

# Nofar

Financial Year 2021 - Summary



# Disclaimer

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The information included in this presentation (the "**Information**") is presented for convenience purposes only and does not serve as a basis for making investment decisions, nor does it constitute a recommendation nor an opinion, and it is not intended to replace an investor's own judgment or considerations. The presentation does not purport to encompass or include all of the information that may be relevant to making any decision concerning investing in the Company's securities, and does not exhaustively cover all of the data regarding the Group or its activities, and is not a substitute for reviewing the reports published by the Company, and in particular, the Company prospectus published on 8.12.2020 and dated 9.12.2020 (reference number: 2020-01133446; the "**Prospectus**") and the Company's periodic report for the year 2021, published on 29.3.2021 (reference no. "2022-01-031419"; the "**2021 Annual Report**").

All of the information stated herein regarding the Company's operations is stated concisely and in brief. **Understanding the full picture of the Company's operations and of the risks with which the Company contends, requires reviewing the Company's Prospectus, the 2021 Annual Report, and the ongoing reports published by the Company on the Tel Aviv Stock Exchange LTD's website and the MAGNA publication distribution website.**

Any mention of the Company in the presentation refers to the Company and the corporations held by the Company, directly or through other held companies (including associated companies).

Amounts given in EUR are converted from the NIS figures provided in Company's Hebrew language presentation dated 29 March 2022 (reference no. "2022-01-031437"), according to an assumed conversion rate of 1EUR:NIS3.5199

The Company's projections regarding the systems' respective capacities (slides 3, 5, 6, 7, 8, 9, 10, 11, 13, and 19- 22), expectations regarding the end of construction and/or commercial operation of projects (slides 5, 9, 10, 11, 12, 13, 14 and 19 to 22), revenue expectations from the sale of electricity from projects (slides 3, 7, 9, 10, 11, 13, 14 and 19 -22), expected EBITDA from projects (slide 7, 9, 10, 11 and 19-22), and expected FFO from projects (slide 7 and 19-22), average tariffs (slides 19-22), the equity required for the projects, leverage rate, interest and loan period (slides 19-22), as well as the Company's plans and goals (slides 5, 9, 10, 11, 12, 13, 14, and 19-22), constitute "forward-looking statements" (as the term is defined in the Securities Law 5728-1968), that are substantially based on expectations and projections regarding economic, sectoral, and other developments, as well as on the implementation of the Company's plans by the Company on the projected dates, and on their integration with one another. **It is clarified that actual results, as they relate to said information, may differ materially from the projected results or results implied by that which is stated in this presentation, owing to various factors that are outside the Company's control**, including the realization of risk factors that characterize the Company's operations, as well as developments in the Company's economic and regulatory environment and in external factors that impact the Company's operations that cannot be projected in advance and that are outside the control of the Company, such as: delays in obtaining the permits required to erect systems, changes in system construction costs, construction delays, changes in the provisions of the law and / or in regulations, increases in financing costs, foreign currency changes, unexpected expenses, faults in the systems, weather changes, changes in consumer electricity tariffs or in systemwide expenses, changes in consumer electricity consumption, changes in tax rates or the tax regime, difficulties in identifying partners, difficulty in identifying tax partners, persistence of the COVID 19 crisis and the restrictions enacted (and that will be enacted) in its wake, etc.

Therefore, **readers of this presentation are hereby cautioned that the Company's actual results and achievements in the future may differ significantly from those presented in the forward-looking statements appearing in this presentation.** Similarly, forward-looking forecasts and projections are based on data and information currently available to the Company as of the date of this presentation, and the Company is not obligated to update or revise any such forecast and/or projection so that they will reflect events or circumstances occurring after the date of the presentation.

For additional information regarding the assumptions made by the Company as they pertain to the information and data included in the presentation, see pages 24- 25 herein.

It is noted that slides 3, 5, 7, 9, 14, and 19-22 include Information which is published by the Company for the first time herein.

It is emphasized that the Company's projections regarding the forecasts were made in consideration of and based on past experience and professional knowledge accumulated by the Company. Said information may not materialize, in its entirety or in part, or it may materialize in a fashion that differs substantially from that predicted by the Company, both in terms of the Company's predictions regarding macro-economic factors and in terms of the rest of the data included in the Information.



# Nofar Energy in brief

- Global IPP and developer of renewable energy
- Expertise in Utility-Scale, Storage and C&I
- Active in 7 Countries – 150 employees
- Updated targets for 2025: 5 GW and 2 GWh connected, that will generate 568 million Euro revenue per year

**102**

million Euro  
Revenue in 2021

**410**

million Euro  
Equity

**303**

million Euro  
Cash and short-  
term deposits



Solar 

**438** <sup>(170)</sup>  
MW

Connected and  
ready to be  
connected

**729** <sup>(306)</sup> <sup>2</sup>  
MW

Construction and  
pre-construction

Storage 

**814** <sup>(559)</sup> <sup>2</sup>  
MWh

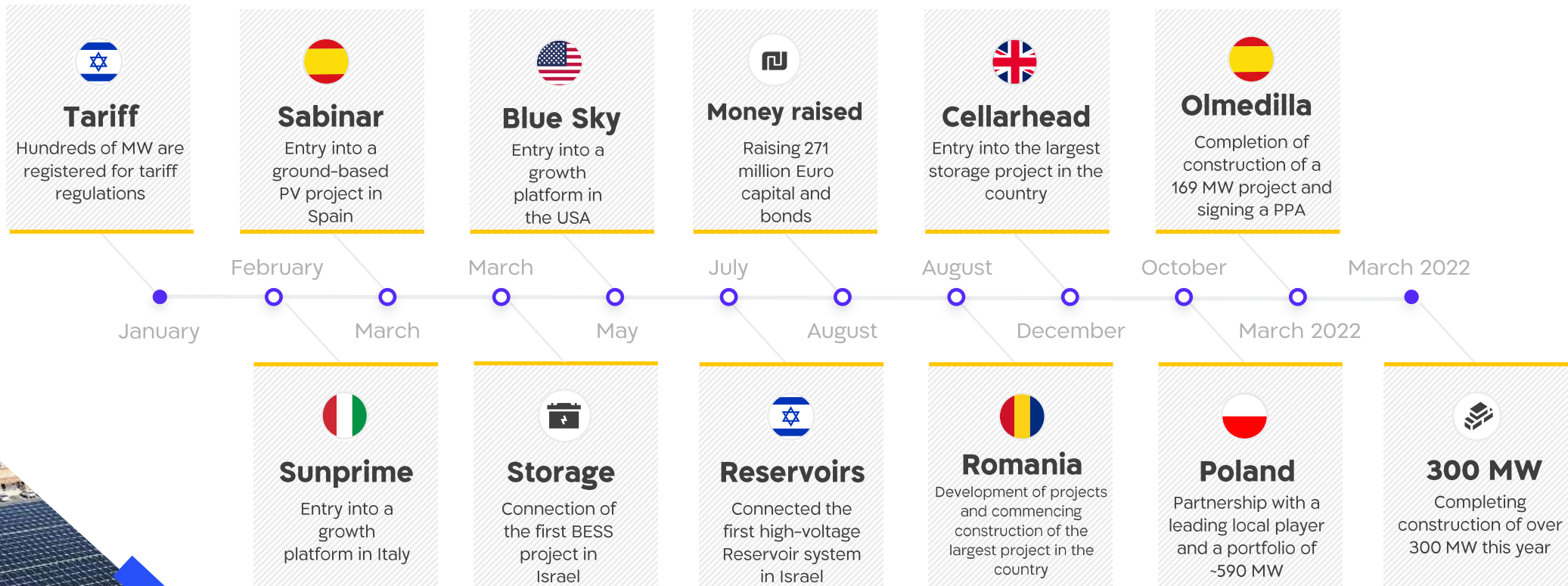
Connected, ready to be  
connected, construction and  
pre-construction

**249** <sup>(118)</sup> <sup>2</sup>  
Million Euro

Annual revenue from electricity sales  
in a first representative year

\*Total amounts, the Company's share in parentheses

# Company's activities in the past year





# Main Achievements 2021



## Market leaders in storage

### MWh 100

Behind the meter operating in Israel year-end of 2022<sup>3</sup>

**1.5 GWh** in advanced development



## Global growth

Growth platforms in **seven countries** with projects under construction and in advanced development

Creating a **global infrastructure** for sustainable growth



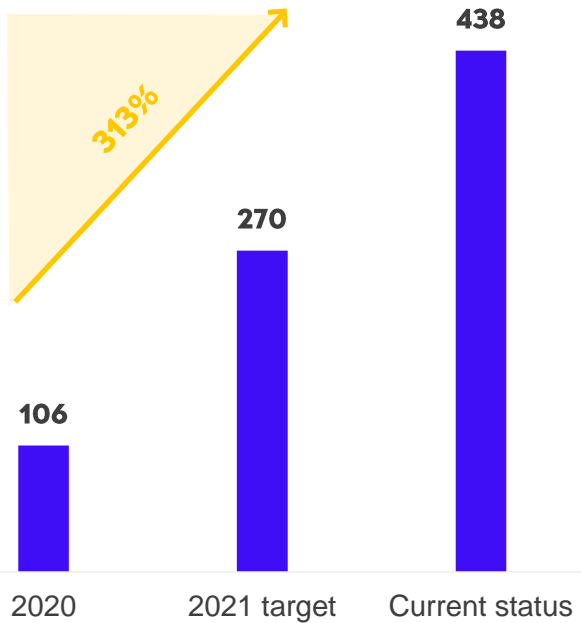
## Construction momentum

Completed the construction of more than **300 MW**

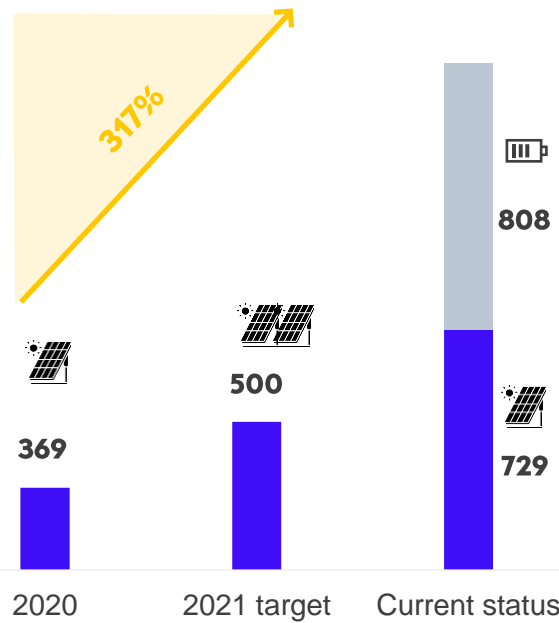
An additional **729 MW** under construction

# 2021 – Meeting growth targets<sup>4</sup>

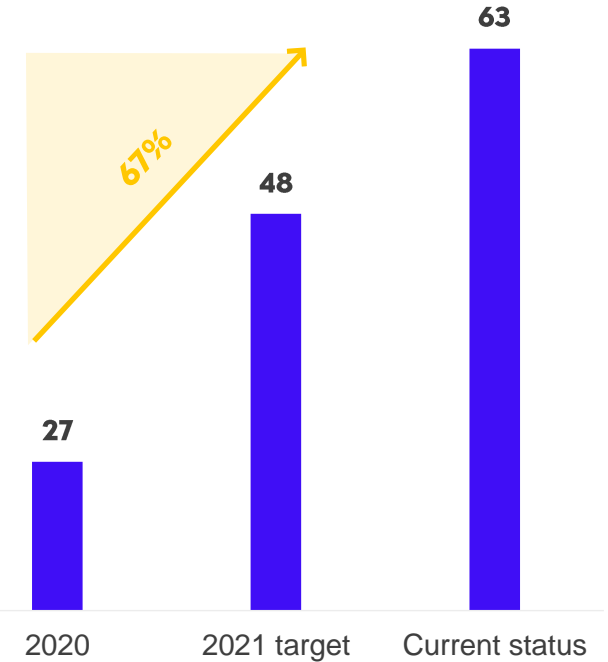
Operating Installed capacity, MW



Capacity under construction and in pre-construction, MW/MWh

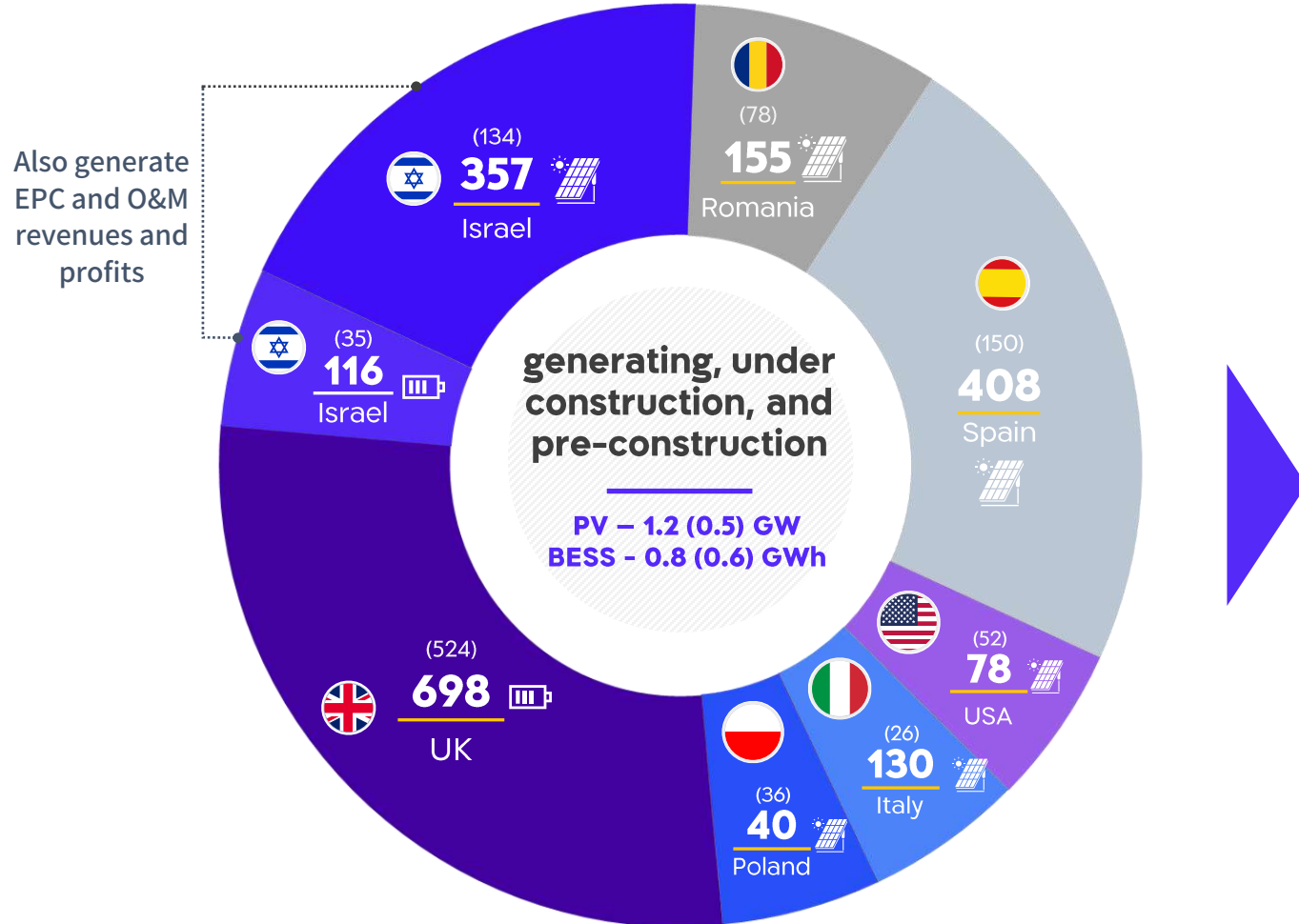


Annual Revenue, million Euro



# A significant pipeline of generating, under construction, and pre-construction projects featuring high-priced tariffs<sup>5</sup>

100% holdings, Company share in parentheses



**Expected aggregate energy sales<sup>2</sup>**  
In a representative first year

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**Revenue**  
**249 million Euro** (118 million Euro)

**EBITDA**  
**204 million Euro** (110 million Euro)

**FFO**  
**174 million Euro** (82 million Euro)



# Nofar Energy Group

## C&I, Utility, Storage

100% holdings



### Spain

Segment: Utility  
Advanced portfolio:  
408 MW



### USA

Segment: C&I  
Advanced portfolio:  
120 MW



### Israel

Segment: C&I, Storage  
Advanced portfolio:  
535 MW, 766 MWh



### Romania

Segment: Utility  
Advanced portfolio:  
155 MW



### Poland

Segment: Utility  
Advanced portfolio:  
376 MW



### Italy

Segment: C&I  
Advanced portfolio:  
181 MW



### UK

Segment: Storage  
Advanced portfolio:  
698 MWh





# Global C&I Company

## 🇮🇱 Israel

- The regulation of high FIT rates continues into the coming years
- Network of partnerships as a basis for continued expansion
- 357 MW connected, ready to connect, and under construction

## 🇺🇸 USA

- PPA at high retail rates
- Increasing the set of agreements with REIT and tax equity funds
- A large portfolio of 312 MW to be connected in the coming years

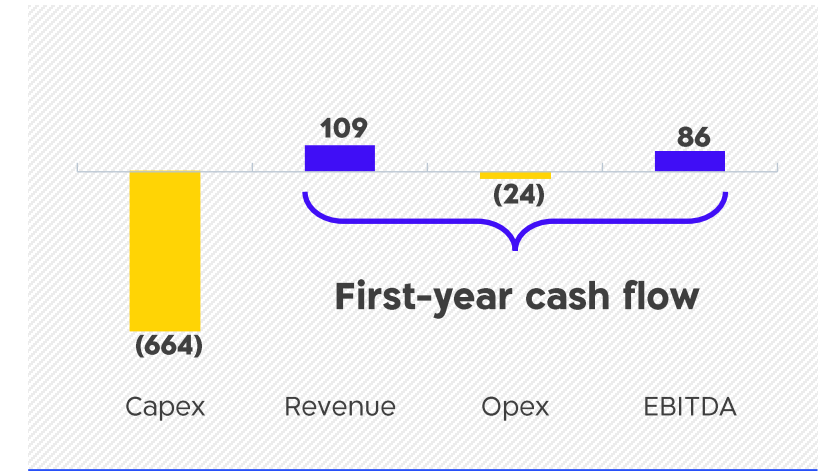
## 🇮🇹 Italy

- High FIT rates
- Four consecutive awards of the largest quota in GSE auctions
- Accelerated and consistent growth in constructions and connections - 130 MW



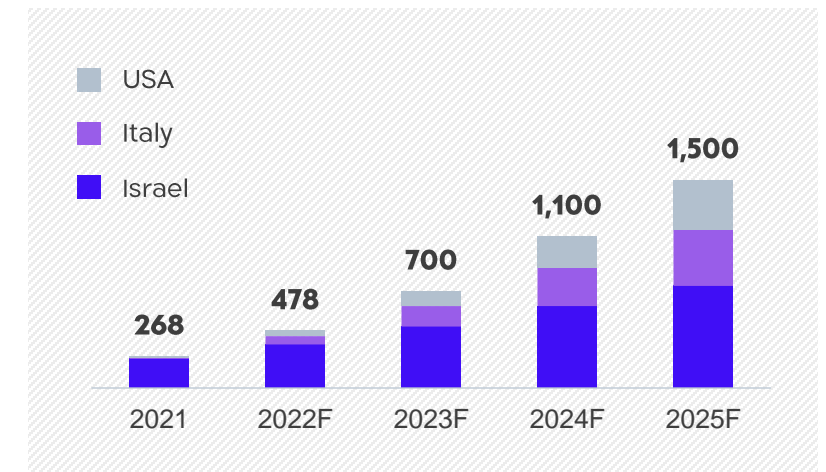
## Financial data - Israel, USA & Italy<sup>6</sup>

Connected projects, ready for connection, under construction, and pre-construction, 100% holdings, million Euro



## Forecasts and Targets<sup>1</sup>

Connected and ready-to-connect projects, 100% Holdings, MW



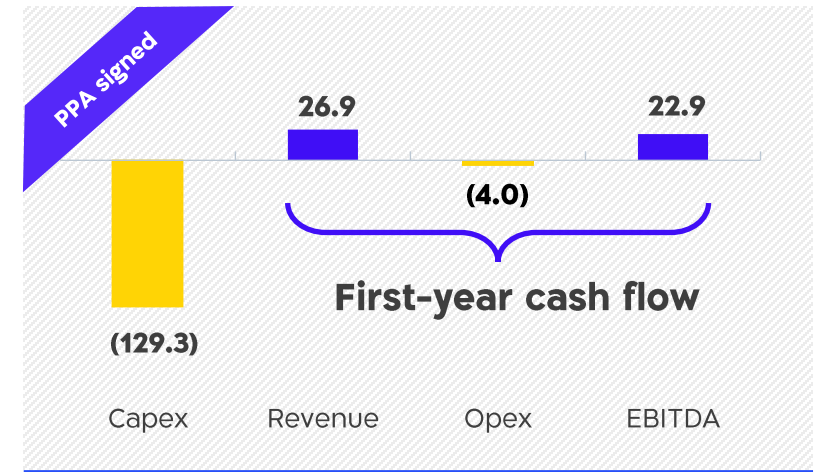
# Solar Projects Utility Scale

- Local development platforms for promoting projects in the UK, Romania, Poland, and Spain
- Dramatic rises in electricity prices in Europe
- Expect significant increases in renewable power capacity in the target countries
- A business model that combines development and entry into projects in the stages of development
- 169 MW ready to connect and 434 MW under construction and pre-construction
- Global specialization in the electricity trade



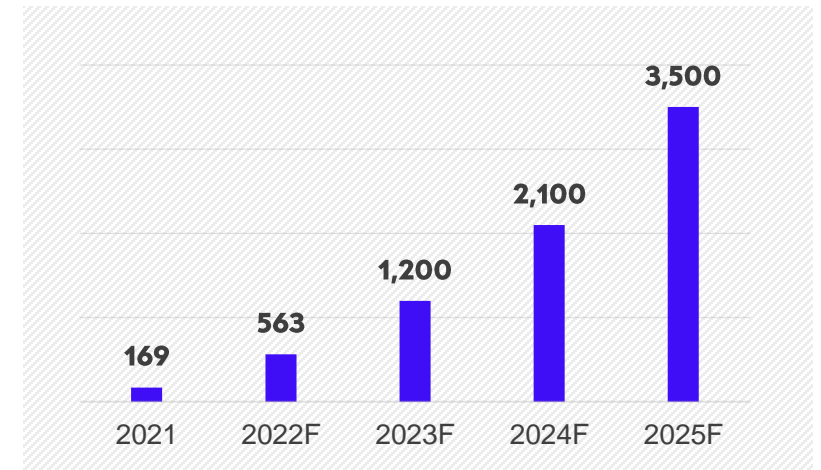
## Olmedilla Project - Financial Data<sup>6</sup>

100% holdings, millions Euro



## Forecasts and Targets<sup>1</sup>

Connected and ready-to-connect projects, 100% Holdings, MW



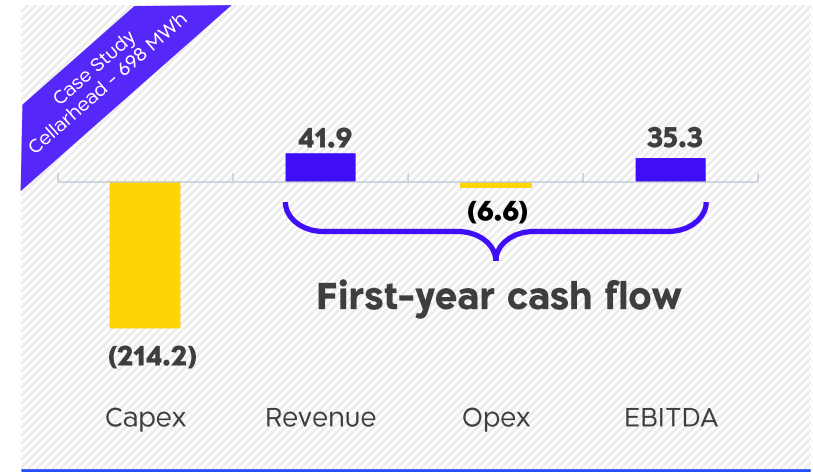


# Storage Projects

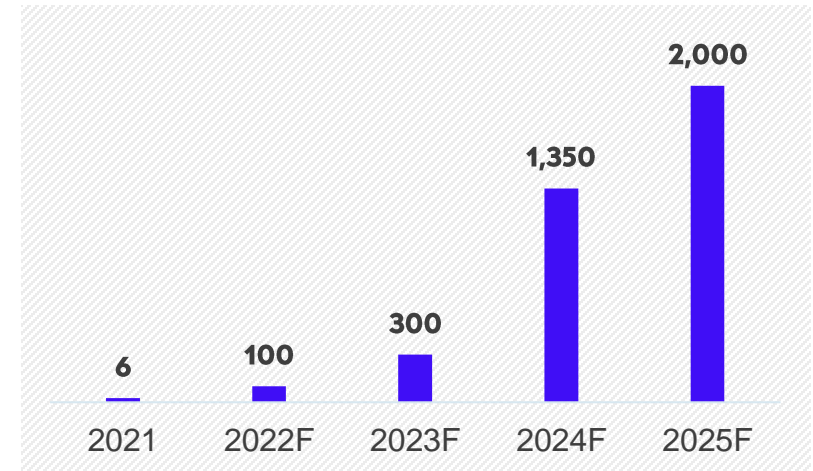
- Leading BTM segment in Israel
- Identifying the need - framework agreement with Tesla
- Completion of construction of 100 MWh this year
- Leveraging the experience to implement knowledge and capabilities among the Company's platforms
- Dedicated platform for storage projects in the UK
- Cellarhead - UK's largest storage project - 698 MWh



**Financial data<sup>6</sup>**  
100% Holdings, million of Pounds



**Forecasts and Targets<sup>1</sup>**  
Connected and ready-to-connect projects, 100% Holdings, MW





# Targets for the end of 2022<sup>1</sup>

100% holdings



**1 GW**

**Solar systems**

Connected and ready to be connected

+

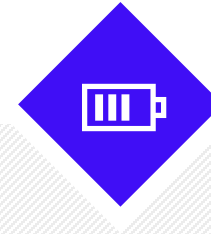


**1 GW**

**Solar systems**

In construction and pre-construction

+



**1 GWh**

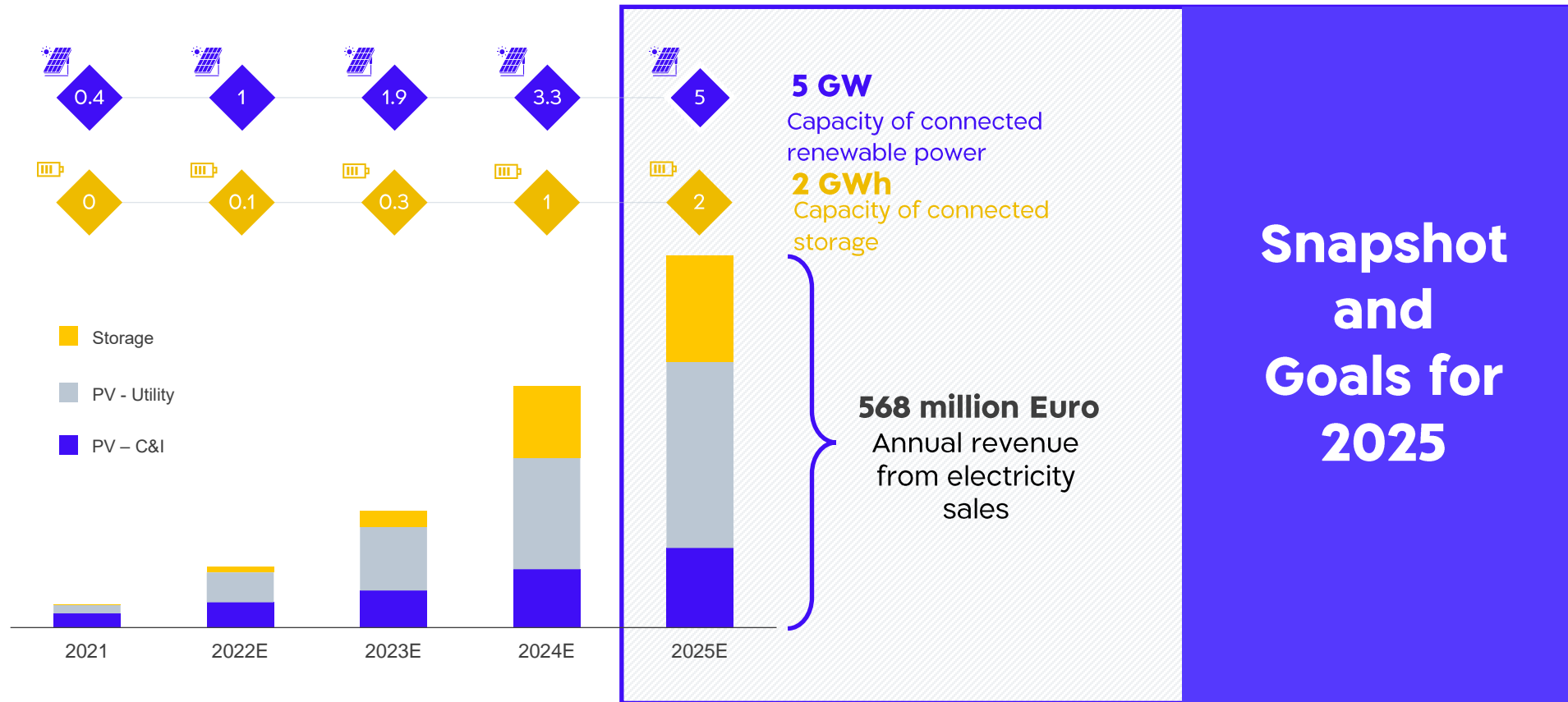
**BESS**

Connected, ready to be connected, in construction and pre-construction

# Update of Forecasts and Targets<sup>1</sup>

100% holdings

## Projects connected and ready to be connected MW/MWh



**Snapshot and Goals for 2025**

# Summary of Financial Statements

## consolidated, thousands of Euro

### Balance Sheet

Cash and cash equivalents	256,923
Other current assets	135,098
Non-current assets	223,967
<b>Total Assets</b>	<b>615,989</b>
Current liabilities	37,009
Non-current liabilities	168,905
<b>Total Liabilities</b>	<b>205,914</b>
Equity (including attributable to minority rights)	410,075
<b>Total liabilities and capital</b>	<b>615,989</b>

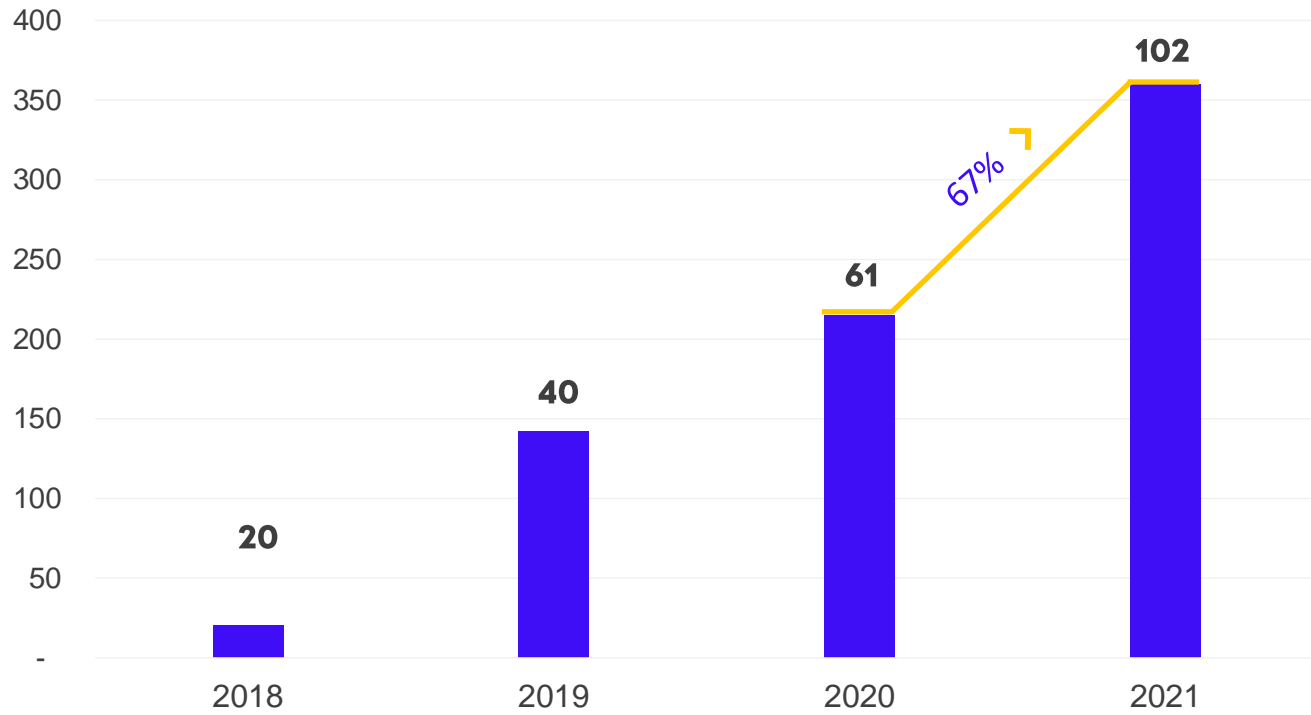
### Profit and Loss

Revenue	102,492
Gross profit	9,584
Operating Profit	2,742
Profit for the period	864
<b>Total profit for the period</b>	<b>2,337</b>



# Accelerated and consistent growth in the Company's revenues<sup>7</sup>

Revenues, millions Euro



# Financial Strength

**67%**

Equity for total balance sheet

**410**

Equity  
million Euro

**6.94**

Immediate liquidity ratio

**0.62**

Balance Sheet  
Billion Euro

**0.4**

Gross liquid assets  
Cash and cash equivalents and  
unused facilities, Billion Euro

**(64%)**

Net financial debt for CAP







# Project Appendices

 Nofar



# Appendix – Connected Projects<sup>8</sup>

(aggregate, million Euro)

## Details of projects data for a full year of activity

Segment/ Country	Capacity (MWp)	Storage capacity (MWh)	Weighted tariff (Euro)	Predicted annual production hours (KWh/KWp)	Expected annual income	Total construction costs	Total annual operating cost	Predicted EBITDA	Balance of the loan - senior debt	Balance of the loan period (years)	Rate of Tax Equity in the investment	Date of completion of construction	Remaining lifespan of the project (years)	Size of Holdings
 Net meter	54.1	----	0.11	1,703	10.2	71.7	3.0	7.2	63.2	16.8	----	2020	22	42%
 Tariff	76.7	----	0.20	1,720	26.6	119.3	3.5	23.1	105.1	16.8	----	2020	21	33%
 Tenders	32.4	----	0.07	1,749	4.1	27.7	1.5	2.6	24.4	16.8	----	2022 - 2021	24	42%
 Default	0.2	----	0.08	1,750	0.0	0.1	0.0	0.0	0.1	16.8	----	2022	24	20%
 USA <sup>9</sup>	11.2	----	0.14	1,685	2.7	32.7	0.5	2.1	12.1	17-20	37%	2021	27-30	67%
 Behind the meter	----	5.9	----	----	0.2	2.1	0.0	0.2	1.6	15	----	2021	24	38%
<b>Total</b>	<b>174.6</b>	<b>5.9</b>	<b>----</b>	<b>----</b>	<b>43.7</b>	<b>253.6</b>	<b>8.6</b>	<b>35.2</b>	<b>206.5</b>	<b>----</b>	<b>----</b>	<b>----</b>	<b>----</b>	<b>----</b>

# Appendix – Projects Ready for Connection

(aggregate, million Euro)

## Details of project data for the first year representative

Segment/ Country	Capacity (MWp)	Weighted tariff (Euro)	Predicted annual production hours (KWh/KWp)	Expected annual income	Total construction costs	Equity invested until 31.12.2021-	Total annual operating cost	Predicted EBITDA	Predicted leverage rate (senior debt)	Balance of the loan period (years)	Rate of Tax Equity in the investment	Lifespan of the project from the date of connection (years)	Size of Holdings
 <b>Tariff</b>	36.4	0.13	1,750	8.1	30.2	0.3	2.0	6.1	85%	20-24	----	25	39%
 <b>Tenders</b>	44.3	0.07	1,750	5.6	41.5	0.3	1.9	3.7	85%	20-24	----	25	41%
 <b>Italy</b>	9.8	0.10	1,150	1.1	7.6	0.3	0.1	0.9	75%	19	----	20	20%
 <b>USA<sup>9</sup></b>	3.4	0.16	1,663	0.9	7.5	0.3	0.2	0.7	40%	20	40%	29	67%
 <b>Spain</b>	169.0	0.07	2,180	27.0	129.3	0.3	4.0	23.0	55%	18	----	30	38%
<b>Total</b>	<b>263.0</b>	<b>----</b>	<b>----</b>	<b>42.6</b>	<b>216.0</b>	<b>----</b>	<b>8.2</b>	<b>34.4</b>	<b>----</b>	<b>----</b>	<b>----</b>	<b>----</b>	<b>----</b>

# Appendix – Projects in Preparation for Construction<sup>8</sup>













(aggregate, million Euro)

Country	Segment/ Project	Capacity (MWp)	Storage capacity (MWh)	Weighted tariff (Euro)	Predicted annual production hours (KWh/KWp)	Expected annual income	Total constructio n costs	Equity invested until- 31.12.2021	Total annual operating cost	Predicted EBITDA	Predicted leverage rate (senior debt)	Balance of the loan period (years)	Rate of Tax Equity in the investment	Date of completion of construction	Lifespan of the project from the date of connection (years)	Size of Holdings
 Israel	Pricing	68.6	----	0.13	1,750	14.9	56.4	57%	3.8	11.1	85%	20-24	----	2022 – 2023	25	36%
 Israel	Tendering	41.3	----	0.07	1,750	4.9	36.1	59%	1.7	3.2	85%	20-24	----	2022 – 2023	25	36%
 Israel	Default	2.5	----	0.08	1,750	0.3	2.3	49%	0.1	0.3	85%	20-24	----	2022 – 2023	25	25%
 Spain	Sabinar 1	155.5	----	0.07	2,123	24.1	136.8	100%	3.1	21.0	55%	22	----	H2/2022	30	36%
 Spain	Sabinar 2	83.0	----	0.07	2,123	12.9	73.0	100%	1.7	11.2	55%	22	----	H2/2022	30	36%
 Romania	Ratesti	155.0	----	0.09	1,370	18.4	102.2	51%	3.9	14.5	50%	15	----	H1/2023	30	50%
 Italy	Sunprime	120.2	----	0.09	1,231	13.8	83.9	10%	1.4	12.4	75%	19	----	2022 – 2023	20	20%
 USA <sup>9</sup>	Blue Sky	63.1	----	0.16	1,663	16.4	147.5	5%	3.9	12.5	40%	20	40%	2022 – 2023	30	67%
 Poland	Cybinka	40.0	----	0.07	1,046	3.0	22.8	6%	0.6	2.4	69%	17	----	H2/2023	30	90%
 Israel	Behind the meter	----	110.2	----	----	3.6	34.1	35%	0.3	3.3	80%	15	----	2022 – 2023	25	30%
 UK	Cellarhead	----	698.0	----	----	50.0	255.8	----	7.9	42.1	60%	10.0	----	H2/2024	30	75%
<b>Total</b>		<b>729.2</b>	<b>808.2</b>	<b>----</b>	<b>----</b>	<b>162.4</b>	<b>950.8</b>	<b>----</b>	<b>28.3</b>	<b>134.0</b>	<b>----</b>	<b>----</b>	<b>----</b>	<b>----</b>	<b>----</b>	<b>----</b>



# Appendix – Projects in Advanced Stages of Development

(aggregate, million Euro)

Country	Segment	Capacity (MWp)	Storage capacity (MWh)	Weighted tariff (Euro)	Predicted annual production hours (KWh/KWp)	Expected annual income	Total construction costs	Total annual operating cost	Predicted EBITDA	Predicted leverage rate (senior debt)	Balance of the loan period (years)	Rate of Tax Equity in the investment	Date of completion of construction	Lifespan of the project from the date of connection (years)	Size of Holdings
 Israel	Tariff	59.5	----	0.13	1,750	13.3	49.0	3.3	10.0	85%	20-24	----	2023	25	32%
 Israel	Tendering	111.9	----	0.06	1,750	11.3	90.0	3.8	7.4	85%	20-24	----	2023 - 2024	25	49%
 Israel	Default	7.2	----	0.08	1,750	1.0	6.7	0.3	0.7	85%	20-24	----	2023 - 2024	25	40%
 USA <sup>9</sup>	Blue Sky	42.0	----	0.16	1,485	9.7	99.1	2.6	7.1	40%	20	%40	2023 - 2024	30	67%
 Italy	Sunprime	50.5	----	0.09	1,150	5.3	35.3	0.6	4.7	75%	19	----	2023- 2024	20	20%
 Poland	Jozefin	50.0	----	0.07	1,026	3.4	27.5	0.7	2.8	64%	17	----	H2/2024	30	90%
 Poland	Swierzewo	68.7	----	0.07	1,026	4.7	37.7	0.9	3.8	62%	17	----	H2/2024	30	90%
 Poland	Thumos Small Projects	26.5	----	0.07	1,026	1.8	15.1	0.4	1.4	60%	17	----	H2/2024	30	90%
 Poland	Krzywinskie	20.0	----	0.07	1,059	1.4	14.6	0.3	1.1	45%	17	----	H2/2024	25	72%
 Poland	Dziewoklucz	20.7	----	0.07	1,128	1.6	15.0	0.3	1.3	55%	17	----	H2/2024	25	72%
 Poland	Bakalarzewo	150.0	----	0.07	1,046	10.5	87.7	2.0	8.6	57%	17	----	H2/2024	25	65%
 Israel	Behind the meter	----	650.0	----	----	21.3	201.0	1.6	19.7	80%	15	----	2023- 2024	25	35%
<b>Total</b>		<b>607.0</b>	<b>650.0</b>	<b>----</b>	<b>----</b>	<b>85.4</b>	<b>678.7</b>	<b>16.7</b>	<b>68.6</b>	<b>----</b>	<b>----</b>	<b>----</b>	<b>----</b>	<b>----</b>	<b>----</b>

# Appendix – Projects under Development<sup>8</sup> and other Financial Data

Country	Segment	(MWp) Capacity	Size of Holdings
 Israel	Ground	323.0	25%
 Israel	Roofs	159.6	30%
 Israel	Reservoirs	156.0	50%
 Italy	Sunprime	81.5	20%
 USA	Blue Sky	207.0	67%
 Poland	Electrum Pipeline	222.0	72%
<b>Total</b>		<b>1,149</b>	<b>----</b>

**113**

Fair value of debenture, billion Euro

**(19)**

Losses transferred for tax purposes, million Euro

**29**









Project loans that appear in the consolidated financial statements, million Euro

**0.39**

Cash, inventory, unutilized facilities and deposits, billion Euro

# Global Momentum of Construction<sup>2</sup>

Details of the projects under construction and in pre-construction, 100% holdings, the company's share in parentheses

Project	Capacity, <sup>4</sup> MW	Completion Date for Construction <sup>4</sup>	Revenue – Representative First Year, <sup>8</sup> million Euro <sup>9</sup>
 <b>Sabinar</b>	238 (86)	H2 2022	37 (13)
 <b>Ratesti</b>	155 (78)	H1 2023	18 (9)
 <b>Blue Sky</b>	63 (42)	Q2 2022 – H1 2023	16 (11)
 <b>Sunprime</b>	120 (24)	Q2 2022 – H2 2023	14 (3)
 <b>Cybinka</b>	40 (36)	H2 2023	3 (3)
 <b>Cellarhead</b>	698 (524)	H1 2024	50 (38)
 <b>Israel – PV</b>	112 (40)	Q2 2022 – H2 2022	20 (7)
 <b>Israel – Storage</b>	110 (33)	Q2 2022 – H2 2022	4 (1)
<b>Total</b>	<b>1,537 (862)</b>		<b>162 (85)</b>

# Clarifications and notes

*Amounts given in EUR are converted from the NIS figures provided in Company's Hebrew language presentation dated 29 March 2022 (reference no. "2022-01-031437"), according to an assumed conversion rate of 1EUR:NIS3.5199*

1. For information with respect to the Company's plans and goals for the upcoming year see Section 4.10-4.11 of the chapter describing the corporation's businesses in the 2021 Annual Report, which is incorporated in this presentation by reference thereto ("the Description of the Corporations Business"). It is noted that the the Company's plans and goals for the upcoming year constitute forward-looking statements, as the term is defined in the Securities Law, that are largely based on expectations and projections regarding economic, sectoral, and other developments, and on their integration with one another. These plans and projections may not materialize or may materialize in a fashion that differs, including substantially, from that projected by the Company above, owing to various factors that are outside the Company's control, including difficulties in locating the funding sources required to develop the Company's operations, difficulties in erecting the different types of systems, difficulties in locating partners, difficulties in locating lands for constructing the systems, not receiving the permits necessary for erecting the systems, difficulties in engaging various parties required to execute the Company's plans and objectives, non-publication of competitive undertakings to erect systems, changes in tariff schemes, changes in electricity tariffs and in system construction costs, changes in foreign currency exchange rates, difficulties and delays in obtaining approvals, permits, and agreements, difficulties in securing financing sources, changes in financing costs, persistence of the COVID 19 crisis and the restrictions enacted (and that will be enacted) in its wake, etc., in a fashion that will hinder achieving the Company's objectives and strategy, or that will lead the Company to conclude that it is not economically feasible to realize the objectives and / or the aforementioned strategies, etc., or the realization of one of the risk factors described in section 4.13 of the chapter describing the corporation's businesses in the 2021 Annual Report, where the information provided therein is incorporated in this presentation by reference (the "Facts and Data Underlying the Assumptions")
2. For information with respect to the Company's pipeline of projects see Section 1.4 of the Directors' Report – Part II of the 2021 Annual Report (the "2021 Directors' Report") which is incorporated in this presentation by reference thereto. It is noted that due to the early stage of these projects, as of the date of this presentation there is no certainty that these projects will be realized or if realized, in what capacity. Projections regarding the output of the systems, the construction completion dates of the systems, the expected income for the first year and projected EBITA and FFO for the first year of each system, constitute forward-looking statements, as this term is defined in the Securities Law, that are based largely on the Company's expectations and projections regarding systems connected, under construction or pre-construction as stated in the table at Section 1.4 of the 2021 Director's Report which is incorporated in this presentation by reference (on the basis that the projects will be connected at the same time and that the assumptions stated therein are met). These details are provided solely for purposes of illustrating the systems' revenues to the extent that the Company's forecasts are met, and they are not intended to represent forecasts of the Company's performance in these years. It is noted that if any of the assumptions listed in Section 1.4 of the 2021 Directors' Report do not occur, they may potentially change the revenue from the sale of electricity during the representative first year with respect to the amounts tabulated and stated in this presentation.
3. Based on the pipeline of projects that are ready to be connected, under construction or pre-construction. For information with respect to the Company's pipeline of projects see Section 1.4 of the 2021 Directors' Report which is incorporated in this presentation by reference thereto. It is noted that due to the early stage of these projects, as of the date of this presentation there is no certainty that these projects will be realized or if realized, in what capacity as stated above. Similarly, projections of the Company regarding its pipeline of projects constitute forward-looking statements, as the term is defined in the Securities Law, that are largely based on expectations and projections regarding economic, sectoral, and other developments, and on their integration with one another. These projections may not materialize or may materialize in a fashion that differs, including substantially, from that projected by the Company above, owing to various factors that are outside the Company's control and in particular, the Facts and Data Underlying the Assumptions.



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4. Forecasts for 2021 are as stated in the Prospectus. Results for 2020 and performance for 2021 are based on the information included in the 2021 Annual Report which is incorporated by reference hereby.
5. With respect to tariffs set in competitive process for ground mounted solar, PV facilities incorporating BESS and dual use facilities.
6. Based on the Company's assumptions with respect to the construction costs of projects at commercial operation, under construction and pre-construction in Israel, Italy, USA, Cellarhead and Olmedilla respectively and the Company's assumptions with respect to the first operational year as stated in Section 1.4 of the 2021 Directors' Report which is incorporated by reference hereby. The Company's assumptions for costs, expected income projected EBITA and FFO, constitute forward-looking statements, as this term is defined in the Securities Law, that are largely based on expectations and projections regarding economic, sectoral, and other developments, and on their integration with one another. These projections may not materialize or may materialize in a fashion that differs, including substantially, from that projected by the Company above, owing to various factors that are outside the Company's control and in particular, the Facts and Data Underlying the Assumptions.
7. Based on the Company's financial statements for 31.12.2018, 31.12.2019, 31.12.2020 and 31.12.2021.
8. Data is provided on a 100% basis. For details regarding the Company's holdings in each type of system, see the table at Section 1.4 of the 2021 Directors' Report and the notes thereunder, which is incorporated by reference hereby. It is noted that the information regarding connected projects is different to the information in the Directors' Report since it is assumed that all systems will operate for a full representative year and that with respect to Blue-Sky projects, that all electricity generated will be sold to consumers at the retail location. The Company's assumptions, as tabulated, constitute forward-looking statements, as this term is defined in the Securities Law, that are largely based on expectations and projections regarding economic, sectoral, and other developments, and on their integration with one another. These projections may not materialize or may materialize in a fashion that differs, including substantially, from that projected by the Company above, owing to various factors that are outside the Company's control and in particular, the Facts and Data Underlying the Assumptions.
9. It is noted that the entities holding such projects have tax partners. Pursuant to the agreements with the tax partners, provisions are made for the manner in which profits are distributed by the portfolio entity holding the project to the tax partner for a set period of time as stated therein. The EBITA and the FFO are stated net following the payment of the tax partner's share. It is also noted that the sale of electricity by Blue Sky is pursuant to power purchase agreements between the project companies and the consumers. As of the date hereof, the electricity generated is not sold in its entirety. Accordingly, Blue Sky is working to enter into agreements with consumers for the entire generated capacity of the project, in order to obtain payments for the electricity generated by each system shall be in accordance with the table.