

# Nofar

2022 Annual Report



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This presentation was prepared by OY Nofar Energy LTD. (the "**Company**") as a general presentation regarding the Company and the corporations held by the Company (including associated companies) (the "**Group**"). This presentation does not constitute an offer to purchase or sell the Company's securities or an invitation to receive proposals of such nature. The presentation is for information purposes only.

The information included in this presentation (the "**Information**") is presented for information 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 2022, published on 30.3.2023 (reference no. 2023-01-2023-01-031099; the "**2022 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 2022 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).

The Company's projections regarding the systems' respective capacities (slides 3, 4, 6, 7, 8, 11--15, 17, 18, and 24-28), expected EBITDA from projects (slides 6, 7, 8, 11-15, 17, 18, and 24-28), expected FFO from projects (slides 6, 7, 8, 11-15, 17, 18, and 24-28), construction costs (slides 6, 7, 8 11-15, 17, 18, and 24-28), the equity required for the projects, leverage rate, interest and loan period (slides 6, 7, 8, 11-15, 17, 18, and 24-28, as well as the Company's plans and goals (slides 17, 19, 20, and 24-28) 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, sectorial, 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 and increase in shipping expenses, 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 29 hereto.

It is noted that slides 9, 18, 19 and 20 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 projection 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

## 2022

- Connection to the network of 437 MW – 250% annual growth
- Financing transactions in the amount of over NIS 1.5 billion
- Doubling the Company's revenues from selling electricity
- Towards a significant growth in the scopes of activity in 2023

**221**

Revenues for the period, NIS million

**1,618**

Equity attributed to owners, NIS million

**1,551**

Cash, inventory, unutilized amounts and short-term deposits NIS million



Solar 

**853** <sup>(379) <sup>2</sup></sup>  
MW

Connected and ready to be connected

**1,056** <sup>(749) <sup>2</sup></sup>  
MW

Under construction and pre-construction

Storage 

**993** <sup>(635) <sup>2</sup></sup>  
MWh

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

**1,476** <sup>(881) <sup>2,3,7,9</sup></sup>

NIS million  
Annual revenue from electricity representing first year

\*100% data, Company's share in parentheses

# 2022 - Significant achievements in all areas of activity



## Momentum of constructions and connections

Connection of approx. 437 MW to the network in 4 countries

Approx. 1.9 GW connected projects, ready to be connected, under construction and in pre-construction<sup>2</sup>

Project financing of over NIS 1 billion



## Storage

Reaching a portfolio of approx. **4.1 GWh<sup>2</sup>**

Approx. **1 GWh** under construction and pre-construction<sup>2</sup>

Construction global expertise



## Electricity sales

PPA agreements – 272 MW in the mid-long term and high tariffs

**106%** - annual growth in revenues from selling electricity

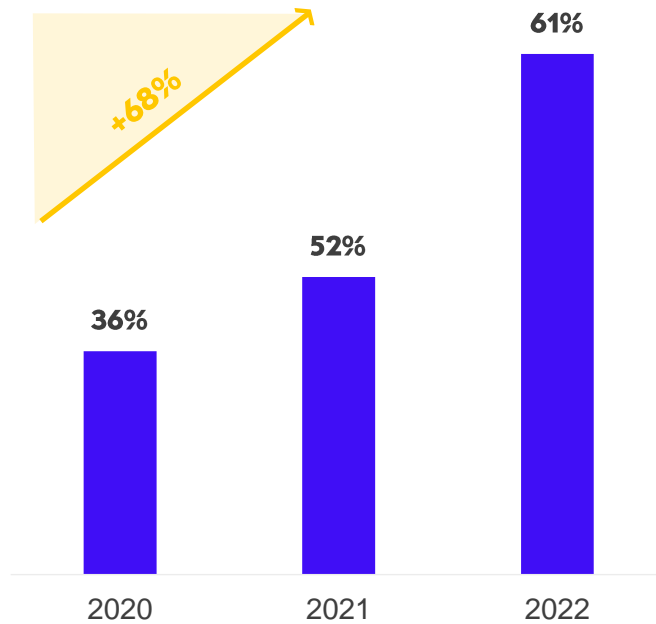
**89%** of the connected has a guaranteed tariff<sup>5</sup>

# 2022 - Significant increase in all parameters<sup>4</sup>

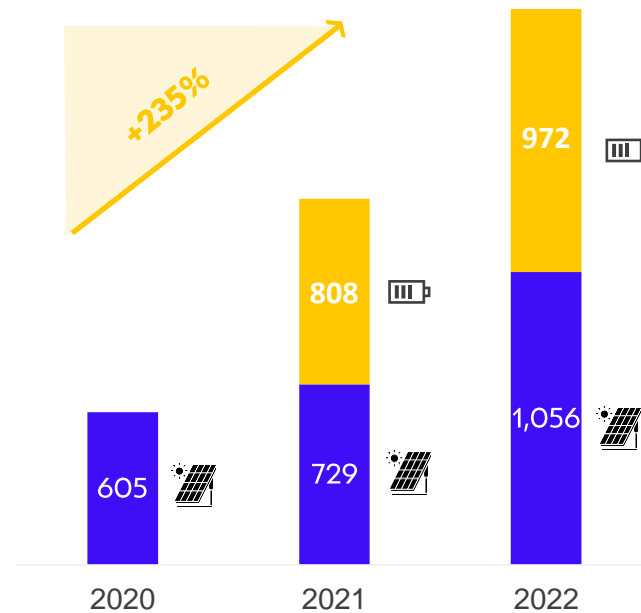
100% data

## Weighted holding rate

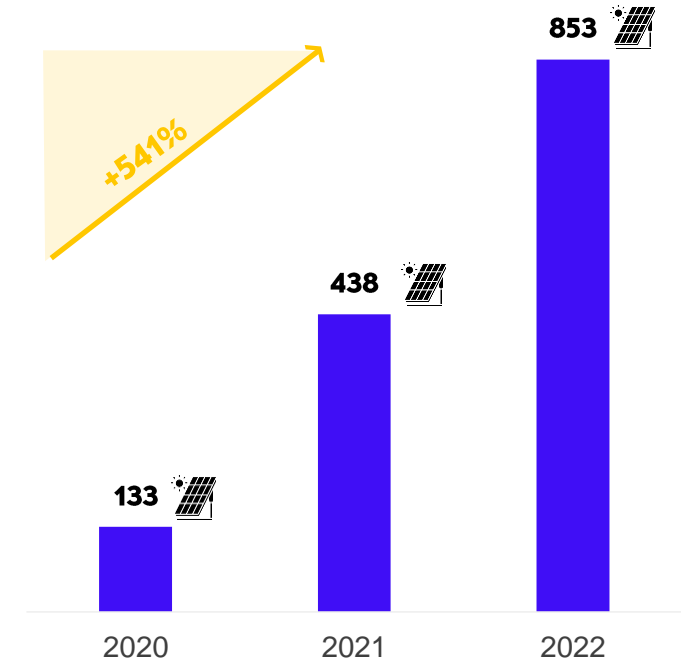
connected and ready to be connected, under construction and pre-construction



## Capacity of projects under construction and pre-construction, MWh/MW

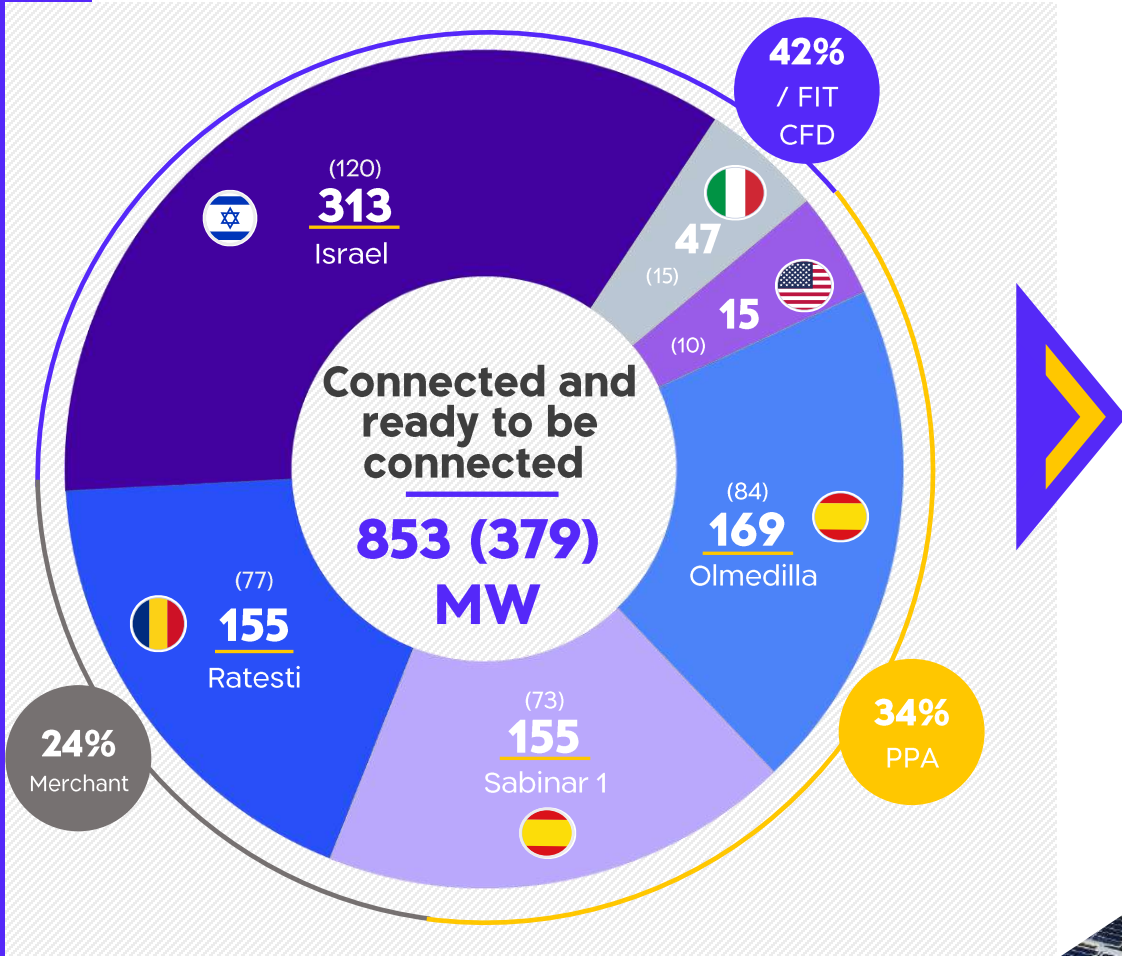


## Capacity of solar connected and ready to be connected projects, MW



# Connected and Ready to be Connected

100% holdings, Company share in parentheses



## Financials, NIS million<sup>2, 7</sup>

### Forecast of Electricity Sales

Representative first year

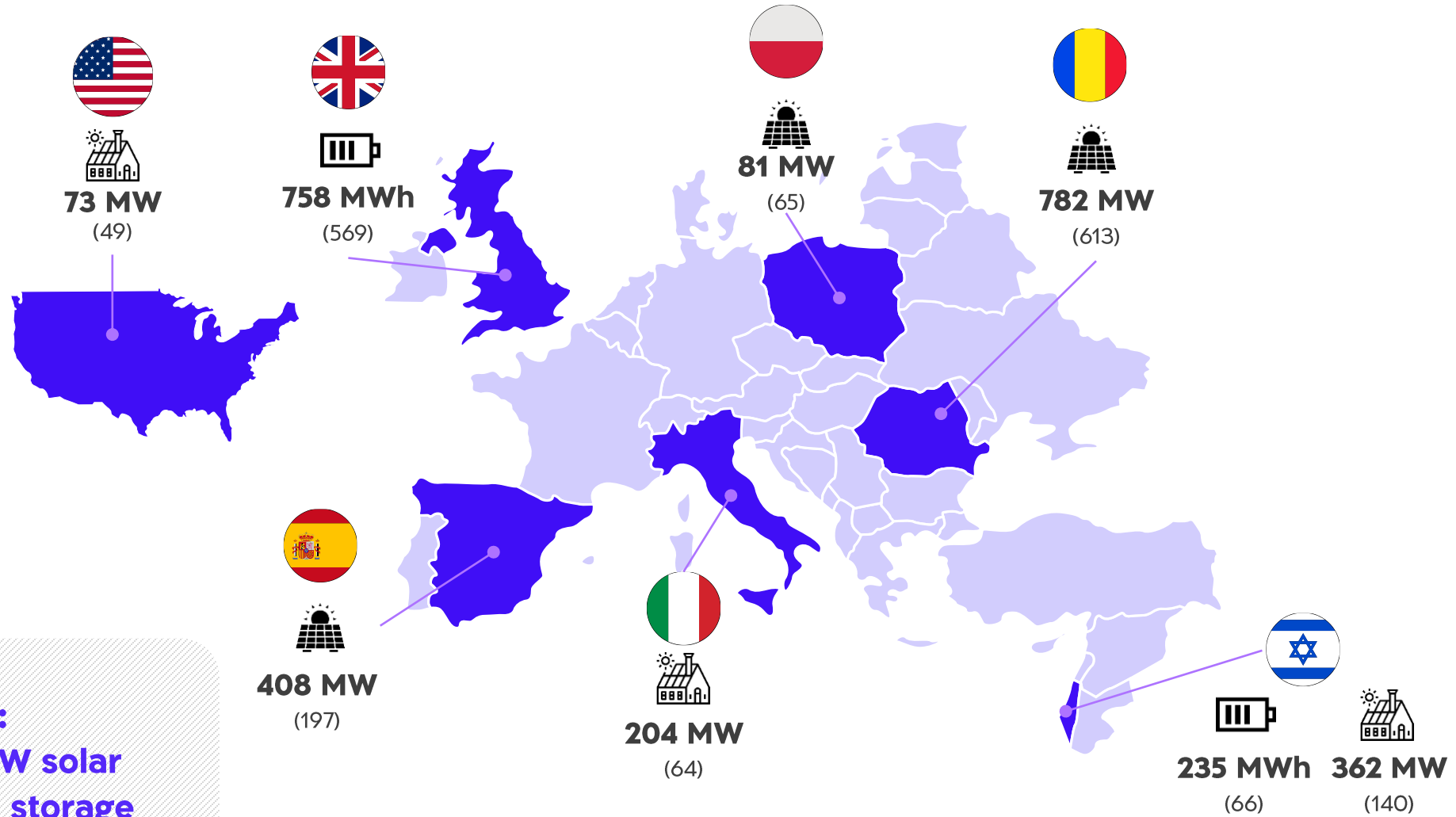
Constructions costs	Revenues	EBITDA	FFO
<b>3,011</b> (1,328)	<b>565</b> (249)	<b>460</b> (204)	<b>345</b> (156)

$$\frac{\text{EBITDA}}{\text{Constructions cost}} = 15\%$$

\*Before leverage project finance

# Significant pipeline of yielding projects, projects Under Construction and Pre-Construction projects characterized by high tariffs<sup>5, 10</sup>

100% data, Company share in parentheses



**Total:**  
**1,909 (1,128) MW solar**  
**993 (635) MWh storage**



# Significant pipeline of yielding projects, projects Under Construction and Pre-Construction projects

## characterized by high tariffs<sup>2, 5, 7, 10</sup>

100% data, Company share in parentheses

### Financial data, NIS million

Forecast of electricity sales in representative first year

	Construction costs	Revenues	EBITDA	FFO
Connected and ready to be connected	3,011 (1,328)	565 (249)	460 (204)	345 (156)
Under constructions / pre-construction	4,788 (3,205)	911 (632)	808 (562)	620 (437)
<b>Total</b>	<b>7,799</b> (4,533)	<b>1,476</b> (881)	<b>1,268</b> (766)	<b>965</b> (593)



$$\frac{\text{EBITDA}^2}{\text{Construction cost}^2} = 16\%$$

**1,268** (766)  


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**7,799** (4,533)

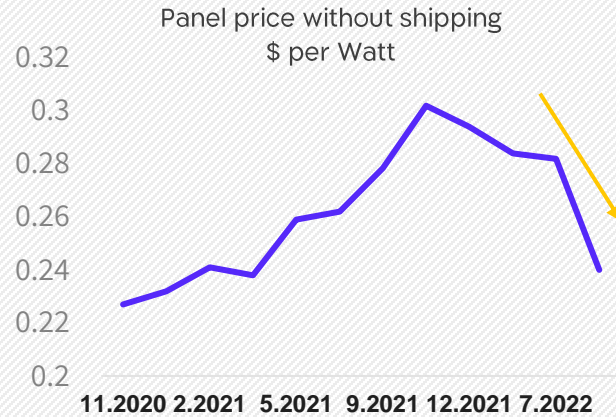
\*Before leverage project finance



# Changes in the pricing environment are expected to improve even more the projects' yields and value<sup>13</sup>

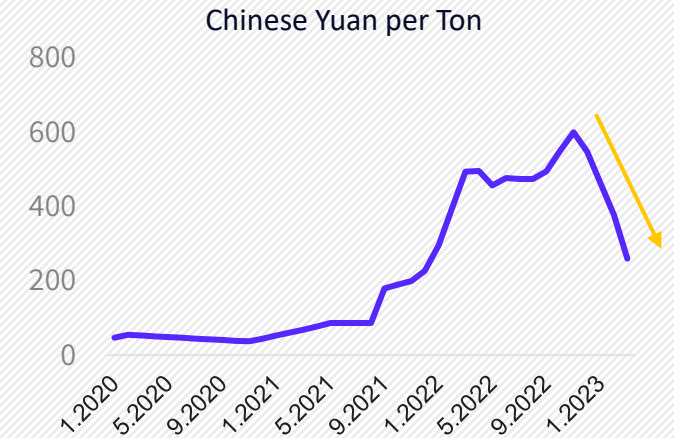
## Panel price

**Approx. 21%**  
decrease compared  
with record price



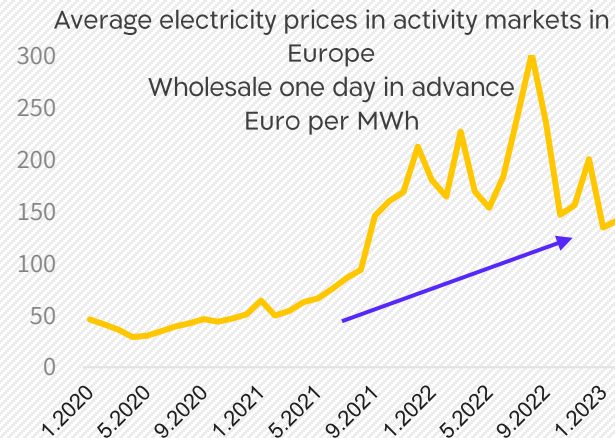
## Lithium price

**Approx. 57%**  
decrease compared  
with record price



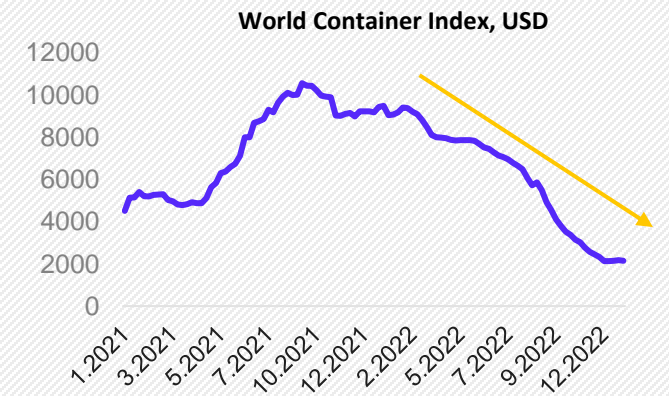
## Electricity prices

**Over 100%**  
increase compared  
with the beginning of  
2021







## Maritime shipping price

**Approx. 80%**  
decrease compared  
with record price







# Coping with an environment of high interest rates

## Adjustments in the Company's strategy in light of the interest rates environment

- 
 Building a financing structure that allows re-financing in the mid-term
- 
 Maximizing financing at project level
- 
 Increase in interest rates creates opportunities for the Company with financial strength and low leverage
- 
 Maintaining a high liquidity rate at Company level

## In recent months the Company has closed project financing of over NIS 1 billion

	<u>Sunprime</u>	<u>Sabinar</u>
<b>Country</b>	 Italy	 Spain
<b>Segment</b>	 C&I	 Utility
<b>Total financing</b> Euro million	150	132
<b>Effective interest rate</b> First year	5.5%	4.6%
<b>Financing entity</b>	Consortium headed by an Austrian banking entity	German institutional entity

# Nofar Energy Group

## C&I, Utility, Storage

100% holdings



### Spain<sup>2</sup>

Segment: Utility  
Mature portfolio: 407  
(97) MW



### USA<sup>2</sup>

Segment: C&I, Storage  
Mature portfolio: 121  
(81) MW



### Israel<sup>2</sup>

Segment: C&I, Storage  
Mature portfolio:  
530 (209) MW, 838 (271) MWh



### Romania<sup>2</sup>

Segment: Utility  
Mature portfolio: 782  
(613) MW



### Poland<sup>2</sup>

Segment: Utility  
Mature portfolio: 489  
(374) MW



### Italy<sup>2</sup>

Segment: C&I  
Mature portfolio: 475  
(148) MW



### UK<sup>2</sup>

Segment: Storage  
Mature portfolio: 1,018  
(764) MWh



# Global C&I company

## Israel

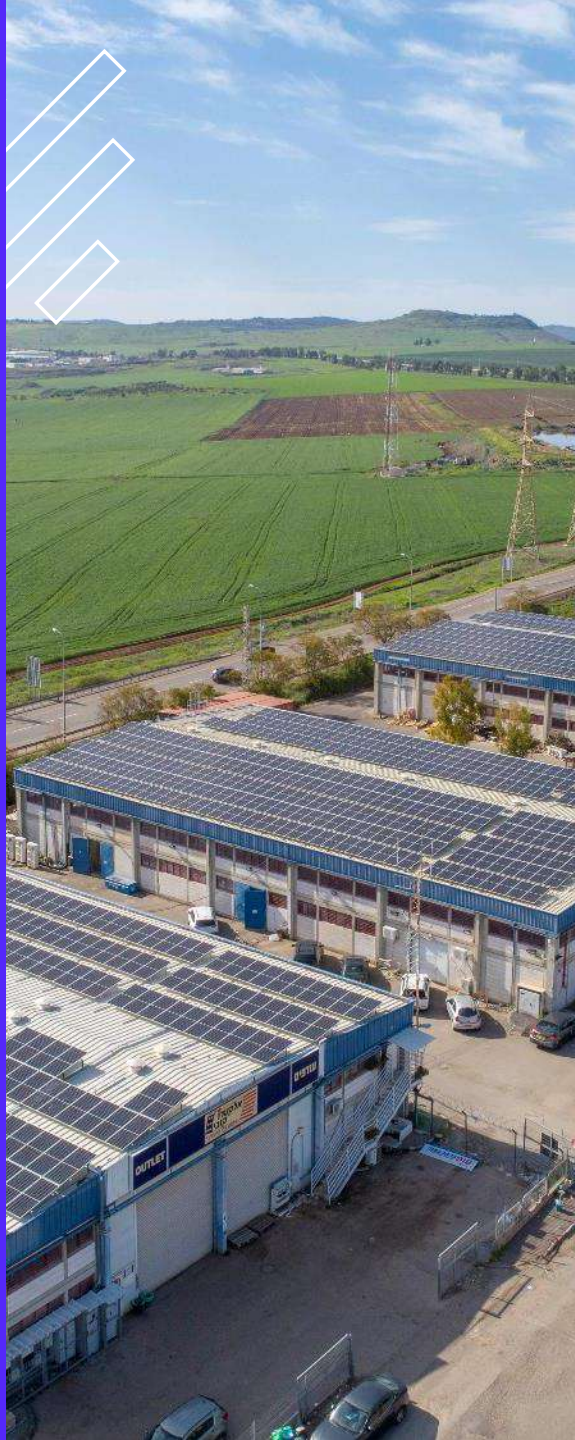
- Regulating high FIT tariffs in upcoming years as well<sup>5, 10</sup>
- An array of partnerships and infrastructure as a basis for expansion
- 362 MW connected, ready to be connected and under construction and pre-construction<sup>2</sup>

## USA

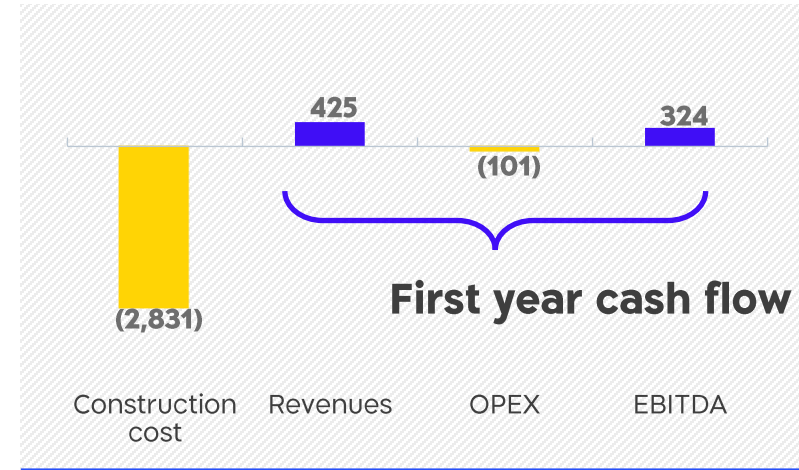
- PPA at high retail prices<sup>5, 10</sup>
- A portfolio of 358 MW to be constructed in the USA with a REIT fund
- Implementing a tax deduction of 30% will allow accelerated growth

## Italy

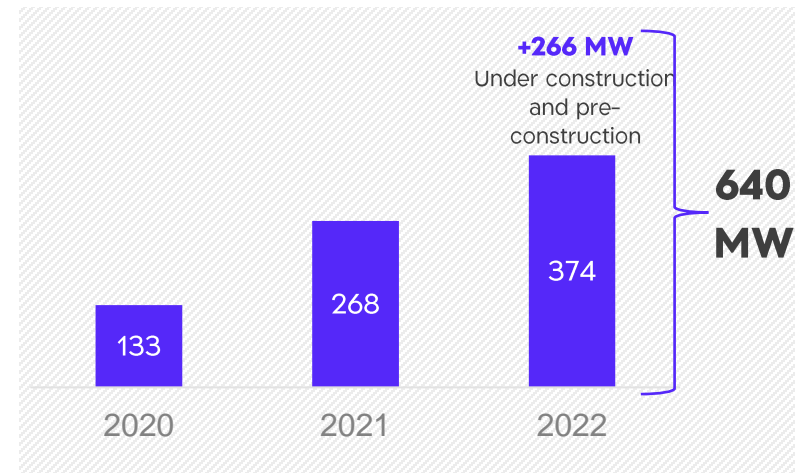
- High guaranteed tariffs<sup>10, 5</sup>
- Financial closing of Euro 150 million for the construction of 216 MW
- 400 MW connected – goal for 2025<sup>2</sup>



**Financial data – Israel, USA and Italy – 640 MW <sup>6</sup>**  
 Connected projects, ready to be connected projects, projects under construction, 100% holdings, NIS million



**Accelerated and constant growth in projects under construction<sup>1</sup>**  
 Connected and ready to be connected projects, 100% holdings, MW





# Sunprime Case Study

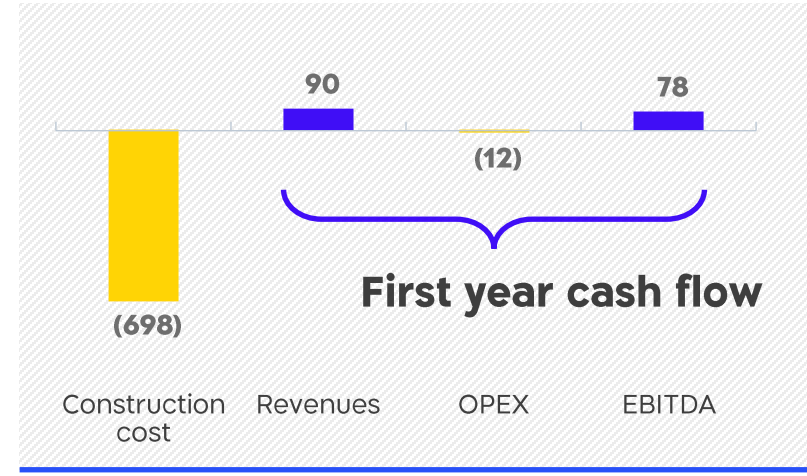
Rotostatic, Italy



- A leading C&I player in Italy
- High FIT tariffs<sup>5,10</sup>
- Entering at an initial stage – a sharp increase in value
- A strong local team that includes over 50 employees
- A financing agreement for Euro 150 million for constructing 216 MW
- The Company has the equity for constructing the projects in the financing agreement
- The possibility to sell at market prices in the first 18–30 months of operation
- Target for 2025 – 400 MW<sup>4</sup>

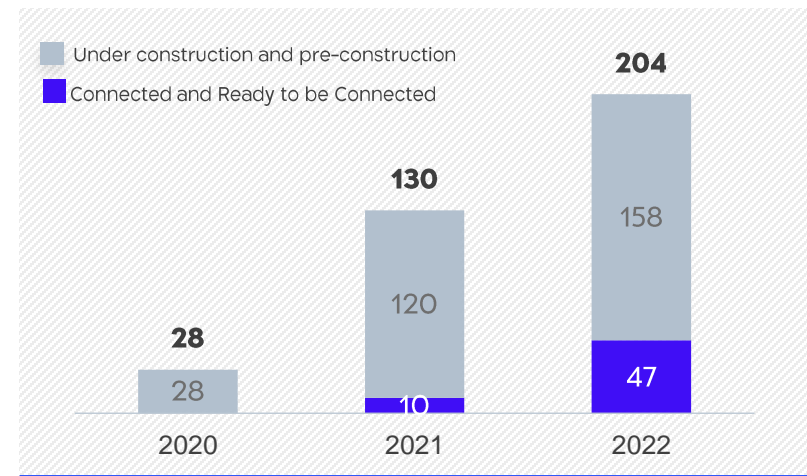
## Financial data- 400 MW <sup>2,6</sup>

Connected projects, ready to be connected projects, projects under construction, 100% holdings, NIS million



## Significant growth in constructions and connections<sup>1</sup>

Connected projects and projects ready to be connected, projects under construction and pre-construction, 100% holdings, MW



# Solar projects Utility Scale

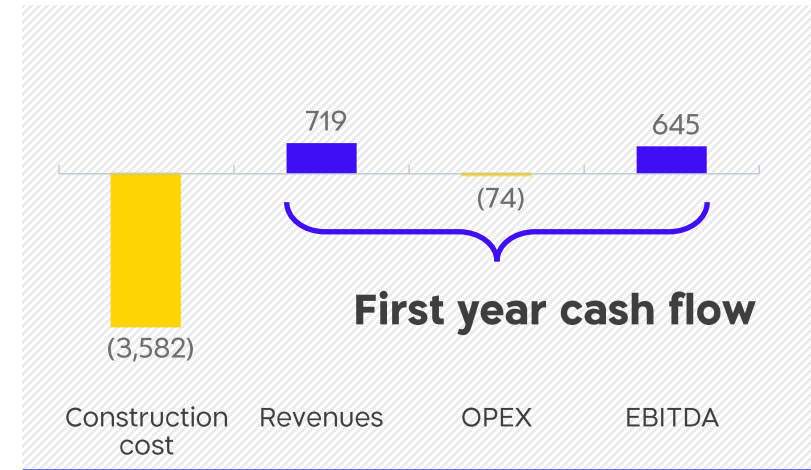
- Local development platforms for promoting projects in the UK, Romania, Poland and Spain
- High electricity prices in Europe<sup>11</sup>
- Forecasted significant growth in the scope of capacity from renewable energies in the countries of activity<sup>11</sup>
- Business model that integrates self-development and entering projects at the stage of development
- 479 MW connected and ready to be connected and 791 MW under construction and pre-construction<sup>2</sup>
- Building global expertise in trading electricity



## Financial data – 129 MW<sup>6</sup>

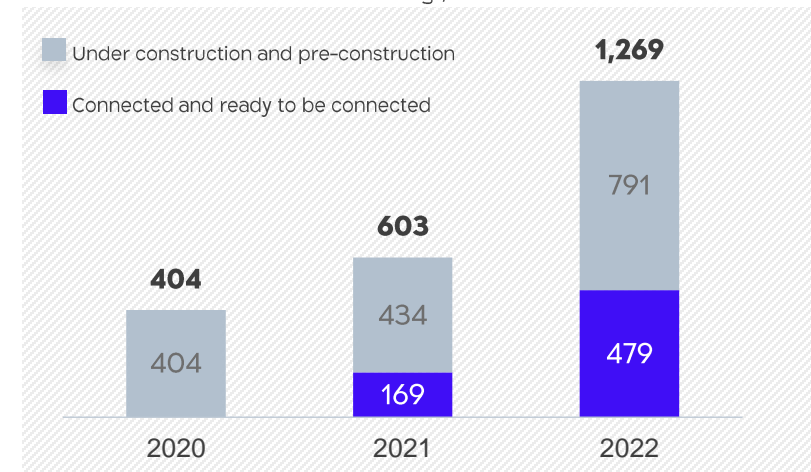


Connected utility projects, ready to be connected projects, projects under construction and pre-construction, 100% holdings, NIS million



## Significant growth in constructions and connections<sup>1</sup>

Connected projects and projects ready to be connected, projects under construction and pre-construction  
100% holdings, MW





# Spain Case study

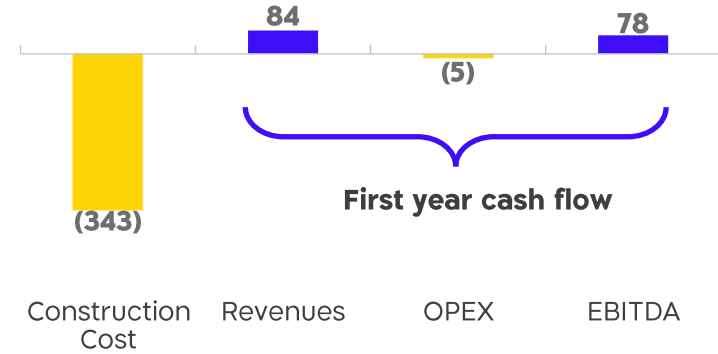


Olmedilla, Spain



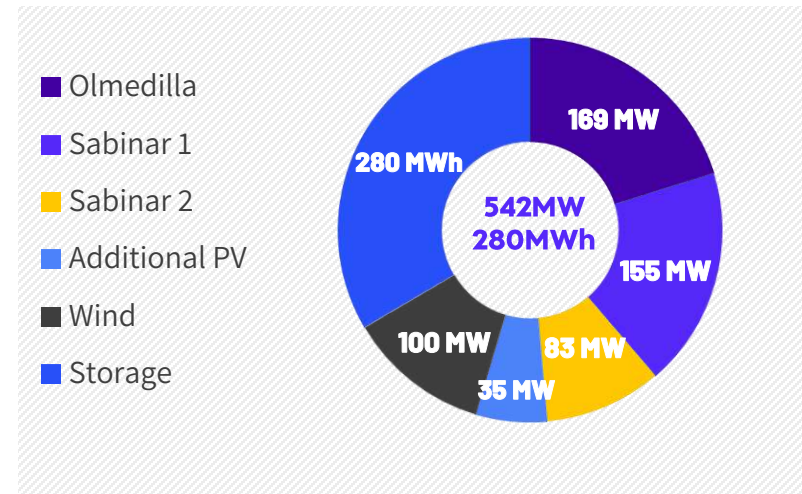
### Financial data – 407 MW <sup>2,6</sup>

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



### Portfolio in Spain<sup>2</sup>

Connected projects, projects under construction and in development



- Utility projects with total capacity of 407 MW<sup>2</sup>
- Maximizing high electricity prices in PPA agreements
- Upside potential from market prices

- $\frac{EBITDA^2}{Construction\ costs^2} = 19\%$

- Financial closings of over Euro 200 million
- Initiation of a project under the hybrid regulation

- Wind – 100MW
- Solar – 35 MW
- Storage – 280 MWh

# Utility - a momentum of Constructions and Connections



Ratesti, Romania – 155 MW



Olmedilla, Spain – 169 MW



Sabinar 1, Spain – 155 MW



Krzywinskie, Poland – 20 MW



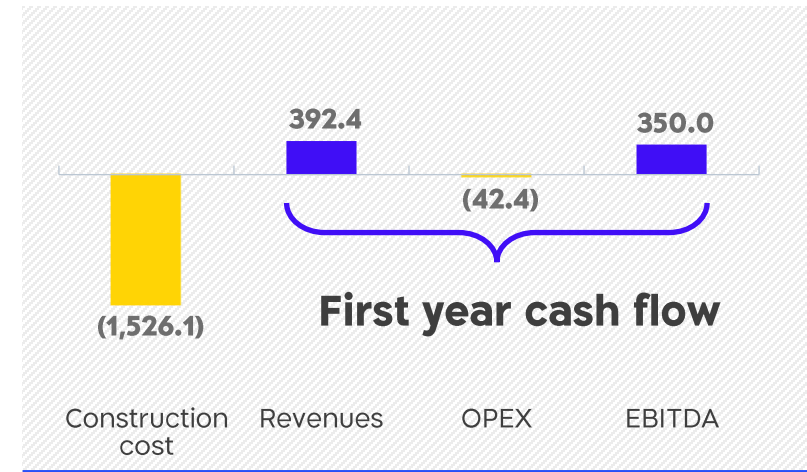
# Storage Projects

- Storage as a strategic growth engine
- Projects in 6 countries: Israel, UK, Greece, Spain, USA and Poland<sup>2</sup>
- Global expertise and leadership in the area of storage
- Strong organizational infrastructure for developing construction, financing and maximizing storage projects
- Regulation that promotes combining storage on the network
- A multitude of renewable energies are expected to increase the need for storage and improve its effectiveness



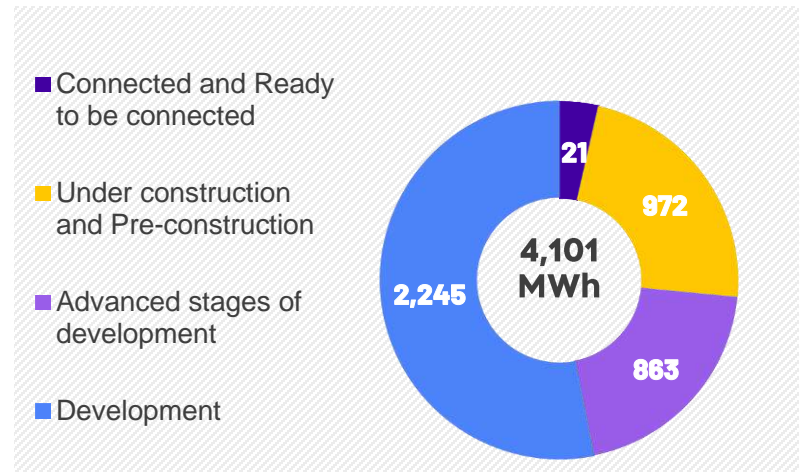
## Financial data – 1,018 MWh

Projects construction and pre-construction, advanced stages of development in UK  
100% holdings, NIS million



## Significant portfolio for continued accelerated growth<sup>2</sup>

100%, 100% holdings



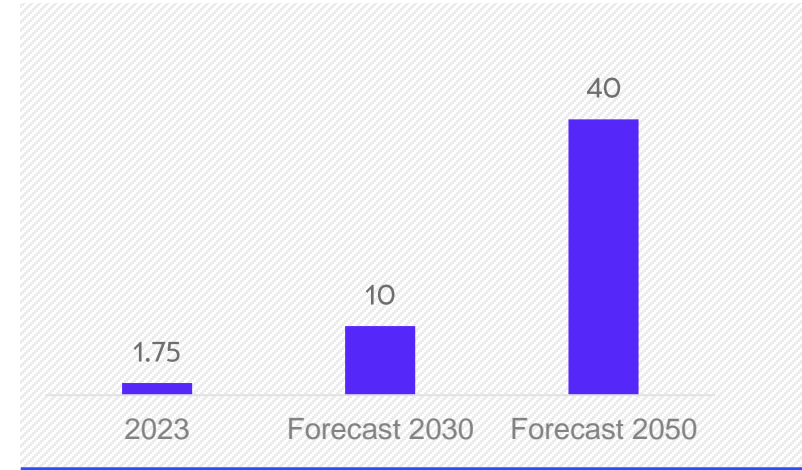


# Atlantic Green Case Study



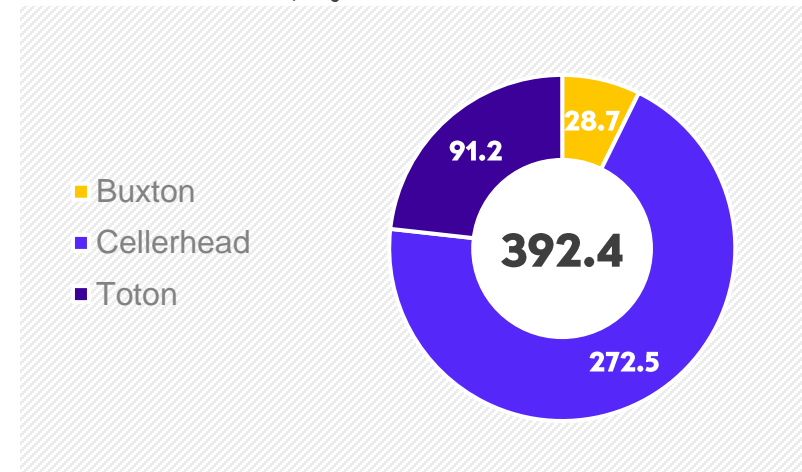
## Segment under significant growth<sup>1</sup>

Forecast of installed capacity of storage projects in the UK, GWh



## Strong and diversified sources of revenues<sup>2</sup>

Revenues forecast for representative first year, storage projects, NIS million



- Local platform with expertise in the area, that allows continued growth with high profitability
- Projects in the scope of over 1 GWh
- Starting to construct Cellarhead and Buxton – 758 MWh
- Tax over surplus income from high electricity prices does not apply to storage projects<sup>11</sup>
- Winning the tender for availability payments at a high price for Buxton project – GBP 300 thousand, indexed for 15 years
- $23\% = \frac{EBITDA^2}{\text{Construction cost}^2}$
- Expected dramatic increase in the storage capacity in the country – an increase of approx. 40 GW until 2025<sup>11</sup>

# 2023 - Towards another significant Spring in the Scope of Nofar Activity <sup>1</sup>

**Constructing 1 GW solar projects in 6 countries**



**Performing financing transactions for the Company's projects that will start construction**



**Continued growth with high yields and bringing value from the Company's platforms**



**Constructing 1 GWh of storage projects**

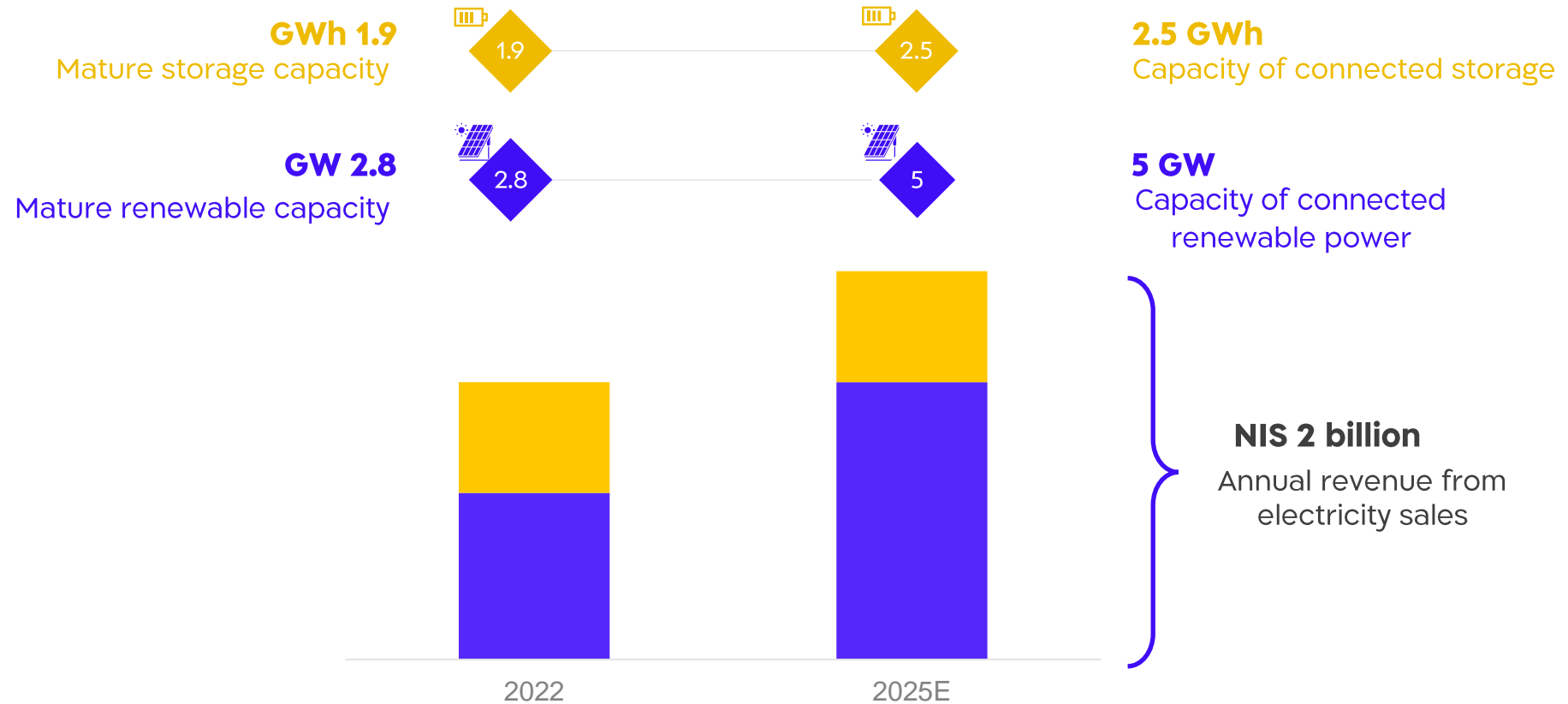


**Doubling revenues from electricity sales**



# Company's goal for 2025 – increasing goal<sup>1</sup>

100% holdings



# Summary of Financial Reports

2022 data, consolidated, NIS thousand

## P&L Report

Revenues	341,568
Operational profit	159,064
Profit for the period	148,508
Comprehensive profit for the period	72,849
Total comprehensive profit for the period	221,357

## Balance Sheet

Cash and cash equivalents	736,626
Other current assets	359,683
Non-current assets	3,522,001
<b>Total assets</b>	<b>4,618,310</b>
Current liabilities	739,586
Non-current liabilities	1,354,105
<b>Total liabilities</b>	<b>2,093,691</b>
Equity (including attributed to minority rights)	2,524,619
<b>Total liabilities and equity</b>	<b>4,618,310</b>

# Financial Strength

**1.6**

Equity attributed to owners  
NIS billion

**55%**

Equity for balance sheet, solo

**4.6**

Total Balance sheet  
NIS billion

**1.41**

Immediate liquidity ratio

**1.55**

Gross liquid  
Cash and cash equivalents, unused  
facilities and inventories, NIS billion

**221**

Comprehensive income for the  
period

**605**

Total investments for 2022  
NIS million

**879%**

Increase in fixed assets  
for 2022 compared to  
2021













# Project Appendixes

 Nofar

# Appendix – Connected Projects<sup>7</sup>

(aggregate, NIS million)

Data for a representative first year





Segment/ Country	Capacity (MWp)	Storage capacity (MWh)	Weighted tariff (NIS) <sup>10</sup>	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)	Predicted FFO for the first year	Rate of tax equity in the investment	Date of completion of construction	Remaining lifespan of the project (years)	Size of holdings
 Net meter	55.8	----	0.36	1,740	35.3	267.9	9.3	26.0	192.4	17	13.0	----	2020	23	39%
 Tariff	120.2	----	0.61	1,735	128.3	574.6	30.3	97.9	412.7	17	69.8	----	2021	22	35%
 Tenders	77.7	----	0.25	1,740	33.9	256.3	13.6	20.3	184.1	17	7.9	----	2022	25	39%
 Sunprime	19.4	----	0.36	1,118	7.9	65.8	1.2	6.7	46.7	10	4.0	----	2022	30	31%
 Blue sky <sup>8</sup>	14.6	----	0.57	1,680	14.1	164.8	3.6	10.5	76.8	17-20	5.5	37%	2021	27-30	67%
 Ollmedilla	169.0	----	0.25	2,181	92.7	485.3	8.3	84.4	265.0	17	77.0	----	2022	30	50%
 Sabinar I	155.0	----	0.29	2,135	97.4	513.9	13.3	84.2	305.4	23	70.1	----	2022	30	47% <sup>S</sup>
 Storage behind the meter	----	5.9	----	----	0.8	8.7	0.1	0.7	5.8	15	0.3	----	2021	24	38%
<b>Total</b>	<b>611.8</b>	<b>5.9</b>	<b>----</b>	<b>----</b>	<b>410.3</b>	<b>2,337.2</b>	<b>79.6</b>	<b>330.7</b>	<b>1,488.8</b>	<b>----</b>	<b>247.7</b>	<b>----</b>	<b>----</b>	<b>----</b>	<b>----</b>



# Appendix – Connected Projects<sup>7</sup>

(aggregate, NIS million)
















## Data for a representative first year

Segment/ Country	Capacity (MWp)	Storage capacity (MWh)	Weighted tariff (USD) <sup>10</sup>	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)	Predicted FFO for the first year	Lifespan of project from connection (years)	Size of holdings
 Tariff	41.6	----	0.45	1,750	32.7	120.2	7.8	25.0	85%	20-24	18.1	25	45%
 Tenders	17.6	----	0.26	1,750	7.9	57.8	2.4	5.6	85%	20-24	1.4	25	43%
 Sunprime	27.3	----	0.34	1,182	11.1	89.7	1.6	9.4	71%	10	5.8	30	31%
 Ratesti*	154.7	----	0.48	1,370	101.3	383.4	14.1	87.1	60%	15	71.6	35	50%
 Storage behind the meter	----	15.3	----	----	2.0	22.6	0.1	1.9	80%	15	0.6	25	24%
<b>Total</b>	<b>241.1</b>	<b>15.3</b>	<b>----</b>	<b>----</b>	<b>155.0</b>	<b>673.6</b>	<b>26.0</b>	<b>129.0</b>	<b>----</b>	<b>----</b>	<b>97.6</b>	<b>----</b>	<b>----</b>

\* Ratesti project was entirely financed by equity. According to the memorandum of understanding signed regarding the project, it will be financed at 60%.














# Appendix – Projects Under Construction/ Pre-Construction<sup>7</sup>

(aggregate, NIS million)

Country	Segment/ Project	Capacity (MWp)	Storage capacity (MWh)	Weighted tariff (NIS) <sup>10</sup>	Predicted annual production hours (KWh/KWp)	Expected annual income	Total construction costs	Equity invested until- 31.12.2022	Total annual operating cost	Predicted EBITDA	Predicted leverage rate (senior debt)	Balance of the loan period (years)	Predicted FFO for the first year	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	22.1	----	0.45	1,750	17.4	63.1	50%	4.2	13.2	85%	20-24	9.6	----	2023	25	42%
	Israel	Tenders	27.4	----	0.25	1,750	11.8	83.8	50%	3.4	8.4	85%	20-24	3.6	----	2023	25	40%
	Italy	Sunprime	157.6	----	0.36	1,271	71.2	542.6	100%	9.5	61.8	71%	10	39.8	----	2023 - 2024	30	31%
	Spain	Sabinar II	83.0	----	0.54	2,034	91.5	323.4	100%	3.8	87.7	59%	23	78.8	----	H1 2023	30	47%
	Romania	Lepuresti	169.0	----	0.42	1,400	99.1	477.0	14%	9.2	89.9	65%	15	70.6	----	2024-2025	30	86%
	Romania	Corbii Mari	256.0	----	0.32	1,300	105.4	609.1	5%	11.7	93.7	65%	15	69.0	----	2025	35	86%
	Romania	Ghimpati	130.0	----	0.32	1,323	54.5	338.5	1%	5.6	48.8	65%	15	35.1	----	2025	30	86%
	Romania	Slobozia	72.0	----	0.32	1,500	34.2	230.1	0%	3.4	30.8	65%	15	21.5	----	2025	30	86%
	USA <sup>8</sup>	Blue Sky	58.4	----	0.62	1,478	53.8	544.6	5%	14.4	39.4	40%	18	25.2	40%	2023 - 2024	30	67%
	Poland	Cybinka	40.0	----	0.48	1,046	19.9	87.7	5%	2.3	17.6	65%	17	13.1	----	H1 2024	30	90%
	Poland	Krzywinski	20.0	----	0.52	1,059	11.0	69.2	90%	1.1	9.8	65%	17	6.2	----	H2 2023	25	72%
	Poland	Dziewoklucz	20.7	----	0.52	1,128	12.1	65.0	43%	1.2	10.9	65%	17	7.5	----	H2 2023	25	72%
	UK	Cellerhead	----	698.0	----	----	272.5	924.3	0%	28.0	244.5	60%	10	209.9	----	2024 - 2025	30	75%
	UK	Buxton	----	60.0	----	----	28.7	115.0	4%	3.2	25.4	60%	7	21.1	----	Q4 2023	30	75%
	Israel	Storage Behind the meter	----	213.5	----	----	27.8	315.0	35%	1.8	25.9	80%	15	8.9	----	2023-2024	25	28%
Total			<b>1,056.2</b>	<b>971.5</b>	----	----	<b>910.8</b>	<b>4,788.2</b>	----	<b>102.7</b>	<b>808.0</b>	----	----	<b>619.9</b>	----	----	----	----

# Appendix - Projects in Advanced Stages of Development

(aggregate, NIS million)

Country	Segment	Capacity (MWp)	Storage (MWh)	Weighted tariff (NIS) <sup>10</sup>	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)	Predicted FFO for the first year	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	46.3	----	0.45	1,750	36.5	142.2	7.7	28.8	85%	20 - 24	20.6	----	20.6	25	31%
 Israel	Tendering	112.9	----	0.21	1,750	42.0	312.9	13.0	29.0	85%	20 - 24	11.1	----	11.1	25	45%
 Israel	Default	7.9	----	0.28	1,750	3.9	26.2	1.0	2.9	85%	20 - 24	1.4	----	1.4	25	39%
 USA <sup>8</sup>	Blue Sky	48.2	----	0.62	1,607	47.9	449.5	11.9	36.0	40%	18	24.3	40%	24.3	30	67%
 Italy	Sunprime	270.5	----	0.34	1,250	114.2	864.3	16.2	98.0	71%	10	63.0	----	63.0	30	31%
 Poland	Jozefin	50.0	----	0.43	1,026	22.3	112.5	2.4	19.8	65%	17	14.0	----	14.0	30	90%
 Poland	Swierczewo	68.7	----	0.43	1,026	30.6	141.6	3.4	27.2	65%	17	19.9	----	19.9	30	90%
 Poland	Thumos Small Projects	19.5	----	0.43	1,026	8.7	45.3	1.1	7.6	65%	17	5.2	----	5.2	30	90%
 Poland	Bakalarzewo	150.0	----	0.43	1,046	68.1	357.1	7.3	60.8	65%	17	42.2	----	42.2	30	65%
 Poland	Bartodzieje	60.0	----	0.43	1,138	29.6	153.2	3.0	26.6	65%	17	18.7	----	18.7	25	72%
 Poland	Kemienice	60.0	----	0.43	1,140	29.7	148.2	3.0	26.7	65%	17	19.0	----	19.0	25	72%
 Israel	Storage behind the meter	----	602.9	----	----	78.4	889.3	5.1	73.3	80%	15	25.2	----	25.2	25	34%
 UK	Toton	----	260.0	----	----	91.2	486.9	11.2	80.0	60%	10	61.8	----	61.8	30	75%
<b>Total</b>		<b>894.1</b>	<b>862.9</b>	<b>----</b>	<b>----</b>	<b>603.1</b>	<b>4,129.2</b>	<b>86.4</b>	<b>516.7</b>	<b>----</b>	<b>----</b>	<b>326.3</b>	<b>----</b>	<b>326.3</b>	<b>----</b>	<b>----</b>

# Appendix – Projects Under Development and Other Financial Data<sup>2,7</sup>

(aggregate, NIS million)

	Country	Segment	Capacity (MWp)	Storage capacity (MWh)	Size of holdings
	Israel	Ground	320.3	----	26%
	Israel	Roofs	161.8	----	30%
	Israel	Reservoirs	156.8	----	50%
	USA	Blue Sky	236.9	165.0	67%
	Poland	Electrum Pipeline	100.0	1,400.0	72%
	UK	Noventum Power	543.0	----	80%
	Greece	Storage	----	400.0	100%
	Spain	Storage	----	280.0	48%
	Spain	Wind	100.0	----	47%
	Spain	Solar	35.0	----	47%
	<b>Total</b>		<b>1,653.8</b>	<b>2,245.0</b>	<b>----</b>
					26%

**6995**

Fair value of debenture,  
NIS billion

**(103.1)**

Losses transferred for tax  
purposes, NIS million

**341.9**

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

**1.5**

Cash, inventory, unutilized facilities  
and deposits, NIS billion

# Clarifications and Notes

1. For information with respect to the Company's plans and goals for the years 2022-2025 see Section 4.11-4.12 of the chapter describing the corporation's businesses in the 2022 Annual Report ("**The Description of the Corporation's Businesses for 20122**"), which is incorporated in this presentation by reference thereto. It is noted that the Company's goals and forecasts constitute forward-looking statements, as the term is defined in the Securities Law, that are largely based on the Company's expectations and projections regarding economic, sectorial, 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 goals non-publication of competitive undertakings to erect systems, changes in regulations, changes in electricity tariffs and in system construction costs, changes in foreign currency exchange rates, changes in interest 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 goals and strategy, or that will lead the Company to conclude that it is not economically feasible to realize the goals and / or the aforementioned strategies, etc., or the realization of one of the risk factors described in section 4.14 of the chapter describing the corporation's businesses in the 2022 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 – for 2022 – Part B to the 2022 Periodic Report ("**the 2022 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 capacity of the systems, the construction completion dates of the systems, the expected income, EBITDA 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) in the Directors' Report for H1 2022, which is incorporated in this presentation by reference thereto (assuming that all the projects will be connected at the same time and that the assumptions stated detailed in Section 1.4 therein are met). These details are provided solely for purposes of illustrating the systems performance's revenues to the extent that they are completed as per the Company's forecasts, 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 he H1 2022 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. Ready to be connected – meaning, systems whose physical stage of construction has been fully completed, or that a request for connection has been applied in respect of them, but they have not yet been connected to the electricity network. Under construction and pre-construction – meaning, systems that are being constructed or in advanced planning and licensing procedures towards construction, whose construction is expected in the upcoming twelve (12) months.
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 2022 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, sectorial, 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.

# Clarifications and notes

4. Growth is compared with data published in the Company's Periodic Reports for 2021 and 2022.
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, and Sabinar, Olmedilla, Ratesti, Cellerhead and Buxton projects Olmedilla respectively and the Company's assumptions with respect to the first operational year as stated in Section 1.4 of the H1 2022 Directors' Report which is incorporated by reference hereby. The Company's assumptions for costs, expected income projected EBITDA 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, sectorial, 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. 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 2022 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 representative first 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, sectorial, 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.
8. 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 between the portfolio entity holding the project and 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 in accordance with the table.
9. Data provided in regards of expected revenues in accordance to the connected, ready to be connected, in construction and pre-construction projects, see page 6 and 8 above.
10. Company's projection in regards of the tariffs of systems promoted by the Company are forward-looking statement, as this term is defined in the Securities Law, that are largely based on preliminary hearings, calls for proposals and regulations published by the Electricity Authority, These projections may not materialize due to factors that are outside the Company's control, in particular under the policy changes made by the Electricity Authority.
11. Based on the assumption made by global advisory companies and the EU and other formal publications.
12. Inflation reduction act of 2022
13. Source: managers of electricity exchange and local electricity authorities – Romania, the UK, Spain, Poland and Italy; <http://tradingeconomics.com/commodity/lithium>; data from external providers.