, among others: non-payment, failure to meet financial covenants, breach of obligations, breach of representations, cross-default in relation to other financial liabilities of the Project Company and Econergy UK (and with respect to Econergy UK — an amount exceeding GBP 2 million), insolvency of the Project Company, Econergy UK, the construction contractor, and the LTSA contractor, cessation of operations, illegal actions,	a. A lien on all the assets of the Project Company, including the project rights (real estate and movables), receipts, bank accounts ("Project Assets"); B. Lien on the shares of the Project Company by Econergy UK; C. Landings of shareholder loans granted by Econergy UK and/or anyone acting on its behalf to the	The financing agreement includes representations and commitments as customary in such transactions, including the commitment that the project completion date will be no later than April 30, 2025, no changes will be made to the project agreements without GS's approval, a prohibition on the sale of assets, an obligation to submit reports, disclosures, and a financial model, the purchase of insurance, and similar obligations. Additionally, the financing agreement includes the right to make early repayments as detailed in the agreement's terms, as well as the obligation to make early repayments in certain cases, such as illegality, a change of control in the Project Company (i.e., Econergy UK will cease to control and hold 100% directly or indirectly in the Project Company), or cancellation of the

³⁶ A loan totaling approximately GBP 27 million, of which GBP 25 million will mainly be used to pay the construction and repayment expenses of shareholder loans provided for the purpose of purchasing and establishing the project (the “**General Framework**”), and a total of approximately GBP 2 million as a loan for the purpose of financing VAT expenses (the “**VAT Framework**”).

The Borrower	The Lender	Balance as of September 30, 2024 (EUR thousand)	Interest Terms and Linkage ³²	Dates of Repayment	Financial Covenants and Compliance Calculation as of September 30, 2024	Default Event Cross default	Ecurities, Mortgages, Guarantees, and Repurchase Rights for the Loan and Their Value in The Financial Statements	Additional Information
			about 2%-2.5%. ³⁷	The interest will be repaid in quarterly payments as of 09/30/24. In addition, a quarterly cash sweep mechanism for the ongoing repayment of the principal payments was determined up to the amount of the fixed quarterly principal payment required under the conditions set forth in the financing agreement.		abandonment, changes in law, material adverse change, failure to meet the project completion date under the conditions set in the financing agreement, change of control in the Project Company, and more.	Project Company; D. Commitment to a negative lien on the part of the borrower and on the part of Econergy UK in relation to the Project Assets; e. Deposits from the revenues of the Project Company and/or financed to cover current costs of operation and maintenance of the project; In addition, a company guarantee of Econergy UK was provided in favor of GS for the purpose of securing certain obligations of the borrower.	RTMA agreement (except in cases where the cancellation is not due to a breach of the agreement by the Project Company). In addition, the financing agreement includes various restrictions in relation to distributions, as is customary in this type of financing agreement. Refunds for granting the financing will be paid on the basis of the revenues in the Swangate project. For more details, see the immediate report published by the Company on August 25, 2024 (reference number:2024-01-087414) whose information is presented in this report by way of reference.

³⁷ It should be noted that close to the date of the first withdrawal, a Hedging Agreement for hedging the exposure to change in the interest rate is expected to be signed by the borrower.

The Borrower	The Lender	Balance as of September 30, 2024 (EUR thousand)	Interest Terms and Linkage ³²	Dates of Repayment	Financial Covenants and Compliance Calculation as of September 30, 2024	Default Event Cross default	Ecurities, Mortgages, Guarantees, and Repurchase Rights for the Loan and Their Value in The Financial Statements	Additional Information
SPÓŁKA Z OGRANICZONĄ ODPOWIEDZIALNOŚCIĄ RESKO SP.K	KASA OSZCZĘDNOŚCI BANK POLSKI S.A ("PKO")	³⁸	Annual interest based on "EURIBOR - six months" plus an annual margin in the range of approximately 1.75% - 2.25% for the General Framework and the DSRF Framework plus an annual margin of approximately 1.75% - 2.25% for the Guarantee	The final repayment date of the General Framework and the DSRF Framework is June 30, 2044. The final repayment date of the Guarantee Framework is August 29, 2044. The fund will be repaid in semi-annual installments according to the provisions of the agreement, starting on June 30, 2025. The interest will be repaid in semi-annual installments starting on December 31, 2024.	Historical Debt Service Cover Ratio of at least 1.10. The covenant will be tested for the first time on June 30, 2025, and twice each calendar year, every June 30 and December 31.	The financing agreement includes grounds for immediate repayment, as is customary in such agreements, including, among others: non-payment, failure to meet financial covenants, breach of obligations, breach of representations, cross-default in relation to other financial liabilities of the Project Corporation, insolvency, cessation of operations, illegal actions, abandonment, changes in law, material adverse change, failure to meet the project completion date under the conditions set in the financing agreement, change of control in the Project Corporation, and more.	a. A lien on all the assets of the Project Corporation, including the project rights (real estate and movables), receipts, bank accounts (the "Project Assets"); b. Lien on the participation units in the Project Corporation, as well as on some of the shares in the companies that indirectly hold the Project Corporation, by Econergy UK; c. Subordination of loans from the owners of the Project Corporation	The financing agreement includes representations and undertakings as is customary in transactions of this type, including an undertaking not to make changes to the project agreements without PKO approval, a prohibition on the sale of assets, an undertaking to submit reports, statements and a financial model, purchase insurance, etc. In addition, the financing agreement includes a right to make early repayment and an obligation to make early repayment, among other things, in the event of illegality or a change in control of the Project Corporation. The financing agreement includes various restrictions in relation to distributions, as is customary in this type of financing agreement. Refunds for granting the financing will be paid on the basis of the revenues in the Resko project.

³⁸ Of this amount, approximately EUR 30.2 million will be used primarily to pay the balance of construction expenses and repay loans to the owners of the project corporation totaling approximately EUR 25 million, which were provided for the purpose of acquiring and constructing the project (the "**General Framework**"), a total of approximately EUR 1.6 million as a loan for the purpose of financing the debt service (as defined in the financing agreement, the "**DSRF Framework**"), and a total of approximately EUR 1.2 million as a loan for the purpose of providing guarantees under the VPPA agreement (the "**Guarantee Framework**").

The Borrower	The Lender	Balance as of September 30, 2024 (EUR thousand)	Interest Terms and Linkage ³²	Dates of Repayment	Financial Covenants and Compliance Calculation as of September 30, 2024	Default Event Cross default	Ecurities, Mortgages, Guarantees, and Repurchase Rights for the Loan and Their Value in The Financial Statements	Additional Information
			Framework. ³⁹				granted to the Project Corporation; d. A negative lien commitment by the borrower and Econergy UK with respect to the Project Assets; e. MRA (Maintenance Reserve Account) deposit starting on December 31, 2030 from the Project Corporation's revenues to cover ongoing costs of operation and maintenance of the project.	

³⁹ It should be noted that close to the date of the first withdrawal, a Hedging Agreement for hedging the exposure to change in the interest rate is expected to be signed by the borrower.

Part C | Corporate Governance Aspects

9. Donations

The Company has not adopted a policy on donations, and as of the report date, 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 September 22, 2024, it approved the extension of their terms for an additional 3 years. 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 4 to the consolidated interim financial statements dated September 30, 2024, as well as Section 1.4 above.

14. **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 D - Disclosure Provisions in connection with the Corporation's Financial Reporting

15. Critical Accounting Estimates

For information regarding 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, 2023.

16. The Company's liabilities by due dates as of September 30, 2024

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

During the reporting period, no significant or very significant valuations were made that served as the basis for determining the value of data in the report.

Mr. Eyal Podhorzer,
CEO and Director

Mr. Shlomo Zohar,
Chairman of the
Board of Directors

Mr. Nir Peleg,
CFO

Date: November 13, 2024

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. (the "**Company**"), is responsible for establishing and maintaining adequate internal control over financial reporting and disclosure in the Company.

For this matter, the members of management are:

1. Mr. Eyal Podhorzer, Director and CEO;
2. Mr. Nir Peleg, CFO.

Internal control over financial reporting and disclosure includes controls and procedures existing at the corporate designed by the CEO and the most senior finance officer or under their supervision or by the person who performs these duties in practice, under the supervision of the corporate'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 corporate 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 disclosed is required of the corporate as stated above, is collected and transmitted to the corporate's management, including the CEO and the most senior finance officer or to those who perform these duties in practice, in order to enable decision making at the appropriate time, regarding disclosure requirements.

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 June 30, 2024 (the "**Most Recent Quarterly Report on 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 noted 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, do hereby declare that:

1. I have examined the quarterly statement of Econergy Renewable Energy Ltd. (hereinafter: the "**Company**") for the third quarter of 2024 (hereinafter: the "**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 Corporation's Auditor, the Board of Directors and the Corporation's Audit and Financial Statement Committees, based on my current assessment of the internal control over financial reporting and disclosure:
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting and disclosure that could reasonably be expected to adversely affect the Company's ability to collect, process, summarize, or report financial information in a manner that could undermine the reliability of financial reporting and the preparation of financial statements in accordance with legal requirements; and also –
 - b. Any fraud, whether material or not, involving the CEO or those directly subordinate to him or involving other employees who have a significant role in the internal control over financial reporting and disclosure;
5. I, alone or together with others in the corporation:
 - a. I have established controls and procedures, or verified the establishment and existence 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), 2010, is brought to my attention by others in the Corporation and the consolidated companies, in particular during the period of preparation of the reports; and -
 - b. I established controls and procedures, or verified the establishment and existence of controls and procedures under my supervision, intended to reasonably ensure the reliability of financial reporting and the preparation of financial statements in accordance with the provisions of the law, including in accordance with accepted accounting rules;
 - c. I have evaluated the effectiveness of the internal control over the financial reporting and the disclosure, and I have presented in this report the conclusions of the Board of Directors and the management regarding the effectiveness of the internal control as of the date of the reports.

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

Date: November 13, 2024

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 the other financial information contained in the Reports of Econergy Renewable Energy Ltd. (hereinafter: the **"Company"**) for the second quarter of 2024 (hereinafter: the **"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 Corporation's Auditor, the Board of Directors and the Corporation's Audit and Financial Statement Committees, based on my current assessment of the internal control over financial reporting and disclosure:
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting and disclosure that could reasonably be expected to adversely affect the Company's ability to collect, process, summarize, or report financial information in a manner that could undermine the reliability of financial reporting and the preparation of financial statements in accordance with legal requirements; and also –
 - b. Any fraud, whether material or not, involving the CEO or those directly subordinate to him or involving other employees who have a significant role in the internal control over financial reporting and disclosure;
5. I, alone or together with others in the corporation:
 - a. I have established controls and procedures, or verified the establishment and existence 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), 2010, insofar as it is relevant to the financial statements and other financial information included in the reports, brought to my attention by others in the corporation and the consolidated companies, in particular during the period of preparation of the reports; and -

- b. I established controls and procedures, or verified the establishment and existence of controls and procedures under my supervision, intended to reasonably ensure the reliability of financial reporting and the preparation of financial statements in accordance with the provisions of the law, including in accordance with accepted accounting rules;
- c. I have assessed the effectiveness of the internal control over the financial reporting and disclosure, insofar as it relates to the financial statements and the other financial information contained in the reports as of the date of the reports, my conclusions regarding my assessment as stated were brought before the Board of Directors and the management and are included in this report.

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

Date: November 13, 2024

Nir Peleg, CFO

Appendix A - Information regarding bonds issued by the Company

1. The following are details regarding the Company's promissory notes as of September 30, 2024

	Bonds (Series A)
Issue date	December 9, 2021
Par value on the issue date (NIS thousands)	250,000
Par value as of September 30, 2024 (NIS thousands)	334,738.5
Par value CPI-linked as of September 30, 2024 (NIS thousands)	Unlinked
Accrued interest as of September 30, 2024 - (NIS thousands)	-
Stock market value as of September 30, 2024 (NIS thousands)	313,984
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
Payment guarantee	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.
Materiality⁴⁰	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 bonds	None
Financial covenants	As detailed in Section 2 below.
Was the Company in compliance with all the conditions and obligations under the trust deed during and at the end of the reporting year	Yes
Have the conditions been met for the bonds' immediate repayment or for the exercise of the collateral, and a description of the breaches (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

⁴⁰ A bond series 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), 1970, constitute 5% or more of the Company's total liabilities as presented in the data.

2. Financial covenants and other significant conditions - 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 is being examined from the date of publication of the financial statements for the period ended on June 30, 2024):

Financial covenants	Compliance with financial covenants As of September 30, 2024	Data as of September 30, 2024
Solo equity will not be less than EUR 35 million over a period of two consecutive quarters.	Yes	EUR 134,272 thousand
Solo financial debt to solo balance sheet, as defined in the trust deed, will not exceed a rate of 75% over a period of two consecutive quarters.	Yes	38%
The ratio of financial debt to adjusted consolidated EBITDA shall not exceed 18 over a period of two consecutive quarters⁴¹	Yes	8

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

For further details about the financial metrics, see Note 15 of the Annual Financial Statements for 2023, which are included in the Annual Report for 2023, referenced in this report. As of December 31, 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).

⁴¹ In this regard, it is clarified that the ratio in this Section was not reviewed during the period preceding the date of publication of the financial statements for the period ended June 30, 2024. For the first review date, which will be conducted for the Company's financial statements as of June 30, 2024, the review covered the 6-month period starting from January 1, 2024 (2 quarters), annualized to four quarters. For the second review date, which was conducted on September 30, 2024, the review will cover the 9-month period starting from January 1, 2024 (3 quarters), annualized to four quarters.