econergy

Powering Renewables.

Board of Directors' Report

On the State of Affairs of Econergy Renewable Energy Ltd.

The Board of Directors of Econergy Renewable Energy Ltd. (hereinafter - "the Company") is honored to submit the Company's Board of Directors' Report as of December 31, 2024, in accordance with the Securities Regulations (Periodic and Immediate Reports), 1970 (hereinafter - the "Report Regulations")

As of December 31, 2024

01

Part One

The Board of Directors' Explanations regarding 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, and it operates in the field of renewable energy in Europe by itself and through corporations under its control (hereinafter - the "**Group**").

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 - the "**TASE**") since July 13, 2021 under the symbol ECNR.

1.1 General background

1.1.1 Operating segments

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

1.1.1.1 Italy operating segment;

1.1.1.2 UK operating segment;

1.1.1.3 Romania operating segment;

1.1.1.4 Poland operating segment;

1.1.1.5 Spain operating segment;

1.1.1.6 Greece operating segment.

1.1.2 Holding structure

For information regarding the structure of the Company's holdings, see Section 1.3.3 of Chapter A – Description of the Corporation's Business, attached to the 2024 Annual Report, in which this Board of Directors' Report is a chapter (hereinafter - "**Chapter A**").

1.1.3 Business environment

For information regarding the Company's business environment, see Sections 1.7, 1.8.1, 1.9.1, 1.10.1, 1.11.1, 1.12.1 and 1.13.1 of Chapter A.

1.1.4 Material events in the reporting period and until the date of publication of the report

For information regarding material events that occurred in the Company in the reporting period and until the date of publication of the report, see Sections 1.8.2-1.8.5, 1.9.2-1.9.5, 1.10.2-1.10.5, 1.11.2-1.11.5, 1.12.2-1.12.5, 1.13.2-1.13.5 of Chapter A.

2. Project development status

2.1.1 Introduction

It should be noted that the Company's forecasts are based on the Company's existing pipeline of projects and the Company's existing work plan for implementing projects as detailed in this section, which does not take into account the continued initiation and development of additional projects.

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

- "**Projects in initiation**" - Systems that as of the date of the report have not yet matured to licensing and for which all of the following conditions are met: feasibility tests for grid connection are being conducted; comprehensive tests of land type and licensing limitations are being conducted; a binding agreement exists with relevant landowners; economic feasibility tests have been conducted.
- "**Projects under license**" - Systems for which there is a land lease/purchase agreement 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 projects**" - 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, and the Company estimates that the project will become a project under construction within 12 months from the date of the report.
- "**Projects under construction**" - Systems whose construction process has begun.
- "**Ready to connect projects**" - 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.
- "**Projects in commercial operation" ("in operation")** - Systems where the construction has been completed and the electricity generated is flowing to the relevant electrical grid.

2.1.3 The Company's management anticipates that not all projects in the various stages of development will reach maturity and RTB status, and therefore the Company conducts regular assessments regarding the chances of success and the date of completion of development. According to the Company's assessment, the expected investment, construction and connection of projects is lower than the number of projects being developed and the projected capacity of projects being developed.

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

Pre-construction projects - 85-95%.

Projects under license - 60-80%.

Projects in initiation - 35-40%.

2.1.4 Use of Non-GAAP metrics

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

The Company estimates that some of the companies are held or are expected to be held by a third party, as detailed in Note 2 to the Company's financial statements. The customary engagement arrangements within the Group regarding systems that are not under the Company's control are handled using the equity method. According to this method, the results of the investees are not reflected in a detailed manner in the Company's financial statements (revenue, expenses, etc.), but through a single "net" amount, which does not allow the reader to calculate the above indicators from the financial statements. Therefore, the Company estimates that it is of importance to present the total revenues and financial indicators as stated, in such a way as to enable the readers of the reports to examine and analyze the results of the various systems.

EBITDA (earnings before interest, taxes, depreciation, and amortization) - The metric is calculated as a project's revenue less all expenses except financing, taxes, depreciation, and amortizations.

FFO (funds from operations) - The metric is calculated based on the EBITDA index, taking into account the tax and financing expenses, excluding financing expenses for shareholder loans.

FCF (free cash flow) - The free cash flow to the shareholders after the debt service is calculated based on FFO less payments on loan principal, excluding shareholder loan principal.

Effective, unleveraged yield for the Company - The yield is calculated as the ratio between the Company's share in EBITDA plus revenue from property management services, and the Company's unleveraged share in the total costs of the project, less revenue from construction management services.

2.1.5 It should be noted that unlike previous reports published by the Company, all of the Company's projects (photovoltaics, wind and storage), are presented below in megawatts (including comparative data from previous periods, as indicated). Accordingly, there may be differences in the presentation of data between this report and previous reports.

2.2 The following is a summary of the status of photovoltaic, wind and storage projects under development and the expected capacities in the countries in which the Company operates, as of the date of publication (data are presented in MW):

Status	Italy	UK	Romania	Spain	Poland	Greece	Total
In operation	21	50	301	-	-	-	372
Ready to connect	1	-	87	-	52	-	140
Under construction	8	120	283	-	-	-	411
Pre-construction	190	70	516	-	48	-	824
Under license	1,636	331	714	-	756	460	3,897
Initiation	1,027	4,044	352	479	1,401	500	7,803
Total MW under development	**2,883**	**4,615**	**2,253**	**479**	**2,257**	**960**	**13,447**
Number of PV, wind and storage projects	**129**	**25**	**24**	**3**	**36**	**3**	**220**
Number of PV and wind projects	120	15	24	3	24	3	189
Of which PV projects with combined storage (Co-located)	-	12	3	-	-	-	15

ec◯nergy

2.3 **The following is a summary of the projects according to the type of project (all data are presented in MW), as of the date of publication of the report:**

Type of project	Italy	UK	Romania	Spain	Poland	Greece	Total
PV	1,502	1,431	1,740	479	880	960	6,992
Wind	530	-	161	-	-	-	691
BESS (co-located)	-	1,823	352	-	-	-	2,175
"BESS" (stand-alone)	851	1,361	-	-	1,377	-	3,589
Total projects under development	**2,883**	**4,615**	**2,253**	**479**	**2,257**	**960**	**13,447**

For information regarding the relevant regulation in countries where the Company operates, see Sections 1.3.2.2, 1.8.1.5, 1.8.1.6, 1.9.1.2, 1.9.1.4, 1.10.1.3, 1.10.1.4, 1.11.1.3, 1.11.1.4, 1.12.1.2, 1.12.1.3, 1.13.1.2 and 1.13.1.3 of Chapter A.

2.4 **The following is an analysis of the projects' development in the various territories where the Company operates since the annual report for 2023 (with the exception of storage, the data is presented in [1]MW):**

Country	Development status	Report publication date - December 31, 2023	Report publication date - December 31, 2024
Italy	In operation	4	21
	Ready to connect	17	1
	Under construction	-	8
	Pre-construction	262	190
	Under license	1,526	1,636
	Initiation	513	1,027
	Total Italy	**2,322**	**2,883**
UK	In operation	-	50
	Ready to connect	-	-
	Under construction	50	120
	Pre-construction	438	70
	Under license	122	331
	Initiation	4,273	4,044
	Total UK	**4,883**	**4,615**
	In operation	155	301

[1] The effect of a change in the definition of pre-construction projects - It should be noted that in view of the change in the definition of the status of projects due to the requirements of the Israel Securities Authority, the classification of 9 projects in Italy and one project in the UK with a total capacity of 39 MW was changed so that they are presented as projects under license (instead of being presented in the Company's annual report for 2023, as published on March 28, 2024 (Ref: 2024-01-027754) (above and below - "**2023 Annual Report**") as pre-construction projects).

Country	Development status	Report publication date - December 31, 2023	Report publication date - December 31, 2024
Romania	Ready to connect	92	87
	Under construction	198	283
	Pre-construction	591	516
	Under license	1,251	714
	Initiation	-	352
	Total Romania	**2,287**	**2,253**
Spain	In operation	-	-
	Ready to connect	-	-
	Under construction	-	-
	Pre-construction	50	-
	Under license	-	-
	Initiation	221	479
	Total Spain	**271**	**479**
Poland	In operation	-	-
	Ready to connect	52	52
	Under construction	-	-
	Pre-construction	-	48
	Under license	488	756
	Initiation	429	1,401
	Total Poland	**969**	**2,257**
Greece	In operation	-	-
	Ready to connect	-	-
	Under construction	-	-
	Pre-construction	-	-
	Under license	460	460
	Initiation	500	500
	Total Greece	**960**	**960**
Total	In operation	159	372
	Ready to connect	161	140
	Under construction	248	411
	Pre-construction	1,341	824
	Under license	3,847	3,897
	Initiation	5,936	7,803
Total under development and construction	**MW**	**11,692**	**13,447**

Italy - The Company has continued to promote new projects and is in the development process since the last report. During 2024, the Company connected six projects with a total capacity of 20 MW to the electricity grid and continued the development of new projects and projects in the development process. In addition, the Company continues to develop a pipeline of storage projects with a total capacity of 850 MW, of which 751 MW are in the initiation stage and 99 MW are under license. As of the date of publication of the report, the pipeline of storage projects in Italy includes 9 stand-alone projects.

UK - The Company continued its development activities in the country. In addition, the Company completed the construction of the Swangate (Melton West) project, which was connected to the electricity grid on October 5, 2024, as detailed in Section 1.9.2 of Chapter A. In addition, the Company began the construction of the Dalmarnock and Immingham storage projects with a capacity of 40 MW and 80 MW, respectively. The Company expects that the projects will be connected to the electricity grid in the third quarter 2025 and in the second quarter 2026, respectively. As of the date of publication of the report, the Company's pipeline of storage projects in the UK includes 10 stand-alone projects andv11 co-located projects.

Romania - As of the date of publication of the report, the following three projects were connected in Romania: the Ratesti project with a capacity of approx. 155 MW, the Parau project with a capacity of approx. 92 MW and the Scurtu Mare project with a capacity of approx. 55 MW. The Company completed the construction of the Oradea project, which is expected to connect to the electricity grid in the second quarter of 2025. The Company continued the construction of the Bobicesti and Melinesti projects with a capacity of 25 MW and 31 MW, respectively. The projects are expected to complete construction and connect to the electricity grid in the third quarter 2025. In addition, the Company continued the construction of the Iancu Jianu project with a capacity of 58 MW and as of the date of publication of the report, the Company began the construction of four additional projects with a total capacity of 168 MW.

Spain - The pipeline of projects in initiation have increased from 221 MW to 479 MW. Due to the cancellation of the grid connection permit by a local authority, the development of the Marbrumau project was discontinued with a capacity of 50 MW.

Poland - The Company continued the development of a pipeline of photovoltaic projects with a capacity of 880 MW and a pipeline of storage projects with a total capacity of 1,377 MW, of which 1,000 MW are in initiation, 329 MW are under license and 48 MW are pre-construction. As of the date of publication of the report, the pipeline of storage projects in Poland includes 12 stand-alone projects. The Company expects that the Resko project, a project for electricity-generation using photovoltaic technology, will be connected to the electricity grid in the second quarter 2025.

Greece - The Company continues to develop the existing project pipeline in the country.

econergy

2.5 Project connection projections

The following are ready to connect and connection expectations for PV, wind and storage projects based on the Company's existing pipeline of projects (weighting the probability of the project's completion according to development status, as detailed above):

MW	Italy	UK	Romania	Spain	Poland	Greece	Total
Cumulative as of the end of 2023	-	-	155	-	-	-	155
Cumulative as of the end of 2024	22	50	388	-	52	-	512
Cumulative as of the end of 2025	57	90	670	-	52	-	869
Cumulative as of the end of 2026	121	233	684	-	195	-	1,233
Cumulative as of the end of 2027	343	430	1,607	-	708	-	3,088

As stated above, the numbers in the tables above assume the probabilities of success for the completion of the development process and construction of the projects in the various countries and at the various stages of the project, according to the Company's assessment 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 of the projects' realization as presented in Section 2.1.3 above, the expectations for ready to connect and for connection that includes only the Company's share in the pipeline of PV, wind and storage projects according to the development stages as of the date of the report is as follows (the data are presented in MW):

Status	Segment	Projects connected until 2024	Total connected and ready to connect as of the end of 2024	Total connected and ready to connect as of the end of 2025	Total connected and ready to connect as of the end of 2026	Total connected and ready to connect as of the end of 2027
In operation	Italy	-	13	13	13	13
	UK	-	50	50	50	50
	Romania	77	151	151	151	151
	Spain	-	-	-	-	-
	Poland	-	-	-	-	-
	Greece	-	-	-	-	-
	Total in operation	**77**	**214**	**214**	**214**	**214**
Ready to connect	Italy	-	1	1	1	1
	UK	-	-	-	-	-
	Romania	-	44	44	44	44
	Spain	-	-	-	-	-
	Poland	-	26	26	26	26
	Greece	-	-	-	-	-
	Total ready to connect	**-**	**71**	**71**	**71**	**71**
Under construction	Italy	-	-	4	4	4
	UK	-	-	40	120	120
	Romania	-	-	173	173	173
	Spain	-	-	-	-	-
	Poland	-	-	-	-	-
	Greece	-	-	-	-	-
	Total under construction	**-**	**-**	**217**	**297**	**297**
	Italy	-	-	16	44	95

Status	Segment	Projects connected until 2024	Total connected and ready to connect as of the end of 2024	Total connected and ready to connect as of the end of 2025	Total connected and ready to connect as of the end of 2026	Total connected and ready to connect as of the end of 2027
Pre-construction	UK	-	-	-	63	63
	Romania	-	-	-	7	324
	Spain	-	-	-	-	-
	Poland	-	-	-	43	43
	Greece	-	-	-	-	-
	Total pre-construction	**-**	**-**	**16**	**157**	**525**
Under license	Italy	-	-	-	16	103
	UK	-	-	-	-	197
	Romania	-	-	-	-	220
	Spain	-	-	-	-	-
	Poland	-	-	-	101	563
	Greece	-	-	-	-	-
	Total under license	**-**	**-**	**-**	**117**	**1,083**
Initiation	Italy	-	-	-	-	6
	UK	-	-	-	-	-
	Romania	-	-	-	-	100
	Spain	-	-	-	-	-
	Poland	-	-	-	-	46
	Greece	-	-	-	-	-
	Total early development	**-**	**-**	**-**	**-**	**152**
Total	Italy	-	14	34	78	222
	UK	-	50	90	233	430
	Romania	77	195	368	375	1,012
	Spain	-	-	-	-	-
	Poland	-	26	26	170	678
	Greece	-	-	-	-	-
	Total PV, wind and storage (MW)	**77**	**285**	**518**	**856**	**2,342**

2.6 Projects in commercial operation status (amounts in EUR thousands), as of the date of publication of the report:

Country	Name of project	Technology	Installed capacity MWp	Capacity projected Storage MWh	Company's share (1)	First full year of operations	Validity of electricity sales agreement or capacity agreement	Rate guaranteed by agreement or tender win	Equity invested by the Company	Equity invested by the partner	Balance of shareholder loans - Company's share	Balance of shareholder loans - partner's share	Balance of project loans	Amortized cost	Leverage rate (2)	Total construction costs invested (6)	KWh/ KWp/ Year	Results for the one-year period ended December 31, 2024 (6)							Projected project results (5), (6)				
																		Revenues from construction management services (4)	Revenues from property management services (4)	Project revenues from the sale of electricity	EBITDA from the sale of electricity	FFO from the sale of electricity	FCF from the sale of electricity	FCF for the Company from the sale of electricity	Revenues from property management services (4)	Revenues from electricity sales (3)	EBITDA from the sale of electricity	FFO from the sale of electricity	FCF from the sale of electricity
Italy	Indovina 2	PV	1		50%	2026	N/R	N/R	463	463	-	-	-	902	54%	927	2,008	-	1	16	5	5	5	2	6	150	129	94	77
Italy	Gallo Assunta	PV	1		50%	2026	N/R	N/R	417	417	-	-	-	816	60%	834	2,044	-	2	50	39	39	39	19	6	152	131	93	76
Italy	Societa Verde	PV	1		50%	2026	N/R	N/R	441	441	-	-	-	-	57%	882	2,056	-	-	-	-	-	-	-	6	160	139	101	74
Italy	Palmeri	PV	1		50%	2026	N/R	N/R	447	447	-	-	-	879	56%	895	2,046	-	2	52	47	47	47	24	6	149	129	97	80
Italy	Rivarolo	PV	11		50%	2026	N/R	N/R	3,902	3,902	-	-	-	7,803	51%	7,803	1,587	-	12	287	272	225	225	112	53	1,334	1,098	834	712
Italy	Favari	PV	1		50%	2026	N/R	N/R	451	451	-	-	-	905	55%	903	1,949	-	1	34	29	29	29	15	6	144	123	89	71
Italy	Cumiana	PV	4		100%	2025	N/R	N/R	-	-	3,348	-	-	3,614	60%	3,401	1,542	-	-	566	513	447	447	447	-	534	444	313	231
Romania	Parau	PV	92		50%	2026	N/R	N/R	6,304	12,818	5,794	41,562	-	64,976	59%	64,584	1,434	331	296	7,388	6,862	5,901	5,901	2,951	383	9,569	7,551	6,219	2,191
Romania	Scurtu Mare	PV	55		51%	2026	N/R	N/R	2,975	-	9,298	29,801	-	-	69%	36,790	1,480	428	-	-	-	-	-	-	190	5,768	4,846	3,253	1,779
Romania	Ratesti	PV	155		50%	2026	N/R	N/R	10,710	10,710	13,200	13,200	55,677	92,270	60%	101,862	1,416	-	973	24,326(7)	22,994	16,199	12,898	6,449	624	15,592	12,997	9,751	4,554
UK	West Melton	BESS	50	102	100%	2026	2042	GBP 63	2,061	-	14,730	-	29,768	41,413	72%	38,301	-	-	-	-	-	-	-	-	-	5,626	4,193	2,513	113
	Total photovoltaic		322	-																									
	Company's share - photovoltaic		164	-																									
	Total storage		50	102																									
	Company's share - storage		50	102																									
	Total		**372**	**102**					**28,172**	**29,650**	**46,370**	**84,563**	**85,445**	**213,577**		**257,182**		**759**	**1,286**	**32,719**	**30,761**	**22,892**	**19,591**	**10,019**	**1,280**	**39,178**	**31,780**	**23,357**	**9,958**
	Total Company share		**214**	**102**																						**22,727**	**18,257**	**13,124**	**5,169**

(1) The Company's share - in practice.
(2) Leverage rate in projects in Italy is an expected leverage rate, according to the Company's assessment.
(3) Revenues are calculated based on the assumption of closing fixed price electricity purchase transactions (PPA) for a period of 10 years, in Romania starting from the second half of 2025, for 70% of the output and the rest at expected market prices according to the Company's market advisors. The price of the PPA is based on the Company's estimates and advisors.
(4) Income from construction management services and income from property management services are presented at 100% and not at the Company's share.
(5) The figure reflects an estimated average of each of the first full five years of operation.
(6) .Projected revenues, EBITDA, FFO and FCF are presented at 100% and not at the Company's share
(7) Includes revenues of EUR 7.7 million compensation for loss of revenues from the construction contractor in the Ratesti project in Romania.

The following are aggregate data regarding the capacity of photovoltaic and storage projects in operation (MW):

Country	Capacity of projects in operation as of the date of publication of the 2023 annual report	Capacity of projects in operation added in the period	Capacity of projects in operation acquired in the period	Capacity of projects in operation sold in the period	Capacity of projects in operation whose operation was stopped in the period	Capacity of projects in operation as of the date of publication of the report
Italy	4	16	-	-	-	21
Romania	155	147	-	-	-	301
UK		50				50
Total	**159**	**213**	**-**	**-**	**-**	**372**
The Company's share	**82**					**214**

The following is aggregate financial data regarding projects in operation, according to the Company's actual share (amounts in EUR thousands):

	For the one-year period ended December 31, 2023			For the one-year period ended December 31, 2024		
	Aggregate data Non-GAAP inventory	IFRS 16 adjustments and consolidation of reports	Data included in the consolidated reports	Aggregate data Non-GAAP inventory	IFRS 16 adjustments	
Revenue from the electricity-generation	310	(310)	-	16,643	(16,077)	566
System maintenance and related expenses	6	(6)	-	1,121	(1,087)	34
Administration, headquarters and others	42	(42)	-	76	(57)	19
Company's share in the profits of companies accounted for using the equity method, net	-	411	411	-	9,316	9,316
EBITDA	262	149	411	15,446	(5,617)	9,829
Depreciation and amortizations	-	-	-	1,019	(946)	73
Operating profit	262	149	411	14,427	(4,671)	9,756
Interest expenses, net	149	(149)	-	(2,041)	2,038	(3)
Tax expenses	-	-	-	1,926	(1,865)	61
Adjustments for non-cash revenues and expenses and changes in working capital	-	-	-	1,029	942	1,971
FFO	411	-	411	11,489	174	11,663

econergy

The following are consolidated aggregate financial data (amounts in EUR thousands):

	For the one-year period ended December 31, 2024			For the one-year period ended December 31, 2023		
	Aggregate data Non-GAAP inventory	IFRS adjustments and consolidation of reports	Data included in the consolidated reports	Aggregate data Non-GAAP inventory	IFRS adjustments and consolidation of reports	Data included in the consolidated reports
Revenue from the sale of electricity	12,792	(12,226)	566	310	(310)	-
Revenue from the provision of services	2,019	-	2,019	1,099	-	1,099
Revenue from the realization of an initiative	37,004	-	37,004	-	-	-
Company's share in the profits of companies accounted for using the equity method, net	-	9,167	9,167	-	-	-
Compensation for loss of revenues	3,851	(3,851)	-	-	-	-
Total Revenue	**55,666**	**(6,910)**	**48,756**	**1,409**	**(310)**	**1,099**
Systems maintenance and related expenses	1,495	(905)	590	619	(6)	613
Depreciation and amortizations	9,485	(1,996)	7,489	960	-	960
Salaries and related expenses	9,561	-	9,561	7,692	(384)	7,308
Administration, headquarters and others	5,335	(247)	5,088	5,341	(471)	4,870
Company's share in losses of companies accounted for using the equity method (*)	-	-	-	-	537	537
Operating profit (loss)	**29,790**	**(3,762)**	**26,028**	**(13,203)**	**14**	**(13,189)**
Financing income (expenses), net	(3,739)	1,913	(1,826)	882	(25)	857
Profit (loss) before income tax	**26,051**	**(1,849)**	**24,202**	**(12,321)**	**(11)**	**(12,332)**
Taxes on income (tax benefit)	1,648	(1,849)	(201)	1,162	(11)	1,151
Profit (loss) for the period	**24,403**	**-**	**24,403**	**(13,483)**	**-**	**(13,483)**

(*) For information regarding the investments in associates, see Note 9 to the consolidated financial statements.

2.7 Projects in under construction and ready to connect status (amounts in EUR thousands), as of the date of publication of the report:

Country	Name of project	Technology	Installed capacity MWp	BESS capacity MWh	Company's share (1)	Year of construction start	Expected year of connection	First full year of operations	Validity of electricity sales agreement or capacity agreement	Rate guaranteed by agreement or tender win	Equity invested by the Company	Equity invested by the partner	Total projected construction costs (2)	Total invested construction costs as of December 31, 2024.	Balance of shareholder loans - Company's share	Balance of shareholder loans - partner's share	Balance of project loans	Amount of guarantees provided	Expected leverage ratio	KWh/ KWp/ Year	Projected results for the first five full years of operation (5)(6)					
																					Total revenues from construction management services (4)	Revenues from property management services (4)	Projected revenues from the sale of electricity (3)	EBITDA from the sale of electricity	FFO from the sale of electricity	FCF from the sale of electricity
Italy	Baldacchino Benedetto	PV	1	-	50%	2022	2025	2026	N/R	N/R	427	427	974	854	-	-	-	N/R	51%	2,060	-	6	160	139	102	75
Italy	Casucci Giuseppa	PV	2	-	50%	2024	2025	2027	N/R	N/R	476	476	1,808	952	500	-	-	N/R	60%	2,015	24	13	316	274	200	149
Italy	Leini Doneddu	PV	6	-	50%	2024	2025	2026	N/R	N/R	813	813	4,961	1,627	-	-	-	N/R	60%	1,553	63	29	735	607	424	280
Poland	Resko	PV	52	-	51%	2022	2025	2027	2044	PPA(7)	3,840	4,260	44,639	39,215	6,588	9,453	26,493	N/R	69%	1,143	591	179	4,808	3,936	2,876	1,539
Romania	Baneasa	PV	33	-	50%	2024	2026	2027	N/R	N/R	1,349	-	21,354	1,349	-	-	-	N/R	56%	1,435	288	115	3,380	2,810	2,069	1,406
Romania	Mircea Voda	PV	34	-	50%	2024	2026	2027	N/R	N/R	2,081	-	21,714	2,081	-	-	-	N/R	60%	1,391	289	118	3,349	2,767	1,983	1,238
Romania	Ovidiu	PV	60	-	51%	2024	2026	2027	N/R	N/R	3,703	-	43,017	3,703	-	-	-	N/R	58%	1,572	571	208	6,683	5,656	4,134	2,829
Romania	Melinesti-Goesti	PV	31	-	51%	2024	2025	2027	N/R	N/R	425	-	22,573	13,399	5,714	12,747	-	N/R	66%	1,507	317	108	3,317	2,783	1,903	973
Romania	Bobicesti	PV	25	-	51%	2024	2025	2027	N/R	N/R	1,847	-	18,694	15,233	4,137	13,334	-	N/R	59%	1,528	244	87	2,728	2,295	1,666	1,012
Romania	Iancu Jianu	PV	58	-	51%	2024	2025	2027	N/R	N/R	2,706	-	30,813	25,975	8,362	-	21,581	N/R	71%	1,545	-	-	6,346	5,350	3,768	2,387
Romania	Oradea	PV	87	-	51%	2022	2025	2026	N/R	N/R	4,416	-	66,529	59,940	14,696	46,669	-	N/R	52%	1,264	891	299	7,995	6,278	4,194	1,588
Romania	Rosiori	PV	40	-	51%	2024	2026	2027	N/R	N/R	1,377	-	26,935	1,377	-	-	-	N/R	75%	1,459	365	140	4,174	3,482	2,264	1,029
UK	Immingham	BESS	80	163	100%	2024	2026	2027	2042	GBP 63	6,534	-	48,726	6,534	-	-	-	N/R	60%	-	-	-	10,067	7,680	5,733	3,322
UK	Dalmarnock	BESS	40	120	100%	2024	2025	2027	N/R	N/R	5,786	-	29,924	5,786	-	-	-	N/R	59%	-	-	-	4,875	3,706	2,746	1,493
	Total photovoltaic		429																							
	Company's share - photovoltaic		248																							
	Total storage		120	283																						
	Company's share - storage		120	283																						
	Total		**549**	**283**							**35,780**	**5,976**	**382,661**	**178,025**	**39,997**	**82,204**	**48,073**				**3,643**	**1,302**	**58,933**	**47,763**	**34,062**	**19,320**
	Total Company share		**368**	**283**																			**40,475**	**32,550**	**23,366**	**13,377**

(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) Revenues are calculated based on 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 full year of operations (in Romania from the second half of 2025), 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) Revenues from construction management services and revenues from property management services are presented at 100% and not at the Company's share.
(5) The data reflects an estimated average of each of the first five full years of operation.
(6) Establishment costs, projected revenues, EBITDA, FFO and FCF are presented at 100% and not at the Company'sshare.
(7) For information, see section 1.11.5 of Chapter A.

The following are aggregate data regarding the capacity (MW) of photovoltaic, wind and storage projects under construction and ready to connect:

Country	Capacity of projects under construction and ready to connect as of the date of the annual report 2023	Capacity of projects under construction and ready to connect added in the period	Capacity of projects under construction and ready to connect acquired in the period	Capacity of projects under construction and ready to connect sold in the period	Capacity of projects under construction and ready to connect that moved to commercial operation in the period	Capacity of projects under construction and ready to connect whose construction was stopped or has left the stage for other reasons	Capacity of projects under construction and ready to connect as of the date of publication of the report
Italy	17	8	-	-	(16)	-	9
Poland	51	1	-	-	-	-	52
Romania	290	171	-	-	(92)	-	369
UK	50	120			(50)		120
Total	**408**	**300**	**-**	**-**	**(158)**	**-**	**550**
The Company's share	**231**						**368**

2.8 Projects with pre-construction status (amounts in EUR thousands):

Country	Name of project	Technology	Installed capacity MWp	BESS Capacity MWh	Company's share [1]	Year of construction start	Expected year of connection	First full year of operations	Validity of electricity sales agreement or capacity agreement	Rate guaranteed by agreement or tender win	Equity invested by the Company	Equity invested by the partner	Total projected construction costs [2]	Total invested construction costs as of December 31, 2024.	Balance of shareholder loans - Company's share	Balance of shareholder loans - partner's share	Balance of project loans	Amount of guarantees provided	Expected leverage ratio	KWh/ KWp/ Year	Projected project results for first five full years of operation [4]					
																					Total revenues from construction management services [6]	Revenues from property management services [5], [6]	Projected revenues from the sale of electricity [3]	EBITDA from the sale of electricity	FFO from the sale of electricity	FCF from the sale of electricity
Italy	A pipeline of 15 projects up to MWp10	PV	68	-	50%-100%	2025-2026	2025-2027	2027-2028	N/R	N/R	5,442	3,377	49,475	8,882	62	-	-	-	60%	1,464-2,090	159	85	8,734	7,298	5,204	3,742
Italy	Lombardore Benigno	PV	18	-	50%	2025	2026	2027	N/R	N/R	167	167	12,801	335	-	-	-	-	63%	1,520	973	542	2,119	1,724	1,215	809
Italy	Guarini	PV	99	-	50%	2025	2027	2029	N/R	N/R	946	946	76,756	1,892	-	-	-	-	60%	1,768	-	-	13,543	11,339	8,202	5,814
Poland	Konin	BESS	48	240	100%	2025	2026	2028	2044	PLN 245 [7]	415	-	56,772	415	-	-	-	-	60%	-	520	234	6,444	5,183	3,508	2,379
Romania	Mihailesti	PV	54	-	50%	2025	2026	2028	N/R	N/R	1,845	-	36,622	1,845	-	-	-	-	55%	1,524	864	121	5,852	4,905	3,567	2,600
Romania	Salbatica	Wind	35	-	51%	2025	2026	2028	N/R	N/R	7,288	-	66,512	7,288	-	-	-	-	50%	2,486	-	-	7,482	6,470	4,540	2,780
Romania	Parau 2	PV	325		100%	2025	2027	2029	2042	EUR 49	8,012	-	215,834	8,012	-	-	-	-	76%	1,400	-	-	30,792	25,009	15,557	2,674
UK	Orrell	BESS	70	143	100%	2025	2026	2028	N/R	N/R	526	-	39,251	526	-	-	-	-	60%	-	-	-	8,808	6,720	5,215	3,501
Total			**717**								**24,641**	**4,490**	**554,023**	**29,195**	**62**	**-**	**-**	**-**			**2,515**	**981**	**83,774**	**68,648**	47,008	24,299
Total Company share			**590**																				**66,385**	**54,040**	**36,540**	**17,122**

(1) The Company's share in the above table reflects estimates by the Company's management, regarding existing and future partnerships, published by the Company, and not the actual holding rate as of the date of 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) Revenues are calculated based on 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 full year of operations (in Romania from the second half of 2025), 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) Revenues from construction management services and revenues from property management services are presented at 100% and not at the Company's share.

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

(6) Establishment costs, projected revenues, EBITDA, FFO and FCF are presented at 100% and not at the Company’s share

(7) The project won a tender for availability services with fixed revenues for a period of 17 years. Total revenue for the period from the availability services is approx. EUR 40 million.

The following are aggregate data regarding the capacity (MW) of photovoltaic, wind and storage projects at the pre-construction stage:

Country	Capacity of projects in pre-construction as of the date of publication of the 2023 annual report	Capacity of projects in pre-construction added in the period	Capacity of projects in pre-construction acquired in the period	Capacity of projects in pre-construction sold in the period	Capacity of projects in pre-construction that moved to construction in the period	Capacity of projects in pre-construction whose construction was stopped or has left the stage for other reasons	Capacity of projects in pre-construction as of the date of publication of the report
Italy	262	1	-	-	(8)	[(1)](65)	190
Poland	-	-	48				48
Romania	591	325	-	(214)	(186)	-	516
Spain	50	-	-	-	-	[(2)](50)	-
UK	438	70	-	-	(120)	[(3)](318)	70
Total	1,341	396	**48**	**(214)**	**(314)**	**(433)**	824
The Company's share	913						681

(1) Out of 65 MW: A capacity of 29 MW are pre-construction whose development process stopped in the period; a change of classification of 35 MW, in view of a change in the status definitions of projects due to the requirements of the Israel Securities Authority, the classification of 13 projects in Italy with a total capacity of 29 MW was changed, so that they are presented as projects under license instead of as pre-construction projects.

(2) A capacity of 50 MW are pre-construction whose development process stopped in the period.

(3) Out of 318 MW: A decrease in capacity of 30 MW in development of projects that continued the development process; a change of classification of 288 MW, in view of a change in the status definitions of projects due to the requirements of the Israel Securities Authority, the classification of 5 projects in the UK with a capacity of 288 MW was changed, so that they are presented as projects under license instead of as pre-construction projects.

2.9 Projects under license whose construction, according to the Company's estimate, will begin by the end of 2025 (amounts in EUR thousands):

Country	Name of project	Technology	Installed capacity MWp	BESS Capacity MWh	Company's share (1)	Year of construction start	Expected year of connection	First full year of operations	Validity of electricity sales agreement or capacity agreement (4)	Rate guaranteed by agreement or tender win	Equity invested by the Company	Equity invested by the partner	Total projected construction costs (2)	Total invested construction costs as of December 31, 2024	Balance of shareholder loans - Company's share	Balance of shareholder loans - partner's share	Balance of project loans	Amount of guarantees provided	Expected leverage ratio	KWh/ KWp/ Year	Projected project results for first five full years of operation (4)					
																					Total revenues from construction management services (6)	Revenues from property management services (5), (6)	Projected revenues from the sale of electricity (3)	EBITDA from the sale of electricity	FFO from the sale of electricity	FCF from the sale of electricity
Italy	Selvazzano	PV	5		100%	2025	2026	2027	N/R	N/R	164	-	3,494	164	-	-	-	-	60%	1,487	-	-	602	487	346	244
Poland	Nadziejewo	PV	28	-	100%	2025	2027	2029	N/R	N/R	947	-	17,544	947	-	-	-	-	60%	1,118	-	-	2,153	1,662	1,255	440
Poland	Janiszewko	PV	67	-	100%	2025	2026	2028	N/R	N/R	1,989	-	45,701	1,989	-	-	-	-	60%	1,063	-	-	4,834	3,684	2,551	505
Poland	Zary	PV	72	-	100%	2025	2026	2028	N/R	N/R	445	-	40,043	445	-	-	-	-	60%	1,064	-	-	5,203	3,964	2,967	1,509
Poland	Janiszewko BESS	BESS	100	204	100%	2025	2027	2028	N/R	N/R	6	-	57,477	6	-	-	-	-	60%	-	-	-	9,399	6,771	4,797	5,192
Poland	Nadziejewo BESS	BESS	29	60	100%	2025	2027	2028	N/R	N/R	3	-	19,795	3	-	-	-	-	60%	-	-	-	2,760	1,989	1,367	1,321
Poland	Zary BESS	BESS	50	102	100%	2025	2027	2028	N/R	N/R	-	-	30,431	-	-	-	-	-	60%	-	-	-	4,699	3,386	2,393	2,464
Romania	Mihailesti 2	PV	79	-	50%	2025	2026	2028	N/R	N/R	-	-	39,908	-	-	-	-	-	55%	1,550	582	345	8,631	7,257	5,591	4,741
Romania	Bobicesti 2	PV	57	-	50%	2025	2026	2028	N/R	N/R	121	-	35,449	121	-	-	-	-	55%	1,523	517	246	6,139	5,145	3,806	2,842
UK	Exton	PV	47	-	100%	2025	2027	2029	N/R	N/R	708		44,666	708					55%	1,129			4,866	3,876	2,496	643
UK	Berrington	PV	21	-	100%	2025	2027	2029	N/R	N/R	627		12,149	627					60%	1,131			2,178	1,735	1,209	841
	Total		**555**	**366**							**5,010**		**346,657**	**5,010**							**1,099**	**591**	**51,464**	**39,956**	28,780	20,742
	Total Company share		**487**	**366**																			**44,079**	**33,755**	**24,081**	**16,950**

(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) Revenues are calculated based on 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 full year of operations (in Romania from the second half of 2025), 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) Revenues from construction management services and revenues from property management services are presented at 100% and not at the Company's share.

2.10 The following are aggregate data regarding the capacity (MW) of all photovoltaic, wind and storage projects under licensing:

Country	Type	Number of facilities	Capacity in development (MW) [6]	Probability	The Company's share	Expected year of connection	First full year of operations	Equity invested by the Company	Equity invested by the partner	Projected construction cost (EUR thousands)[1] [5] [6]	Total invested construction costs as of December 31, 2024	Balance of shareholder loans - Company's share	Balance of shareholder loans - partner's share	Balance of project loans	Amount of guarantees provided	Expected leverage rate	Projected annual revenue (EUR thousands) [2] [3] [4] [5] [6]	EBITDA (EUR thousands) [5] [6]	FFO [5] [6]	FCF [5] [6]
Greece	PV	2	460	75%	49%	2028	2030	742	-	230,390	742	-	-	-	-	50-80%	52,166	43,929	35,181	28,827
Italy	PV	78	1,037	75%	50%-100%	2026-2029	2027-2030	13,429	2,778	687,522	16,558	351	-	-	-	50-80%	139,775	116,507	83,233	64,892
Italy	Wind	5	500	75%	50%-100%	2029	2030-2031	2,748	-	657,016	2,748	-	-	-	-	50-80%	116,947	101,818	72,928	61,948
Italy	BESS	1	99	75%	100%	2028	2030	113	-	52,026	113	-	-	-	-	50-80%	10,214	7,258	5,213	4,078
Poland	PV	12	427	75%	50%-100%	2026-2027	2028-2029	4,937	-	238,524	4,937	-	-	-	-	50-80%	33,159	25,794	19,233	10,711
Poland	BESS	5	329	75%	100%	2027	2028	10	-	186,895	10	-	-	-	-	50-80%	30,957	22,302	15,901	17,273
Romania	PV	4	588	75%	50%-100%	2026-2027	2028-2029	9,016	-	367,412	9,016	-	-	-	-	50-80%	59,365	48,954	35,924	25,663
Romania	Wind	1	126	75%	51%	2027	2029	2,808	-	188,313	2,808	-	-	-	-	50-80%	31,146	27,429	20,069	16,761
UK	PV	3	85	75%	100%	2031	2032	476	-	65,878	476	-	-	-	-	50-80%	8,842	7,036	4,690	2,284
UK	PV + BESS	3	247	75%	100%	2034	2035	261	-	123,063	261	-	-	-	-	50-80%	28,862	22,298	15,745	15,005
	Total	**114**	**3,898**					**34,540**	**2,778**	**2,797,039**	**37,669**	**351**	**-**				**511,433**	**423,325**	**308,117**	**247,442**

(1) The construction cost includes development expenses, EPC, connection, etc. Costs that the Company has already incurred up to the date of this report in connection with these projects, which mainly include expenses related to licensing, are negligible in relation to the total construction cost.
(2) For each project the Company has an assessment based on planning tools and multi-year databases regarding radiation or expected wind speed. Based on the assessment of the installed capacity and solar radiation or wind speed, the Company can estimate the expected electricity output from the facility. The Company makes regular use (in a quarterly update) of the forecasts of leading market consultants regarding the expected sales prices in each region or country, according to the facility technology, in the coming years. The consultants' forecast is based on electricity demand and supply forecasts in the region or country, on alternative energy prices and on multi-year models. It should be noted that the Company makes use of market consultant forecasts accepted by lending banks in the countries of activity.
(3) Assuming a sales volume of 70% according to the expected PPA rate for 10 years starting from the first year of full operation and 30% at market price. Regarding forecast electricity prices, see price table in Section 5 below.
(4) The EBITDA is calculated as project revenue less operating expenses (OPEX).
(5) Construction costs, forecast revenue and EBITDA are presented in the above table at 100% and not according to the Company's share.
(6) The forecasts reflect the share of the subsidiary in the UK, in which the Company holds 72%.

The following are aggregate data regarding the capacity (MW) of photovoltaic, wind and storage projects under license:

Country	Capacity of projects under license as of the date of publication of the 2023 annual report	Capacity of projects under license added in the period	Capacity of projects under license acquired in the period	Capacity of projects under license sold in the period	Capacity of projects under license that have moved to the pre-construction stage in the period	Capacity of projects under license whose construction was stopped or has left the stage for other reasons	Capacity of projects under license as of the date of publication of the report
Greece	460	-	-	-	-	-	460
Italy	1,526	392	-	-	-	(282)	1,636
Poland	487	364	-	-	-	(95)	756
Romania	1,251	-	-	-	(340)	(197)	714
UK	122	338	-	-	(70)	(58)	332
Total	3,847	1,094			(410)	(632)	3,898
The Company's share	**2,910**						3,070

2.11 The following are aggregate data regarding projects in initiation:

Country	Type	Number of facilities	Capacity in development (MW) (6)	Probability	The Company's share	Projected commercial operation date (COD)	Projected construction cost (EUR thousands)(1) (5) (6)	Projected annual revenue (EUR thousands)(2) (3) (4) (5) (6)	EBITDA (EUR thousands)(5) (6)
Greece	PV	1	500	40%	100%	2028	250,000	52,474	43,518
Italy	PV	8	246	40%	100%	2028	155,181	29,417	23,860
Italy	Onshore wind	1	30	40%	100%	2030	38,693	5,291	4,377
Italy	BESS stand-alone	8	751	40%	100%	2028	399,568	74,715	52,609
Poland	PV	11	401	40%	100%	2027-2028	201,341	31,782	24,740
Poland	BESS stand-alone	6	1,000	40%	100%	2028-2029	530,724	87,946	60,921
Romania	BESS co-located	3	352	40%	50%-100%	2027	149,072	44,509	35,032
Spain	PV	3	479	40%	100%	2028	284,758	42,080	31,870
UK	PV + BESS	9	2,923	40%	100%	2030-2036	1,344,915	370,210	284,724
UK	BESS	6	1,121	40%	100%	2029-2033	594,948	152,964	116,799
Total		**56**	**7,803**				**3,949,200**	**891,388**	**678,450**

(1) The construction cost includes development expenses, EPC, connection, etc. Costs that the Company has already incurred up to the date of this report in connection with these projects, which mainly include expenses related to licensing, are negligible in relation to the total construction cost.
(2) For each project, the Company has an assessment based on planning tools and multi-year databases regarding radiation or expected wind speed. Based on the assessment of the installed capacity and solar radiation or wind speed, the Company can estimate the expected electricity output from the facility. The Company makes regular use (in a quarterly update) of the forecasts of leading market consultants regarding the expected sales prices in each region or country, according to the facility technology, in the coming years. The consultants' forecast is based on electricity demand and supply forecasts in the region or country, on alternative energy prices and on multi-year models. It should be noted that the Company makes use of market consultant forecasts accepted by lending banks in the countries of activity.
(3) Assuming a sales volume of 70% according to the expected PPA tariff for 10 years starting from the first year of full operation and 30% market price. Regarding electricity price forecasts, see the price table in Section 5.
(4) The EBITDA is calculated as project revenue less operating expenses (OPEX).
(5) Construction costs, forecast revenue and EBITDA are presented in the above table at 100% and not according to the Company's share.
(6) The forecasts reflect the share of the subsidiary in the UK, in which the Company holds 72%.
(7) The Company's management estimates that the leverage rate of the above projects will be between 55% and 75%.

<u>**The following are aggregate data regarding the capacity (MW) of photovoltaic, wind and storage projects in initiation**</u>:

Country	Capacity of projects in initiation as of the date of publication of the 2023 annual report	Capacity of projects in initiation added in the period	Capacity of projects in initiation acquired in the period	Capacity of projects in initiation sold in the period	Capacity of projects in initiation that moved to the under license stage in the period	Capacity of projects in initiation whose construction was stopped or has left the stage for other reasons	Capacity of projects in initiation as of the date of publication of the report
Greece	500						500
Italy	513	801			(135)	(152)	1,027
Poland	429	1,052			-	(80)	1,401
Romania	-	352			-	-	352
Spain	221	258			-	-	479
UK	4,273	30			-	(259)	4,044
Total	**5,936**	2,493			**(135)**	**(491)**	7,803
The Company's share	**5,936**						7,702

The Company's estimates regarding the duration of the project development and licensing process in the various countries, the duration of the development of projects in the various countries, the expected dates for connection to the grid, the probabilities of completing projects at various stages, projected capacities, projected construction costs, projected revenue, projected sales price, projected leverage ratio, projected EBITDA, projected FFO and additional data derived from these data are considered forward-looking information, as defined 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 execution of the projects mentioned above or regarding the timetables for their completion, among other things due to the fact that completion of the projects involves the following: obtaining regulatory approvals where there is no certainty of receipt; raising the financing required for the construction of the projects where there is no certainty that it will be raised; completion of due diligence for projects at preliminary stages, where there is no certainty that its results will indicate the feasibility of economic development and construction of the project; as well as due to the materialization of one or more of the risk factors listed in Section 1.29 of Chapter A.

3. Operational strategy

Capacity data (MW) weighted probability of construction starts:

Construction starts		Italy	UK	Romania	Spain	Poland	Greece	Total
2025	Number of projects	13	3	5	-	7	-	28
	MW	160	114	457	-	303	-	1,034
2026	Number of projects	28	2	6	-	14	-	50
	MW	93	146	574	-	632	-	1,445

4. Investment plan

The Company's investment plan includes the projects' cost of initiation, development and construction. The Company continues to establish projects through EPC contractors who construct the projects under the Company's management and control. The construction cost taken into account includes: engineering, procurement and construction with an EPC contractor and grid connection costs, as described in Section 1.15 of Chapter A.
As of the date of the report, in the short and medium term, the Company expects, among other things based on the assessments of the Company's market consultants, a decrease in the total cost of construction of the projects under its ownership, and in the long term a further gradual decline in such cost.

In addition, the Company assumes that the projects will be financed by senior debt at market-accepted leverage rates between 55% and 80%. At the same time, it should be noted that as part of agreements with RG and Phoenix, the Company is establishing projects financed by debt at a rate of approx. 50% and 34.5%, respectively. It should be noted that projects financed in 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:

Expected investment	Italy	UK	Romania	Spain	Poland	Greece	Total
2025	38	41	53	-	60	1	**193**
2026	57	44	63	10	140	17	**331**
2027	168	7	-	36	31	59	**301**
Total expected investment by 2027	**263**	**92**	**116**	**46**	**231**	**77**	**825**

The table above includes investments in projects during the forecast years, some of which will be connected after 2027. In this regard, it should be clarified that the investments required between 2025 and 2027 in order to meet the connection and ready-to-connect expectations by the end of 2027 amount to approx. EUR 384 million.

It should be noted that the table does not include investments in one project in Romania with a capacity of approx. 74 MW in the pre-construction stage that is designated for sale. For additional information, see Section 1.10.2 of Chapter A.

According to the Company's assessment, as of the date of publication of the report, it has or is expected to receive during 2025 the capital sources required for the implementation of the

Company's development plan for this year. The Company's future investment plan, beyond this year, on the basis of which, among other things, the business forecasts for the Company's projects are provided as detailed in this report, assumes that additional capital will be required beyond existing sources. Therefore, the Company is examining various 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 introducing partners for projects that are being developed by the Company.

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. The failure to raise sufficient capital sources for implementing the Company's future investment plan described above is expected to have a substantial impact on the Company's forecasts detailed in the report, including regarding the projected annual revenue estimates, the projected EBITDA estimates, and the projected FFO estimates, as detailed in this report. However, the Company estimates that to the extent that it does not realize future capital raising plans, it has alternatives for the implementation of its investment plans, including the sale of projects, or some of them, in the RTB stage in anticipation of increased value for the Company and/or the raising of debt in the capital market.

5. Revenue forecast

In relation to each project, the Company has an assessment based on planning tools (which enable planning of the expected facility layout according to the terrain and planning constraints, until the expected facility size and efficiency rate are reached) and multi-year databases of predicted solar radiation or wind speed, as relevant. Based on the assessment of installed capacity and solar radiation or wind speed, the Company estimates 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 forecasts of the demand and supply of electricity in the region or country, on alternative energy prices and multi-year models. The forecasts of market consultants, which the Company uses, are acceptable to lending banks in the countries where it operates.

For 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, according to the technology in the coming years, as follows[102]:

[2] Prices are presented at their real value, without linkage.

Country	Technology		Storage duration, hours	Expected price 2025	Market prices in the first 10 years	
					Min	Max
Italy	Wind	EUR/MWh	N/R	81	82	102
Italy	PV	EUR/MWh	N/R	77	65	93
UK	PV	EUR/MWh	N/R	84	72	87
Romania	Wind	EUR/MWh	N/R	93	91	119
Romania	PV	EUR/MWh	N/R	74	56	94
Spain	PV	EUR/MWh	N/R	46	37	54
Poland	PV	EUR/MWh	N/R	74	59	73
Greece	PV	EUR/MWh	N/R	69	51	82
UK	BESS	EUR/kW/year	2-3	74-79	74-79	119-120
Poland	BESS	EUR/kW/year	2-5	319-352	70-104	319-352
Romania	BESS	EUR/kW/year	2	110	98	135
Italy	BESS	EUR/kW/year	2	101	71	101

Comments:

- The prices indicated in the table above are in EUR. Prices in the UK are translated from GBP to EUR according to the exchange rate forecast obtained from a market consultant.
- The electricity prices expected during 2025 are calculated based on the assumption of transactions for the purchase of electricity closing at a fixed price (PPA) for a period of 10 years, 70% of the output, and the rest (30%) at expected market prices according to the Company's market advisors. The PPA prices in the various markets are based on estimates of the Company and its consultants. In addition, the price forecast for storage systems includes rates won by the Company in government capacity market tenders in the UK starting in 2027.
- In order to calculate revenue from storage systems, the Company uses price forecasts from market consultants that take into account the erosion of batteries. Market consultants assume a standard erosion profile based on a forecast of discharge output compared to external sources.
- 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 notedthat, with the exception of storage prices in Poland, Romania and Italy, the maximum and minimum prices in the table represent pricesin 2025 and 2034, respectively, meaning that the convergence period from maximum to minimum price is ten years.[3]
- Price of Guarantees of Origin ("GoOs") - In view of the difficulty in predicting the price of guarantees 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 a negligible part compared to the other revenue streams, and in any case, PPA electricity sales agreements usually include the sale of GoOs.

[3] The market consultants' storage price forecast in Poland starts from 2026. The Company is not expected to connect storage projects in Poland before 2026.

- Operating expenses that the Company assumes for the purpose of assessing future revenues and profitability are based on agreements and price quotes from suppliers and existing agreements at facilities managed by the Company in ongoing operations, inflation assumptions obtained from market consultants and the Company managements 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)[4]:

Revenue Forecast	2025	2026	2027	Total
Revenue from the sale of electricity[5,6]	[7]33	63	225	321
Revenue from the sale of services	4	8	8	20
Net revenue from realization of project initiation and development[8]	46	36	-	82
Total	**83**	**107**	**233**	**422**

Comments:

- The company's 2025 revenues include, among other things, net revenues from the realization of a project in initiation in the amount of approx. EUR 28 million from the sale of the Niculesti project and approx. EUR 4 million expected from the sale of another project in pre-construction in Romania with a total capacity of approx. 289 MW. For additional information, see Section 1.10.2 of Chapter A.
- Net income from the realization of a project in initiation 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.
- As mentioned above, electricity prices for the revenue forecasting are calculated based on the assumption of transactions for the purchase of electricity closed at a fixed price (PPA) for a period of 10 years starting from the first full year of operation and for 70% of the output, and the rest at the expected market prices according to the estimates of the Company's market consultants and the PPA prices in the various markets. For projects with signed sales contracts or in advanced negotiations or photovoltaic projects that have won government CFDs or storage projects that have won government capacity market tenders, the revenue calculation assumptions are in accordance with the above contracts.

It should be noted that the revenue forecast, with all its components, is a non-GAAP forecast, that is, it was not constructed according to accepted accounting principles. Accordingly,

[4] The forecasts reflect the share of a subsidiary in the UK in which the Company holds 72%.
[5] 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% at market price.
[6] Not including projects held for sale.
[7] Including an expected revenue of approx. EUR 4 million compensation for the loss of revenue from the construction contractor in the Swangate project in the UK.
[8] Net revenue from realization of project initiation and development are calculated based on the value of the initiated asset, less development costs.

revenues to be recognized in the Company's financial statements in accordance with accounting principles and standards may differ from the forecast both in terms of timing and scope.

6. Business results forecast

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

Business results forecast	2025	2026	2027	Total
Revenue[9]	83	107	233	423
Consolidated EBITDA	78	95	199	372
FFO	60	80	161	301

According to the Company's forecasts, the consolidated equity as of December 31, 2025 is expected to increase by an estimated amount of approx. EUR 116 million compared to the balance as of December 31, 2024 (the shareholders' share of the increase is approx. EUR 53 million).

Most of the projected increase is expected to be due to the following reasons:

1. Conversion of loans to equity, less repayment of shareholder loans in the amount of approx. EUR 66 million (loans provided by a strategic partner "Phoenix" to finance projects in Romania).
2. Capital raising by way of a private placement of shares in the amount of approx. EUR 9 million.
3. Estimated expected profit from the sale of a project with a capacity of approx. 214 MW in Romania in the amount of approx. EUR 26 million and estimated expected net profit from the sale of electricity and provision of services in the amount of approx. EUR 17 million.

Revenue - The index includes all revenue streams as presented in Section 5 above.

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

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

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

7.1 Business results forecast only from electricity sales according to development stages:

The company's management uses a forecast of business results from only the sale of electricity to examine the profitability of project-related core activity and serves as a basis, among other things, for making management decisions.

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, EUR million):

[9] Includes revenues of approx.EUR 7 million for loss of revenues from construction contractors.

Revenues from electricity sales					
Status	**2025**	**2026**	**2027**	**Total**	**%**
Initiation	-	-	5	**5**	2%
Under license	-	2	107	**109**	34%
Pre-construction	(1)0	10	52	**63**	19%
Under construction	6	22	32	**60**	19%
Ready to connect	3	7	7	**17**	5%
In commercial operation	23	22	22	**67**	21%
Total	**33**	**63**	**225**	**321**	100%

EBITDA from the sale of electricity					
Status	**2025**	**2026**	**2027**	**Total**	**%**
Initiation	-	-	4	**4**	2%
Under license	-	2	93	**95**	35%
Pre-construction	(1)0	8	45	**54**	20%
Under construction	5	18	25	**48**	18%
Ready to connect	3	5	5	**13**	5%
In commercial operation	20	18	18	**56**	21%
Total	**29**	**51**	**190**	**270**	100%

FFO from the sale of electricity					
Status	**2025**	**2026**	**2027**	**Total**	**%**
Initiation	-	-	4	**4**	2%
Under license	(1)0	1	79	**81**	39%
Pre-construction	(1)0	7	38	**45**	22%
Under construction	3	13	17	**33**	16%
Ready to connect	1	3	4	**8**	4%
In commercial operation	13	12	12	**37**	18%
Total	**18**	**36**	**154**	**208**	100%

(1) A value less than EUR 1 million.

It should be noted that the revenue forecast from the sale of electricity does not include a project designated for sale, as stated in Section 1.10.2 of Chapter A.

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 was calculated as operating profit (revenue from electricity generation, less operating and maintenance costs) net of 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 is an accepted indicator reflecting the ability to service the debt principal from the receipts generated by the systems.

7. Project financing forecast

As of the date of publication of the report, the Company is in advanced negotiations in several countries at the same time regarding project financing in the amount of EUR 419 million, according to the following table:

Country	Name of project	Technology	Installed capacity	Status	Total financing (EUR millions)	Financial closing date	Financing
Romania	Ratesti	Photovoltaic	155MW	**In commercial operation**	60	**H2-2023**	Raiffeisen Bank
UK	Swangate	Storage	50MW	**In commercial operation**	33	**H2-2024**	Goldman Sachs
Poland	Resko	Photovoltaic	52MW	Ready to connect	33	**H2-2024**	PKO Bank Polski
Romania	Parau	Photovoltaic	92 MW	**In commercial operation**	38	**H2-2024**	Raiffeisen Bank
Romania	Iancu Jianu	Photovoltaic	58MW	Under construction	28	**H2-2024**	KOMMUNAL KREDIT
Romania	9 projects	Photovoltaic	690 MW	**In commercial operation**, ready to connect, under construction and pre-construction	318		**In advanced negotiations**
UK	2פרויקטים	Storage	120MW	Under construction	50		
Poland	Konin	Storage	48MW	Under construction	18		
Italy	Pipeline of 12 projects	Photovoltaic	65 MW	In commercial operation, ready to connect and under construction	33		
	Total financing agreements in advanced negotiations		**923 MW**		**419**		
	Total financing agreements (signed and in advanced negotiations)		**1,330 MW**		**611**		

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 scopes, 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 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.

8. The effect of macro events

8.1 Effect of changes in interest and inflation on the Company

For details regarding changes in the inflation and interest environment in which the Company operates, see Section 1.7.3 of Chapter A.

The Company has fixed-rate financing agreements with strategic partners ("Infragreen Fund", "Phoenix") for the financing of projects whose construction has begun and/or is expected to begin in the next 12 months, as well as financing agreements for various projects (for information, see Section 1.20 of Chapter A). 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, electricity prices in the countries where the Company operates are affected by the rise in inflation, and therefore, the Company estimates that in the short and medium term, it may even benefit from the rise in inflation.

8.2 Effects of the geopolitical situation in Europe and in Israel and the effect of the Iron Swords War

For information regarding changes in the inflation and interest environment in which the Company operates, see Section 1.7.4 of Chapter A. 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 are most of the Company's personnel. That said, changes in foreign exchange rates and the availability and cost of the Company's financing sources related to the Israeli economy may affect the Company's activities, but in view of the fact that all of the Company's activities are concentrated in Europe and a significant part of the Company's financing sources are from Europe, the Company expects that the impact will, at most, be limited.

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.

8.3 Electricity demand forecast in the Eurozone

Despite a decline in electricity demand in the Eurozone over the last decade, according to a market consultant forecast, demand for electricity[10] is expected to grow significantly in the coming years, with total electricity demand in the EU countries expected to rise by 36% to a level of 4,470 TWh by 2035.

The increase in electricity consumption is mainly due to the increase in the use of electric vehicles, electrolysis (production of green hydrogen) and heating for industry, which is expected to increase 5-fold to a level of over 1 GW by 2035.

Out of the total demand for electricity, approx. 300 TWh by 2035 is expected to result from the accelerated growth in AI tools that are leading to the accelerated establishment of a data center.

For additional information, see Section 1.7 of Chapter A.

[10] Bringa Demand outlook | Historical and projected EU power demand - Reference Case, Q1-2025 Update

8.4 Impact of global supply chains on the Company's operations

The War may have various effects on shipping prices, partially due to declarations by terrorist organizations regarding the restriction of shipping movement. The Company has adjusted its estimates of project construction costs in accordance with these trends, but at this stage the Company does not recognize any impact on its operations.

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

The Company's estimates regarding the projected capacity, projected connection dates, probabilities for connecting facilities, investment plan forecast, revenue forecast, business results forecast (including revenue, EBITDA, FFO) of the Company for the years 2025-2028, expectations regarding growth in the Company's equity, developments in inflation and interest rates, and macroeconomic effects on the Company's operations are forward-looking information, as defined in the Securities Law, based on the Company's plans as of the date of the report, under the assumptions as detailed above, the realization of which is uncertain and is not under the sole control of the Company. 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 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.

9. Financial position

The following table presents the Statement of Financial Position items according to the consolidated financial statements, and explanations for the main changes that have taken place therein:

Item	As of December 31		Explanations
	2024	2023	
	(EUR thousands)		
Cash and cash equivalents	182,028	52,412	See details of the change in the liquidity table in Section 4 below.
	11,353	-	Deposits into monetary funds in the period
Customers	157	-	
Accounts receivable and debit balances	16,501	18,811	The balance mainly includes VAT balances and interest receivable from associates. The decrease is mainly due to interest returns from an associate.
Assets held for sale	10,200	5,583	The increase is mainly due to investments in the period in a project held for sale in Romania.
Total current assets	**220,239**	**76,806**	
Restricted cash	15,445	5,300	The increase stems from guarantees given by the Company for the construction of projects in Romania in the amount of approx. EUR 5 million and from a pledged deposit in favor of a lender as part of an agreement on a long-term liability (approx. EUR 5 million).
Systems under construction and in initiation (including land)	309,758	181,325	The increase stems from investments in projects under construction and in development. See Note 7 to the financial statements.
Connected electricity-generation systems	44,920	-	The classification of the Cumiana project in Italy and the Swangate project in the UK following their connection to the grid.
Intangible assets	37,693	-	Goodwill in respect of business combinations and an increase in holding percentages in Archmore, see Note 25 to the financial statements.
Goodwill	9,548	-	Excess cost in respect of business combinations and an increase in holding percentages in Archmore, see Note 25 to the financial statements.
Fixed assets	1,042	720	
Right-of-use assets, net	25,381	10,715	Most of the increase is due to the addition of assets in projects in Romania (approx. EUR 9 million) and in the UK (approx. EUR 5 million).
Deferred tax asset	498	21	
Loans to associates	61,017	61,646	The balance consists of loans granted to associates, as follows - 1. Approx. EUR 13 million to the Ratesti project company. 2. Approx. EUR 47 million to the Parau project company. 3. Approx. EUR 0.5 million to an associate in Italy.
Investments in companies accounted for using the equity method	58,131	35,605	The increase in investment is due to the following reasons: Equity profits of approx. EUR 9 million for the period. 1. Approx. EUR 5.6 million in respect of business combinations and an increase in holding rates in Archmore, see Note 25 to the financial statements. 2. Investments in associates in the amount of approx. EUR 8 million.
Total non-current assets	**563,433**	**295,332**	
Total assets	**783,672**	**372,138**	
Liabilities to suppliers and service providers	7,609	1,773	The increase stems mainly from open invoices for construction suppliers.

Item	As of December 31 2024	2023	Explanations
	(EUR thousands)		
Accounts payable and credit balances	12,604	7,758	The increase stems mainly from an advance received for the sale of a project in Romania in the amount of approx. EUR 3 million, see Note 24b to the financial statements.
Liabilities in respect of contingent consideration	3,085	1,359	Classification under contingent liabilities from long-term to short-term due to the payment dates of the liabilities.
Conversion component at fair value through profit or loss	6,588	4,289	The increase stems from the revaluation of the conversion components of the convertible loan and bonds.
Financial liabilities at fair value through profit or loss	5,233	8,454	The decrease is due to profits from the revaluation of a hedge transaction.
	35,119	23,633	
Convertible loans	81,127	57,142	The increase in the period is due to loans received from Phoenix for projects in Romania.
Convertible bonds	82,216	74,359	The increase stems from interest expenses in the amount of approx. EUR 5 million and losses from exchange rate differences in the amount of approx. EUR 5 million. In addition, there were payments during the period which reduced the commitment by approx. EUR 2 million.
Total current liabilities	**198,462**	**155,134**	
Bonds	85,640	-	The Company issued bonds (Series B) in December 2024. See Note 15 to the financial statements.
Other long-term liabilities	2,822	6,224	Classification under contingent liabilities from long-term to short-term due to the payment dates of the liabilities.
Long-term loans from related parties	79,189	62,762	The increase in the period is due to loans received from Phoenix for projects in Romania.
Other long-term loans	170,371	-	The balance includes 4 fundraisings in 2024 (net of deferred financing costs) - 1. A headquarters loan of approx. EUR 95 million from Rivage. 2. A bank loan to finance the construction of a project in the UK in the amount of approx. EUR 28 million. 3. A bank loan to finance the construction of a project in Poland in the amount of approx. EUR 26 million. 4. A bank loan to finance the construction of a project in Romania in the amount of approx. EUR 21 million.
Deferred tax liability	10,882	643	Deferred tax liabilities in respect of business combinations and an increase in holding rates in Archmore. See Note 25 to the financial statements.
Lease liabilities	24,061	10,517	Most of the increase is due to the addition of assets in projects in Romania (approx. EUR 9 million) and in the UK (approx. EUR 5 million).
Total non-current liabilities	**372,965**	**80,146**	
Total liabilities	**571,427**	**235,280**	
Equity attributed to Company shareholders	161,255	114,114	
Non-controlling interests	50,990	22,744	
Total equity	**212,245**	**136,858**	
Total liabilities and capital	**783,672**	**372,138**	

10. Operating results

The following table presents the Statement of Comprehensive Income items according to the financial statements, and explanations for the main changes that have taken place therein (EUR thousands):

Item	For the period ended December 31		Explanations
	2024	2023	
	(EUR thousands)		
Revenue from the sale of electricity	566	-	The revenues are attributed to the PV project in Italy.
Revenue from the provision of services	2,019	1,099	The item mainly includes revenue from property management and project management.
Revenue from realization of initiative	37,004	-	Revenues from revaluation following business combinations and an increase in holding rates in Archmore. See Note 25 to the financial statements.
Company's share in the profits of companies accounted for using the equity method	9,167	-	Stems mainly from the associates included in Romania, Ratesti and Parau.
Total Revenue	**48,756**	**1,099**	
Maintenance of systems and related equipment	590	613	
Depreciation and amortizations	7,489	960	The increase stems from the reduction of discontinued projects.
Salaries and related expenses	9,561	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	5,088	4,870	The increase during the period is due to the expansion of activities and an increase in the number of employees.
The Company's share in losses of a company accounted for using the equity method	-	537	
Total expenses	22,728	14,288	
Profit (loss) for the period	**26,028**	**(13,189)**	
Financing income	10,398	9,480	The following are the reasons for the change in financing income and expenses:
Financing expenses	12,224	8,623	1. Recording of expenses from exchange rate differences in the amount of approx. EUR 4.2 million compared to revenues in the amount of approx. EUR 4.4 million in 2023. 2. An increase in interest expenses from loans from related parties in the amount of approx. EUR 1.5 million. 3. Recognition of revenues from a hedge transaction in the amount of approx. EUR 3.4 million compared to losses in the amount of approx. EUR 6 million in 2023. 4. Recognition of losses from the revaluation of conversion components in the amount of approx. EUR 1.5 million.
Profit (loss) before income tax	24,202	(12,332)	
Taxes on income (tax benefit)	(201)	1,151	
Net profit (loss)	**24,403**	**(13,483)**	
Other profit (loss)	(316)	(85)	
Total comprehensive income (loss) including other	**24,087**	**(13,568)**	

11. Liquidity

	As of December 31		
Item	**2024**	**2023**	**Explanations**
	(EUR thousands)		
Net cash flow used in operating activities	(7,366)	(14,808)	Most of the cash flow in the period is in respect of salary payments, headquarters, VAT receivable and timing differences in respect of payments to construction suppliers.
Net cash flow used in investing activities	(200,087)	(125,607)	- Acquisitions in the period for the development and construction of projects in the amount of approx. EUR 174 million. - Investment of approx. EUR 9 million in associates. - Receipt of an advance payment for the sale of a project in Romania in the amount of approx. EUR 3.3 million. - Change in restricted cash of approx. EUR 10 million. - Investments in monetary funds in the amount of approx. EUR 11 million.
Net cash flow provided by financing activities	337,187	173,905	- Receipt of loans in the amount of approx. EUR 95 million from Rivage, net of financing costs. - Receipt of loans from Phoenix in the amount of approx. EUR 56 million for the financing of projects in Romania. - Acquisition of the remaining shares in the subsidiary Pituah 1 in the amount of approx. EUR 4 million. - Issuance of bonds (net of financing expenses) in the amount of approx. EUR 85 million. - Loans from banks for projects totaling approx. EUR 70 million.

12. Development of capital

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

13. Working capital

The Company's positive working capital according to the consolidated financial statements as of December 31, 2024 amounts to approx. EUR 21,777 thousand (compared to negative working capital of approx. EUR 78,328 thousand as of December 31, 2023), and consists of current assets less current liabilities, as follows:

A. Current assets amounted to approx. EUR 220,239 thousand and include mainly cash and cash equivalents, short-term investments and accounts receivable and debit balances.

B. Current liabilities amounted to approx. EUR 198,462 thousand and mainly include a liability to accounts payable and credit balances and financial liabilities at fair value through profit or loss.

14. Projected cash flow

The Company examined the existence of warning signs in accordance with Regulation 10(b)(14) of the Report Regulations.

The Company has a negative cash flow from operating activities in its consolidated financial statements as of December 31, 2024 in the amount of approx. EUR 7,366 thousand, and a negative cash flow from operating activities in its consolidated financial statements as of December 31, 2023 in the amount of approx. EUR 14,808 thousand.

The Company has a positive cash flow from operating activities in its separate financial statements as of December 31, 2024, and December 31, 2023, amounting to approx. EUR 2,347 thousand and EUR 4,329 thousand, respectively.

Further to Note 2B(1) to the Consolidated Financial Statements, in January 2020 the IASB published an amendment to IAS 1 regarding the requirement to classify liabilities as current or non-current. The amendment entered into effect starting January 1, 2024.

The Company has bonds that are immediately convertible into the Company's ordinary shares and loans that can be immediately converted into ordinary shares of a project company, with the conversion components classified in its financial statements as financial liabilities. As a result of the above amendment, liabilities in the amount of EUR 135,790 thousand as of December 31, 2023 were reclassified from non-current liabilities to current liabilities.

At its meeting on March 11, 2025, the Company's Board of Directors discussed the projected cash flow, reviewed the existing and expected sources and needs of cash, and also reviewed the financing sources and potential amounts of financing available to the Company, including 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 expects revenue from the sale of electricity in respect of several projects that are connected or expected to be connected to the electricity grid in the coming year.
- The Company expects a cash flow from the sale of a property 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.

For additional information, see also Note 1(d) to the Company's consolidated financial statements as of December 31, 2024.

15. Financing sources

Project financing for initiation and construction activities for the generation 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 by the Company, and partially through shareholder loans (provided as equity in the project). 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. For information regarding the Company’s financing agreements and material loans taken by the Company, see Section 1.20 of Chapter A. For information regarding the Company’s bonds, see Appendix A to this Board of Directors report.

02

Part Two

Corporate Governance aspects

16. Donations

On January 16, 2025, the Company's Board of Directors approved an annual donation framework of up to EUR 100 thousand, in accordance with the decision by the Company's management.

17. 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 with 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.

18. 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.

19. Disclosure regarding the Company's Internal Auditor

Name of internal auditor: Doron Rosenblum

Date of beginning of term of office: November 24, 2022

To the best of the **Company's knowledge:** (1) The internal auditor complies with all the conditions set forth in Section 3(a) of the Internal Audit Law, 1999 (hereinafter - the "**Internal Audit Law"); (2) The internal** auditor complies with the provisions of Section 146(b) of the Companies Law and the provisions of Section 8 of the Internal Audit Law; (3) The internal auditor does not hold securities of the Company or of a body related to it; (4) The internal auditor has no substantive or other substantive business relations of any kind with the Company or with a body related to it and does not fulfill any additional role in the Company.

Manner of appointment: The appointment of Doron Rosenblum as the Company's Internal Auditor was approved by the Company's Board of Directors on November 24, 2022, following the recommendation of the Audit Committee and after the Company's management and Audit Committee held a meeting with him and got a first-hand impression of him. His appointment was approved after examining his education and experience (BA and MA degrees in Business Administration and extensive experience in the conducting of internal audits in various corporations, including public companies). The Internal Auditor is a managing partner in the firm Ezra Yehuda-Rosenblum & Co. of the Kreston group. The appointment of Doron Rosenblum was approved in view of the Audit Committee's impression of CPA Rosenblum's experience and background, and the his suitability for the Company's operations.

Identity of the Auditor's supervisor: The Auditor's supervisor is the Chairman of the Board of Directors.

Work plan: The Internal Auditor's work plan is annual and based on a risk survey and a multi-year work plan. The Audit Plan for 2025 - The Audit Committee and the Company's Board of Directors approved the Audit Plan for 2024, which includes the following topics: (1) conducting an up-to-date risk survey; (2) procurement and engagements with suppliers and project construction management; and (3) reviewing implementation of previous reports.

The Audit Committee discussed the reports submitted to it shortly after their submission: The considerations in determining the annual ongoing audit plan are mainly the interior auditor's proposals for an annual work plan; the members of the Audit Committee and the Board of Directors' proposals are based, inter alia, on the interior auditor's proposals, and issues discussed in ongoing meetings of the Audit Committee and the Company's Board of Directors; the size of the company, its organizational structure, the nature of its business activities and their scope; and taking into account special, complex and substantive transactions and events that occurred in the company. It should be noted that the work plan provides the Internal Auditor with the discretion to deviate therefrom.

Conducting the audit: As provided to the company by the internal auditor, the internal audit work is conducted according to generally accepted professional standards for internal auditing, as stated in section 4(b) of the Internal Audit Law, professional guidelines and briefings as approved and published by the Institute of Internal Auditors. In the opinion of the company's board of directors, based on the statements of the internal auditor, as stated above, the internal audit work is conducted in accordance with accepted professional standards for internal auditing.

Access to information: The internal auditor is given the freedom of action in performing the audit and exercising his discretion, and he and anyone on his behalf are given continuous and unmediated access to all the company's information systems, including access to the company's financial data, in accordance with section 9 of the Internal Audit Law.

Scope of employment and remuneration in the reporting period: Approx. 156 audit hours were invested in the Company's internal audit during the period of the financial statements. The Board of Directors is of the opinion that the remuneration of the Internal Auditor and the amount of hours is reasonable and does not affect the exercise of the Internal Auditor's professional judgment in conducting the audit.

Material transactions: During the reporting period, material transactions were carried out by the Company (as defined in Section 5(f) of the fourth addendum to the Report Regulations). These transactions and/or their approval procedure were not examined by the Internal Auditor.

The Company's Board of Directors' assessment of the Internal Auditor's activity: The Company's Board of Directors are of the opinion that the scope, nature and continuity of the activity and the Internal Auditor's work plan are reasonable under the circumstances and can serve to fulfill the goals of the Company's internal audit.

20. Disclosure regarding the Company's Independent Auditor

The Company's auditors are Kost, Forer, Gabbay and Kasierer, Accountants (E&Y). The Auditor's fee is determined, among other things, based on market conditions, and the Company's management is of the opinion that it is reasonable and acceptable given the nature of the Company and its volume of activity. The following is information regarding the Auditors' fees for auditing services and other services during 2024:

Audit and related expenses - NIS 702 thousand, plus VAT.

Other services - NIS 279 thousand, plus VAT.

21. Independent signatory

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

22. 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 after the balance sheet date, see Note 24 to the consolidated financial statements as of December 31, 2024, as well as Section 1.1.4 above.

23. 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.

24. Valuations

The following is information regarding the valuations on which the Company relied:

A. A very material valuation on which the Company relied (the valuation is attached in full to this report):

Valuation subject	**Value of profit from realization of initiative following the acquisition of UBS Econergy Archmore holdings by Econergy UK**
Timing of the valuation	March 31, 2024
Value of the valuation subject immediately prior to the valuation date if the generally accepted accounting principles, including depreciation and amortization, did not require the change in its value in accordance with the valuation	EUR 37 million
Value of the valuation subject determined according to the valuation	N/R
Identification of the appraiser	EFS Consulting and Investment (2009) Ltd. specializes in providing economic and financial advice and independent professional valuations, in accordance with international IFRS accounting principles and Israeli standards, for financial reporting purposes and as an expert opinion for courts. The Company's customers include dozens of public companies traded in Israel and abroad and private companies. The appraiser on behalf of the Company is Sagi Ben-Shalosh.
Reference to indemnity agreements with the appraiser	The appraiser's liability, to the extent that it stems from the valuation, will in no case exceed the total consideration paid in respect of the valuation multiplied by 3.

The valuation model and the main assumptions by which the appraiser performed the appraisal	The value of each project was estimated using a DCF model IRR- 7.25% for PV and 9% for wind projects. Probability of project realization and capital raising Under construction - 100% RTB - 100% Almost RTB - 90% Under development - 50% Discount rate - in the range 7.3%-10% Project life: PV - 35 years. Wind - 30 years.

B. Material valuation on which the Company relied:

Valuation subject	**Goodwill impairment test in Econergy Archmore.**
Timing of the valuation	December 31, 2024
Value of the valuation subject immediately prior to the valuation date if the generally accepted accounting principles, including depreciation and amortization, did not require the change in its value in accordance with the valuation	EUR 9,548 thousands
Value of the valuation subject determined according to the valuation	No amortization
Identification of the appraiser	EFS Consulting and Investment (2009) Ltd. specializes in providing economic and financial advice and independent professional valuations, in accordance with international IFRS accounting principles and Israeli standards, for financial reporting purposes and as an expert opinion for courts. The Company's customers include dozens of public companies traded in Israel and abroad and private companies. The value appraiser on behalf of the company is Sagi Ben-Shalosh.
Reference to indemnity agreements with the appraiser	Exists, in accordance with Position no. 105-30 of the Israel Securities Authority.

The valuation model and the main assumptions by which the appraiser performed the appraisal	DCF model for each of the projects Life: PV - 35 years. Wind - 30 years Discount rate: PV - 7.2%. Wind 8.8%. Since each project is at a different stage of development, the probability of completion of the project is as follows: 100% - Operational 100% - Ready to connect Under construction - 100% RTB - 100% Almost RTB - 90% Under development - 50% 50% - Under development wind

03

Part Three

Disclosure Directives regarding the Corporation's Financial Reporting

25. 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, 2024.

26. The Company's liability status according to due dates as of December 31, 2024

For information 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 included in the report by way of reference.

Mr. Eyal Podhorzer, CEO and Director	**Mr. Shlomo Zohar,** Chairman of the Board of Directors	**Mr. Nir Peleg,** CFO

Date: March 11, 2025

Appendix A - Information regarding bonds issued by the Company

	Bonds (Series A)	Bonds (Series B)
Issue date	December 9, 2021	December 3, 2024
Par value on the issue date (NIS thousands)	250,000	328,950
Par value as of December 31, 2024 (NIS thousands)	334,738.5	328,950
Par value CPI-linked as of December 31, 2024 (NIS thousands)	unlinked	unlinked
Accrued interest as of December 31, 2024 (NIS thousands)	-	-
Stock market value as of December 31, 2024 (NIS thousand)	323,692	333,555
Interest type and rate	Fixed annual interest at a rate of 2.5%	Fixed annual interest at a rate of 6.95%
Principal repayment dates	One payment on June 30, 2026	The first three (3) payments will be made on December 31 of each of the years 2027, 2028 and 2029 and will each be at a rate of 10% of the par value of the bond principal (and a total of 30% of the par value of the bond principal), and the fourth and last payment will be made on December 31, 2030 and will be at a rate of 70% of the par value of the bond principal
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	Semi-annual payments on June 30 of each of the years 2025 to 2030 and on December 31 of each of the years 2024 to 2030
Linkage base	None	None
Conversion right	The bonds are convertible into the Company's shares from the date of issue and until June 30, 2026 Each NIS 35.5 PV of the bonds can be converted into one of the Company's ordinary shares	None
Payment guarantee	None	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.	In the event of a decision of the Board of Directors of the Stock Exchange or at the initiative of the Company, as specified in Section 8 of the Trust Deed.
Materiality[11]	Material series	Material series
Liens in favor of bondholders, validity of liens, terms of	None	None

[11] 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.

	Bonds (Series A)	Bonds (Series B)
replacement of liens		
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).	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 B).
Restrictions on the authority to issue additional bonds	None	None
Financial covenants	As detailed below	As detailed 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	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	No
Was the Company required by the trustee to perform actions	No	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	Reznik Paz Nevo Trusts Ltd. Hagar Shaul, Adv. 14 Yad Harutsim, Tel Aviv 03-6389200
Bondholders meeting	No bondholders meeting was held	No bondholders meeting was held
Bond rating	The bonds are not rated	The bonds are not rated

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

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

The Company's compliance with each of the financial covenants will be examined on the date of publication of the financial statements by the Company from the date of their issuance onwards (except for the financial covenant regarding the ratio of financial debt to Adjusted Consolidated EBITDA, which 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 December 31, 2024	Data as of December 31, 2024
Solo equity will not be less than EUR 35 million over a period of two consecutive quarters.	Yes	EUR 161,255 thousands
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	52%
The ratio of the Financial Debt to the Adjusted Consolidated EBITDA shall not exceed 18 for a period of two consecutive quarters	Yes	14.9

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

For additional information regarding the financial covenants, see Note 15 to the 2024 Financial Statements.

As of December 31, 2024, 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).

Financial covenants and other material terms - Bonds (Series B)

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

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:

Financial covenants	Compliance with financial covenants As of September 30, 2024	Data as of December 31, 2024
Solo equity will not be less than EUR 60 million over a period of two consecutive quarters.	Yes	EUR 161,255 thousands
Solo financial debt to solo balance sheet, as defined in the Trust Deed, will not exceed a rate of 65% over a period of two consecutive quarters.	Yes	52%
The ratio of the Financial Debt to the Adjusted Consolidated EBITDA shall not exceed 18 for a period of two consecutive quarters;	Yes	4.3
The ratio of the Consolidated Equity to the Consolidated Net Balance Sheet shall not be less than 15% for a period of two consecutive quarters.	Yes	35%

"Solo Equity", "Financial Debt", "Solo Financial Debt", “Adjusted Consolidated EBITDA", "Consolidated Net Balance Sheet" - as defined in the Trust Deed.

For additional information regarding the financial covenants, see Note 15 to the 2024 Financial Statements.

As of December 31, 2024, and as of the date of approval of the report, the Company is in compliance with all of its commitments to the bondholders (Series B).