UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 20-F

(Mark One)

☐ **REGISTRATION STATEMENT PURSUANT TO SECTION 12(b) OR SECTION 12(g) OF THE SECURITIES EXCHANGE ACT OF 1934**

OR

☒ **ANNUAL REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the fiscal year ended December 31, 2024

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

OR

☐ **SHELL COMPANY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

Date of event requiring this shell company report

Commission File Number 001-41613

Enlight Renewable Energy Ltd.
(Exact name of Registrant as specified in its charter)

Not Applicable
(Translation of Registrant's name into English)

State of Israel
(Jurisdiction of incorporation or organization)

13 Amal St., Afek Industrial Park
Rosh Ha'ayin 4809249, Israel
+972 (3) 900-8700
(Address of principal executive offices)

Nir Yehuda
Chief Financial Officer
13 Amal St., Afek Industrial Park
Rosh Ha'ayin 4809249, Israel
Telephone: +972 (3) 900-8710
Email: nir@enlightenergy.co.il
(Name, Telephone, E-mail and/or Facsimile number and Address of Company Contact Person)

Securities registered or to be registered, pursuant to Section 12(b) of the Act

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Ordinary shares, NIS 0.1 par value per share	ENLT	The Nasdaq Stock Market LLC

Securities registered or to be registered pursuant to Section 12(g) of the Act: None

Securities for which there is a reporting obligation pursuant to Section 15(d) of the Act: None

Indicate the number of outstanding shares of each of the issuer's classes of capital stock or common stock as of the close of the period covered by the annual report. As of December 31, 2024, the registrant had 118,566,615 outstanding ordinary shares, par value 0.1 NIS per share.

Indicate by check mark if the registrant is a well-known seasoned issuer, as defined in Rule 405 of the Securities Act.

Yes ☐ No ☒

If this report is an annual or transition report, indicate by check mark if the registrant is not required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934.

Yes ☐ No ☒

Note—Checking the box above will not relieve any registrant required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934 from their obligations under those Sections.

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§ 232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, or an emerging growth company. See definition of "large accelerated filer," "accelerated filer," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

☒ Large accelerated filer ☐ Accelerated filer ☐ Non-accelerated filer ☐ Emerging growth company

If an emerging growth company that prepares its financial statements in accordance with U.S. GAAP, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant has filed a report on and attestation to its management's assessment of the effectiveness of its internal control over financial reporting under Section 404(b) of the Sarbanes-Oxley Act (15 U.S.C. 7262(b)) by the registered public accounting firm that prepared or issued its audit report. ☒

If securities are registered pursuant to Section 12(b) of the Act, indicate by check mark whether the financial statements of the registrant included in the filing reflect the correction of an error to previously issued financial statements. ☐

Indicate by check mark whether any of those error corrections are restatements that required a recovery analysis of incentive-based compensation received by any of the registrant's executive officers during the relevant recovery period pursuant to §240.10D-1(b). ☐

Indicate by check mark which basis of accounting the registrant has used to prepare the financial statements included in this filing:

☐ U.S. GAAP ☒ International Financial Reporting Standards as issued by the International Accounting Standards Board ☐ Other

If "Other" has been checked in response to the previous question indicate by check mark which financial statement item the registrant has elected to follow.

Item 17 ☐ Item 18 ☐

If this is an annual report, indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Yes ☐ No ☒

CONTENTS

INTRODUCTION 1
CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS 1
PRESENTATION OF FINANCIAL INFORMATION 3
PART I 5
ITEM 1. IDENTITY OF DIRECTORS, SENIOR MANAGEMENT AND ADVISERS 5
ITEM 2. OFFER STATISTICS AND EXPECTED TIMETABLE 5
ITEM 3. KEY INFORMATION 5
A. [Reserved.] 5
B. Capitalization and Indebtedness 5
C. Reasons for the Offer and Use of Proceeds 5
D. Risk Factors 5
ITEM 4. INFORMATION ON THE COMPANY 45
A. History and Development of the Company 45
B. Business Overview 46
C. Organizational Structure 72
D. Property, Plants and Equipment 72
ITEM 4A. UNRESOLVED STAFF COMMENTS 73
ITEM 5. OPERATING AND FINANCIAL REVIEW AND PROSPECTS 73
A. Operating Results 80
B. Liquidity and Capital Resources 85
C. Research and Development, Patents and Licenses, Etc. 97
D. Trend Information 97
E. Critical Accounting Estimates 97
ITEM 6. DIRECTORS, SENIOR MANAGEMENT AND EMPLOYEES 98
A. Directors and Senior Management 98
B. Compensation 101
C. Board Practices 107
D. Employees 117
E. Share Ownership 117
F. Disclosure of a Registrant's Action to Recover Erroneously Awarded Compensation 117
ITEM 7. MAJOR SHAREHOLDERS AND RELATED PARTY TRANSACTIONS 118
A. Major Shareholders 118
B. Related Party Transactions 121
C. Interests of Experts and Counsel 122
ITEM 8. FINANCIAL INFORMATION 122
A. Consolidated Statements and Other Financial Information 122
B. Significant Changes 122
ITEM 9. THE OFFER AND LISTING 123
A. Offer and Listing Details 123
B. Plan of Distribution 123
C. Markets 123
D. Selling Shareholders 123
E. Dilution 123
F. Expenses of the Issue 123
ITEM 10. ADDITIONAL INFORMATION 123
A. Share Capital 123
B. Memorandum and Articles of Association 123
C. Material Contracts 124
D. Exchange Controls 124
E. Taxation 124
F. Dividends and Paying Agents 130
G. Statement by Experts 130
H. Documents on Display 130

I. Subsidiary Information 130
J. Annual Report to Security Holders 130
ITEM 11. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK 130
ITEM 12. DESCRIPTION OF SECURITIES OTHER THAN EQUITY SECURITIES 131
PART II 132
ITEM 13. DEFAULTS, DIVIDEND ARREARAGES AND DELINQUENCIES 132
ITEM 14. MATERIAL MODIFICATIONS TO THE RIGHTS OF SECURITY HOLDERS AND USE OF PROCEEDS 132
ITEM 15. CONTROLS AND PROCEDURES 132
ITEM 16. [RESERVED] 133
ITEM 16A. AUDIT COMMITTEE FINANCIAL EXPERT 133
ITEM 16B. CODE OF ETHICS 133
ITEM 16C. PRINCIPAL ACCOUNTANT FEES AND SERVICES 133
ITEM 16D. EXEMPTIONS FROM THE LISTING STANDARDS FOR AUDIT COMMITTEES 134
ITEM 16E. PURCHASES OF EQUITY SECURITIES BY THE ISSUER AND AFFILIATED PURCHASERS 134
ITEM 16F. CHANGE IN REGISTRANT'S CERTIFYING ACCOUNTANT 134
ITEM 16G. CORPORATE GOVERNANCE 135
ITEM 16H. MINE SAFETY DISCLOSURE 135
ITEM 16I. DISCLOSURE REGARDING FOREIGN JURISDICTIONS THAT PREVENT INSPECTIONS 135
ITEM 16J. INSIDER TRADING POLICIES 136
ITEM 16K. CYBERSECURITY 136
PART III 138
ITEM 17. FINANCIAL STATEMENTS 138
ITEM 18. FINANCIAL STATEMENTS 138
ITEM 19. EXHIBITS 139
SIGNATURES 140

INTRODUCTION

In this Annual Report on Form 20-F (the "Annual Report"), references to "we," "us," "our," "our business," the "Company," "Enlight" and similar references refer to Enlight Renewable Energy Ltd. and, where appropriate, its consolidated subsidiaries.

This Annual Report contains estimates, projections and other information concerning our industry and our business, as well as data regarding market research, estimates and forecasts prepared by our management. Information that is based on estimates, forecasts, projections, market research or similar methodologies is inherently subject to uncertainties, and actual events or circumstances may differ materially from events and circumstances that are assumed in this information. The industry in which we operate is subject to a high degree of uncertainty and risk due to a variety of factors, including those discussed under the headings "Cautionary Statement Regarding Forward-Looking Statements" and Item 3.D. "Risk Factors" in this Annual Report.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Annual Report contains forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements as contained in Section 27A of the Securities Act of 1933, as amended (the "Securities Act"), and Section 21E of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). All statements contained in this Annual Report other than statements of historical fact, including, without limitation, statements regarding our future operating results and financial position, our business strategy and plans, capabilities of our project portfolio and achievement of operational objectives, progress of our projects, including anticipated timing of related approvals and of completion of our ongoing projects, anticipated regulatory developments, economic, political, industry and market conditions, our objectives for future operations, and our anticipated cash requirements and financing plans are forward-looking statements. The words "may," "might," "will," "could," "would," "should," "expect," "plan," "anticipate," "intend," "target," "seek," "believe," "estimate," "predict," "potential," "continue," "contemplate," "possible," "forecasts," "aims" or the negative of these terms and similar expressions are intended to identify forward-looking statements, though not all forward-looking statements use these words or expressions. These forward-looking statements are contained principally in these sections: Item 3.D. "Risk Factors," Item 4. "Information on the Company," and Item 5. "Operating and Financial Review and Prospects." These statements are neither promises nor guarantees, but involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements.

You should not rely on forward-looking statements as predictions of future events. We have based the forward-looking statements contained in this Annual Report primarily on our current expectations and projections about future events and trends that we believe may affect our business, financial condition and operating results. The outcome of the events described in these forward-looking statements is subject to risks, uncertainties and other factors described in Item 3.D. "Risk Factors," and elsewhere in this Annual Report. Moreover, we operate in a very competitive and rapidly changing environment. New risks and uncertainties emerge from time to time, and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this Annual Report. The results, events and circumstances reflected in the forward-looking statements may not be achieved or occur, and actual results, events or circumstances could differ materially from those described in the forward-looking statements.

The forward-looking statements made in this Annual Report speak only as of the date of this Annual Report. You should not put undue reliance on any forward-looking statements. Actual results could differ materially from those anticipated in these forward-looking statements as a result of various factors described in this Annual Report, including factors beyond our ability to control or predict. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that future results, levels of activity, performance and events and circumstances reflected in the forward-looking statements will be achieved or will occur. Except as required by applicable law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events. You should read this Annual Report and the documents that we reference in this Annual Report and have filed as exhibits hereto completely and with the understanding that our actual future results or performance may be materially different from what we expect.

Additionally, we may provide information herein or in other locations, such as our website or documents accessible thereby, that is not necessarily "material" under the U.S. federal securities laws for Securities and Exchange Commission ("SEC") reporting purposes, but that respond to a range of matters, such as certain environmental, social and governance ("ESG") standards and frameworks (including standards for the measurement of underlying data), and the interests of various stakeholders. Much of this information is subject to assumptions, estimates or third-party information that is still evolving and subject to change. For example, our disclosures may change due to revisions in framework requirements, availability or quality of information, changes in our business or applicable government policies, or other factors, some of which may be beyond our control.

SUMMARY OF RISK FACTORS

Our business is subject to numerous risks and uncertainties, including those described in Item 3.D "Risk Factors." You should carefully consider these risks and uncertainties when investing in our ordinary shares. Principal risks and uncertainties affecting our business include the following:

- our ability to site suitable land for, and otherwise source, renewable energy projects and to successfully develop and convert them into Operational Projects;
- availability of, and access to, interconnection facilities and transmission systems;
- our ability to obtain and maintain governmental and other regulatory approvals and permits, including environmental approvals and permits;
- construction delays, operational delays and supply chain disruptions leading to increased cost of materials required for the construction of our projects, as well as cost overruns and delays related to disputes with contractors;
- disruptions in trade caused by political, social or economic instability in regions where our components and materials are made;
- our suppliers' ability and willingness to perform both existing and future obligations;
- competition from traditional and renewable energy companies in developing renewable energy projects;
- potential slowed demand for renewable energy projects and our ability to enter into new offtake contracts on acceptable terms and prices as current offtake contracts expire;
- offtakers' ability to terminate contracts or seek other remedies resulting from failure of our projects to meet development, operational or performance benchmarks;
- exposure to market prices in some of our offtake contracts*;*
- various technical and operational challenges leading to unplanned outages, reduced output, interconnection or termination issues;
- the dependence of our production and total revenues and income on suitable meteorological and environmental conditions, and our ability to accurately predict such conditions;
- our ability to enforce warranties provided by our counterparties in the event that our projects do not perform as expected;
- government curtailment, energy price caps and other government actions that restrict or reduce the profitability of renewable energy production;
- electricity price volatility, unusual weather conditions (including the effects of climate change, could adversely affect wind and solar conditions), catastrophic weather-related or other damage to facilities, unscheduled generation outages, maintenance or repairs, unanticipated changes to availability due to higher demand, shortages, transportation problems or other developments, environmental incidents, or electric transmission system constraints and the possibility that we may not have adequate insurance to cover losses as a result of such hazards;
- our dependence on certain operational projects for a substantial portion of our cash flows;

- our ability to continue to grow our portfolio of projects through successful acquisitions;
- changes and advances in technology that impair or eliminate the competitive advantage of our projects or upsets the expectations underlying investments in our technologies;
- our ability to effectively anticipate and manage cost inflation, interest rate risk, currency exchange fluctuations and other macroeconomic conditions that impact our business;
- our ability to retain and attract key personnel;
- our ability to manage legal and regulatory compliance and litigation risk across our global corporate structure;
- our ability to protect our business from, and manage the impact of, cyber-attacks, disruptions and security incidents, as well as acts of terrorism or war;
- changes to existing renewable energy industry policies and regulations that present technical, regulatory and economic barriers to renewable energy projects;
- the reduction, elimination or expiration of government incentives for, or regulations mandating the use of, renewable energy;
- our ability to effectively manage the global expansion of our scale of our business operations;
- our ability to perform to expectations in our new line of business involving the construction of PV systems for municipalities in Israel and the sale of electricity directly to corporate customers under PPAs in Israel.
- our ability to effectively manage our supply chain and comply with applicable regulations with respect to international trade relations, tariffs, sanctions, export controls and anti-bribery and anti-corruption laws;
- our ability to effectively comply with Environmental Health and Safety ("EHS") and other laws and regulations and receive and maintain all necessary licenses, permits and authorizations;
- our performance of various obligations under the terms of our indebtedness (and the indebtedness of our subsidiaries that we guarantee) and our ability to continue to secure project financing on attractive terms for our projects;
- limitations on our management rights and operational flexibility due to our use of tax equity arrangements;
- potential claims and disagreements with partners, investors and other counterparties that could reduce our right to cash flows generated by our projects;
- our ability to comply with increasingly complex tax laws of various jurisdictions in which we currently operate as well as the tax laws in jurisdictions in which we intend to operate in the future;
- the unknown effect of the dual listing of our ordinary shares on the price of our ordinary shares;
- various risks related to our incorporation and location in Israel, including Israel's ongoing war with Hamas, where our headquarters and some of our wind energy and solar energy projects are located;
- the costs and requirements of being a public company, including the diversion of management's attention with respect to such requirements; and
- certain provisions in our Articles of Association and certain applicable regulations that may delay or prevent a change of control.

PRESENTATION OF FINANCIAL INFORMATION

Our consolidated financial statements have been prepared in accordance with International Financial Reporting Standards as issued by the International Accounting Standards Board ("IFRS"). Although our functional currency is NIS, we present our consolidated financial statements in U.S. dollars as permitted under IFRS.

Our fiscal year ends on December 31 of each year.

In 2024, the Company changed the presentation of its Income Statement, to include the presentation of specific items such as Tax Benefits that were previously included in Other Income and to remove Gross Profit. The Company believes that such presentation provides more relevant information and better reflects the measurement of its financial performance. The Company applied such change retrospectively throughout this Annual Report.

The terms "shekels," "Israeli shekels", "NIS" and "agorot" refer to the lawful currency of the State of Israel, the terms "dollar," "US$," "USD," "U.S. dollar" and "$" refer to the lawful currency of the United States, the terms "Euro," "EUR" and "€" and refer to the lawful currency of the European Union and the term "HUF" refers to the lawful currency of Hungary. Unless otherwise indicated, U.S. dollar translations of NIS amounts presented in this Annual Report are derived from our financial statements included elsewhere in this Annual Report.

Certain monetary amounts, percentages and other figures included elsewhere in this Annual Report have been subject to rounding adjustments. Accordingly, figures shown as totals in certain tables or charts may not be the arithmetic aggregation of the figures that precede them, and figures expressed as percentages in the text may not total 100% or, as applicable, when aggregated may not be the arithmetic aggregation of the percentages that precede them.

Unless otherwise indicated, all information in this Annual Report gives effect to the one for 10 reverse split of our ordinary shares, which occurred on January 29, 2023.

CERTAIN DEFINITIONS

As used in this Annual Report, except where the context otherwise requires or where otherwise indicated:

"**Advanced Development Projects**" refers to our projects that are expected to commence construction within 13 to 24 months of February 19, 2025.

"**BOI Exchange Rate**" refers to the US Dollar exchange rate reported by the Bank of Israel on February 19, 2025, which was NIS 3.541 to $1.00.

"**CEE**" refers to central and eastern Europe.

"**Clēnera**" refers to Clēnera Holdings, LLC, a Delaware limited liability company.

"**Clēnera Acquisition**" refers to our acquisition of a 90.1% equity interest in Clēnera.

"**COD**" refers to the commercial operation date of our projects.

"**Development Projects**" refers to our projects in various stages of development that are not expected to commence construction within 24 months of February 19, 2025.

"**EA**" refers to Israel Electricity Authority, the chief electricity market regulator in Israel.

"**FGW**" or "**Factored GW**" is a consolidated metric combining generation and storage capacity into a uniform figure based on the ratio of construction costs. The Company's current weighted average construction cost ratio is 3.5 GWh of storage per 1 GW of generation: FGW = GW + GWh / 3.5.

"**GW**" refers to gigawatts measured on a direct current basis.

"**GWh**" refers to gigawatt hours.

"**Mature Projects**" refers to our projects that, as of February 19, 2025, were operational, under construction or in pre-construction (meaning, that they are expected to commence construction within 12 months of February 19, 2025).

"**Merchant Model**" refers to the sale of electricity into wholesale energy markets at spot market prices without long-term PPAs or committed offtakers.

"**Merchant Risk**" refers to the risks associated with the Merchant Model, such as the lack of price certainty and the lack of a committed offtaker.

"**Operational Projects**" refers to our Mature Projects that, as of February 19, 2025, were operational and selling energy.

"**MW**" refers to megawatts measured on a direct current basis.

"**MWh**" refers to megawatt hours.

"**PPA**" refers to a power purchase or similar agreement.

PART I

Item 1. Identity of Directors, Senior Management and Advisers

Not applicable.

Item 2. Offer Statistics and Expected Timetable

Not applicable.

Item 3. Key Information

A. [Reserved.]

B. Capitalization and Indebtedness

Not applicable.

C. Reasons for the Offer and Use of Proceeds

Not applicable.

D. Risk Factors

You should carefully consider the risks and uncertainties described below and the other information contained in this Annual Report before making an investment decision. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business operations. Our business, financial condition, results of operations, or strategic objectives could be materially and adversely affected by any of these risks and uncertainties. The trading price and value of our ordinary shares could decline due to any of these risks and uncertainties, and you may lose all or part of your investment. This Annual Report also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including the risks and uncertainties faced by us described below and elsewhere in this Annual Report.

Risks related to development and construction of our renewable energy projects

The growth of our business depends upon our ability to continue to source and convert our Development Projects, Advanced Development Projects and Mature Projects (which are under construction, are in pre- construction or have signed a PPA) into Operational Projects.

We may not be successful in converting our Development Projects, Advanced Development Projects and Mature Projects into Operational Projects. The completion of renewable energy projects involves numerous risks and uncertainties, including the risks set forth elsewhere in this "Risk Factors" section. These risks and uncertainties may prevent some projects from progressing to construction and/or operational phases altogether, in a timely manner and on acceptable terms. In addition, for a variety of reasons, we may elect not to proceed with the development or construction of a project currently in our portfolio. Our growth depends on our continued ability to progress projects to the operational phase, and our results in the future may not be consistent with our expectations or historical results. If we are not successful in doing so, we will not continue to grow our portfolio and cash flows.

Projects under development may not be partially or fully developed, financed or constructed.

The development of renewable energy projects involves numerous risks. We may be required to spend significant resources for land and interconnection rights, preliminary engineering, permitting, legal services and other expenses before we can determine whether a project is feasible, economically attractive and capable of being built. Success in developing a particular project is contingent upon, among other things:

- obtaining financeable land rights, including land rights for the project site that allow for eventual construction and operation without undue burden, cost or interruption;
- entering into financeable arrangements for the sale of the electrical output, and, in certain cases, capacity, ancillary services and renewable energy attributes, generated by or attributable to the project;

- obtaining economically feasible interconnection positions with Independent System Operators ("ISOs"), regional transmission organizations and regulated utilities;
- accurately estimating, and where possible mitigating, costs arising from potential transmission grid congestion, limited transmission capacity and grid reliability constraints, which may contribute to significant interconnection upgrade costs that could render certain of our projects uneconomic;
- providing letters of credit or other forms of payment and performance security required in connection with the development of the project, which security requirements may increase over time;
- accurately estimating our costs and total revenues and income over the life of the project years before its construction and operation, while taking into consideration the possibility that markets may shift during that time;
- receiving required environmental, land-use, and construction and operation permits and approvals from governmental agencies in a timely manner and on reasonable terms, which permits and approvals are governed by statutes and regulations that may change between issuance and construction;
- avoiding or mitigating impacts to protected or endangered species or habitats, migratory birds, wetlands or other water resources, and/or archaeological, historical or cultural resources;
- securing necessary rights-of-way for access, as well as water rights and other necessary utilities for project construction and operation;
- securing appropriate title coverage, including coverage for mineral rights and mechanics' liens;
- negotiating development agreements, public benefit agreements and other agreements to compensate local governments for project impacts;
- negotiating tax abatement and incentive agreements, whenever applicable;
- obtaining financing, including debt, equity, and tax equity financing;
- negotiating satisfactory energy, procurement and construction ("EPC") or balance of plant ("BoP") agreements, including agreements with third-party EPC or BoP contractors; and
- completing construction on budget and on time.

In addition, our projects depend upon obtaining, in a timely and economic manner, interconnection to electric transmission facilities to deliver the electricity we generate. A failure or delay in the operation, development of, or interconnection to, these interconnection or transmission facilities could result in our losing total revenues and income because such a failure or delay could limit the amount of power our Operational Projects deliver or delay the completion of our construction projects. The requests for processing interconnection and transmission requests and conducting the associated studies may become backlogged causing delays in determining interconnection and transmission rights and costs. The costs of such interconnection and transmission facilities for which our projects may be responsible could be significant, uncertain and subject to change, including after a project commences operation. The absence of availability and access to interconnection facilities and transmissions systems, our inability to obtain them in a timely manner, at a reasonable cost and at reasonable terms and conditions, the lack of adequate capacity on such interconnection or transmission facilities, curtailment as a result of transmission facility downtime, or the failure of any relevant jurisdiction to expand transmission facilities may have a material adverse effect on our ability to partially or fully develop our projects, which could materially and adversely affect our results of operations and cash flow. In 2024, several of our projects, including Co Bar in the U.S., have been delayed for periods ranging from 6 to 12 months for various reasons, including due to reforms that have taken longer than expected to complete and extended reviews by regulators.

If we fail to complete the development of a renewable energy project in accordance with applicable contracts or fail to fulfill other contract obligations, we may be subject to forfeiture of significant deposits under, or the termination of, offtake contracts, incur significant liquidated damages, penalties and/or other obligations under other project-related agreements and may not be able to recover our investment in the project. If we are unable to complete the development of a renewable energy project, we may impair some or all of the capitalized investments we have made relating to the project. We expense development costs for a project as long as we estimate that the probability of realization of such project is less than 50%. Once we determine a project has a greater than 50% probability of realization, development costs incurred for such project are capitalized. Should the probability of realization subsequently fall below 50%, the capitalized amounts are recognized as development expenses, which would have an adverse impact on our results of operations in the period in which the loss is recognized.

We may not be able to site sufficient suitable land for our projects.

We intend to pursue greenfield opportunities to develop new renewable energy projects consistent with our business strategy. Various factors regarding land suitability could affect our ability to develop new projects and otherwise grow our business, including:

- the availability of, or inability to obtain, sufficient land suitable for solar energy and wind energy project development. In many markets, topography, existing land use and/or transmission constraints limit the availability of sites for solar energy and wind energy development. For these reasons, attractive and commercially feasible sites may become a scarce commodity, and we may be unable to site our projects at all or on terms as favourable as those applicable to our current projects;

- the presence or potential presence of waking or shadowing effects caused by neighbouring activities, which reduce potential energy production by decreasing wind speeds or reducing available insolation; and

- due to the large amount of land required to site solar energy and wind energy projects, there may be greater risk of the presence or occurrence of one or more of the following: (i) pollution, contamination or other wastes at the project site; (ii) protected plant or animal species; (iii) archaeological or cultural resources; or (iv) local opposition to wind energy and solar energy projects in certain markets due to concerns about noise, health, environmental or other alleged impacts of such projects due to the presence or potential presence of land use restrictions and other environment-related siting factors.

We do not own all of the land on which the projects in our portfolio are located.

As a project developer, we require land rights in order to successfully develop, finance and construct our projects. We do not own all of the land on which the projects in our portfolio are located, and our current projects generally are, and our future projects may be, located on land occupied under long-term easements, leases and rights of way. The ownership interests in the land subject to these easements, leases and rights of way may be subject to mortgages securing loans or other liens and other easement, lease rights and rights of way of third parties that were created prior to our projects' easements, leases and rights of way. As a result, some of our projects' rights under such easements, leases or rights of way may be subject to the rights of these third parties. While we perform title searches, obtain title insurance, record our interests in the real property records of the projects' localities and enter into non-disturbance agreements to protect ourselves against these risks, such measures may be inadequate to protect against all risk that our rights to use the land on which our projects are or will be located and our projects' rights to such easements, leases and rights of way could be lost or curtailed. Any such loss or curtailment of our rights to use the land on which our projects are or will be located could have a material adverse effect on our business, financial condition and results of operations. In addition, certain U.S. states restrict or prohibit foreign ownership of agricultural land, limiting our ability to acquire land rights in such states, and permitting us to acquire ownership only after re-zoning to solar or storage uses.

Our ability to successfully develop projects is impacted by the availability of, and access to, interconnection facilities and transmission systems.

The absence of availability and access to interconnection facilities and transmissions systems, our inability to obtain them in a timely manner, at a reasonable cost and at reasonable terms and conditions, the lack of adequate capacity on such interconnection or transmission facilities, curtailment as a result of transmission facility downtime, or the failure of any relevant jurisdiction to expand transmission facilities may have a material adverse effect on our ability to develop our projects, which could materially and adversely affect our results of operations and cash flow.

In recent years, the time required to secure interconnection facilities and transmissions systems has increased, as have interconnection costs, complicating project planning and, for projects under construction or pre-construction, creating additional contractual and financial risk. In some cases, regulators have sought to update procedures for accessing interconnection facilities and transmissions systems, which may cause further delays. The Federal Energy Regulatory Commission ("FERC") Order No. 2023 issued in July 2023 transitioned the interconnection request queue for connection to the U.S. transmission grid from "first come, first serve" to "first ready, first serve." As a result, some utilities have temporarily closed their queues, and submitting new interconnection requests entails increased uncertainty and risk. For example, our project CO Bar, located in Arizona, which has a capacity of 1,211 MW and 824 MWh, was originally expected to reach COD in the second half of 2026, but has been delayed for approximately another year due to the Arizona Public Service's queue reform process having taken longer than expected to complete and additional hurdles in achieving an interconnection agreement. The project is now expected to reach COD in the second half of 2027. If such approval times continue to increase, our development pipeline and ability to complete existing projects could be adversely affected, which could have a material adverse effect on our business, financial condition and results of operations.

The development, construction and operation of our projects require governmental and other regulatory approvals and permits, including environmental approvals and permits.

The development, construction and operation of renewable energy projects, including the transmission and sale of electricity and associated products, are highly regulated, require various governmental approvals and permits, including environmental approvals and permits, and may be subject to the imposition of related conditions that vary by jurisdiction. In some cases, these approvals and permits require periodic renewal and the terms of a subsequently issued permit may not be consistent with the terms of the permit initially issued. In addition, some permits and approvals require ongoing compliance with terms and conditions, some of which can change over time. Such regulations, approvals, permits and terms and conditions have become more demanding across the industry. Moreover, activists and community members have become more vocal and organized in many jurisdictions, and there is an increased prevalence of local ordinances and moratoria related to solar energy and battery storage projects. We cannot predict whether all permits and approvals required for a given project will be granted, or granted on a timely basis, or whether the conditions associated with such permits and approvals will be achievable, as such conditions may change over time. For example, delays in receiving the applicable environmental permit for our Gecama Solar project in Spain delayed the project's timeline by approximately one year. In addition, our project CO Bar in Arizona was delayed by one year due to the Arizona Public Service's queue reform process having taken longer than expected to complete and additional hurdles in achieving an interconnection agreement.

Any failure to comply with such conditions, inability to obtain and maintain existing or newly imposed permits and approvals, or imposition of impractical or burdensome conditions upon issuance, renewal or over time, could impair our ability to develop, construct or operate a project. In addition, we cannot predict whether seeking any permit will attract significant opposition or whether the process for obtaining any permit will become more expensive or lengthened due to complexities, legal claims or appeals. Delay in the review and process for obtaining any permit for a project can impair or delay the ability to develop, construct or operate a project or increase the cost such that the project is no longer profitable for us. There is no assurance that we will obtain and maintain these governmental permits and approvals, or that we will be able to obtain them in a timely manner and on reasonable terms. Any impediment could have a material adverse effect on our business.

Disruptions in our supply chain for materials and components and the resulting increase in equipment and logistics costs and delays could adversely affect our financial performance.

We are subject to risk from fluctuating market prices of certain raw materials, particularly steel, aluminium, polycrystalline silicon and lithium, which are used in the construction and maintenance of our solar energy, wind energy and battery storage projects. Prices of these raw materials may be affected by supply restrictions or other market factors from time to time. Some of the components and materials related to the equipment we purchase are sourced from outside of markets where we operate through arrangements with various vendors, and there have been delays in obtaining these components and materials as a result of shipping and transportation constraints, and other supply chain disruptions. Due to these and other supply chain disruptions, we may have to make sourcing decisions which could limit our supply options.

Changes in international trade policy impacting regions where our components and materials are made could cause future disruptions in trade. For example, concerns about forced labor in China's Xinjiang Uyghur Autonomous Region ("XUAR"), where certain components and materials are manufactured, have led to legislation in countries such as the United States restricting imports from such region. Specifically, on December 23, 2021, the United States enacted the Uyghur Forced Labor Prevention Act ("UFLPA"), which presumptively prohibits imports of any goods made either wholly or in part in the XUAR. The law, which went into effect on June 21, 2022, creates a rebuttable presumption against "the importation of goods made, manufactured, or mined in the XUAR (and certain other categories of persons in China)" unless the importer meets certain due diligence standards, responds to all inquiries from U.S. Customs and Border Protection ("CBP") related to forced labor and the CBP determines, based on "clear and convincing evidence," that the goods in question were not produced wholly or in part by forced labor. CBP has identified silica-based and polysilicon as high-priority sectors for enforcement. While we have implemented policies and controls to mitigate the risk of forced labor in our supply chain, and we do not currently believe that our suppliers source materials for our supply chain from the XUAR, we cannot guarantee that our suppliers and partners will always comply with our policies or our contracts with them. Enforcement of the UFPLA against us or our suppliers could lead to our products being held for inspection by CBP and delayed or rejected for entry into the United States, resulting in other supply chain disruptions, or cause us to be subject to penalties, fines or sanctions. Even if we were not subject to penalties, fines or sanctions or supply chain disruption, if products we source are linked in any way to forced labor in the XUAR, our reputation could be harmed. Member states of the European Union recently approved the European Supply Chain Act, targeting goods within Europe created with forced labor with enforcement beginning in 2028. If definitive approval of the European Parliament and ministers occurs and the law comes into effect, to the extent that any of the products we source were alleged or found to be non-compliant with these restrictions, our reputation may be harmed and our business and supply chain may be impacted.

We cannot predict whether the countries in which the components and materials are sourced, or may be sourced in the future, will be subject to new or additional trade restrictions imposed by the governments of countries in which our projects are located, including the likelihood, type or effect of any such restrictions. Trade restrictions, including embargoes, safeguards and customs restrictions against certain components and materials, as well as labor strikes and work stoppages or boycotts, could increase the cost or reduce or delay the supply of components and materials available to us and our vendors, which could delay or adversely affect the scope of our projects under development or construction and adversely affect our business, financial condition or results of operations.

Certain of our investments in our projects may be subject to review by and approval from the Committee on Foreign Investment in the United States ("CFIUS"), which may prevent, delay or block us from investing in our projects that would otherwise be advantageous to our stockholders.

The U.S. has implemented laws designed to protect national security or to restrict foreign direct investment. For example, CFIUS has the authority to review, block or impose conditions on investments by non-U.S. persons in U.S. companies or real estate assets deemed critical or sensitive to the United States. Under these laws, the U.S. government has the authority to impose a variety of actions, including requirements for the advance screening or notification of certain transactions, blocking or imposing conditions on certain transactions, limiting the size of foreign equity investments or control by foreign investors, and restricting the employment of foreigners as key personnel. As such, certain of our investments in our projects and the real estate for our projects may be subject to review by and approval from CFIUS. In the event that CFIUS reviews one or more of our investments, there can be no assurances that we will be able to initiate or complete such projects on terms acceptable to us. Additionally, CFIUS may seek to impose limitations on one or more such investments that may prevent us from maintaining or pursuing projects that we otherwise would have maintained or pursued, which could adversely affect the performance of our investments and thus our overall performance. Certain of our stockholders are non-U.S. investors, and in the aggregate, may comprise a substantial portion of our net asset value, which may increase the risks of such limitations being imposed in connection with projects pursued or made by us. Legislative and regulatory changes, including changes to agency practice, in the future may negatively impact our ability to realize value from certain existing and future projects, including by limiting exit opportunities or causing us to favour buyers that we believe are less likely to require CFIUS review, even in circumstances where other buyers may offer better terms or more consideration.

Political, social or economic instability in regions where our components and materials are made could cause future disruptions in trade.

In recent years, tensions have increased in the South China Sea and the threat of a takeover of Taiwan by China has grown. Were a physical conflict to break out or if relations further deteriorate, the supply chain for certain raw materials, particularly polycrystalline silicon and lithium, which are used in our solar energy, wind energy and battery storage projects, could be severely impacted, constraining the quality and availability of these materials and increasing their pricing, thereby having a substantial adverse effect on our financial condition or results of operations.

To the extent that continuing political tensions between China and Taiwan adversely affect our business, they may also have the effect of heightening many of the other risks described in our risk factors, such as general market conditions.

Our suppliers may not perform existing obligations or be available or able to perform future obligations, which could have a material adverse effect on our business.

We often rely on a small number of suppliers, such as solar panel suppliers, tracker suppliers, wind turbine manufacturers and battery suppliers to provide equipment, technology and other services required to construct and operate our projects. A number of factors, including the credit quality and quality control of our suppliers, including related to turbines at some of our renewable energy projects in Sweden, as well as import and export restrictions, may affect their ability to perform under our supply agreements. Not all of our equipment suppliers are investment grade entities, and we cannot guarantee that any of our suppliers will sufficiently honor the terms of our contracts in every situation. Moreover, not all our suppliers are Tier 1 as defined by Bloomberg New Energy Finance ("BNEF") and we have experienced delays and quality assurance failures. If suppliers cannot, or do not, perform under their agreements with us, we may need to seek alternative suppliers and write off existing investments. Alternative suppliers, products and services may not perform similarly, and replacement agreements may not be available on terms as favourable as those in our current agreements or at all. For example, we are currently engaged in a commercial dispute with a supplier of our battery energy storage systems in the U.S. which failed to perform its contractual obligations. While the financial value of the dispute is not material to our overall operations, we have incurred additional costs to secure batteries from an alternative supplier to mitigate the impact of such supplier's failure to perform its obligations. In addition, sourcing the batteries from a different supplier resulted in surplus equipment, which we were able to assign to another project, but the surplus equipment will now have a shorter warranty period than it otherwise would have.

Using alternative suppliers may result in higher costs and/or inability to meet our project schedules or to provide equipment of the same quality as that provided by our existing suppliers. We may be required to make significant capital contributions to remove, replace or redesign equipment that cannot be supported or maintained by replacement suppliers. The failure of any supplier to fulfill its contractual obligations to us could have a material adverse effect on our business, financial condition and results of operations. Further, the acquisition of a supplier by one of our competitors or its affiliates could also limit our access to equipment, technology and other services or negatively affect our existing business relationships, which would have a material adverse effect on our business.

Project construction activities may not commence or proceed as scheduled, which could increase our costs and impair our ability to recover our investments.

The construction of renewable energy projects involves numerous risks. Success in constructing a particular project is contingent upon or may be affected by, among other things:

- timely implementation and satisfactory completion of construction;
- obtaining and maintaining required governmental permits and approvals, including making appeals of, and satisfying obligations in connection with, approvals obtained;
- permit and litigation challenges from project stakeholders, including local residents, environmental organizations, labor organizations, tribes and others who may oppose the project;
- grants of injunctive relief to stop or prevent construction of a project in connection with any permit or litigation challenges;
- delivery of modules, wind turbines or battery energy storage systems on-budget and on-time;
- discovery of unknown impacts to protected or endangered species or habitats, migratory birds, wetlands or other jurisdictional water resources, and/or cultural resources at project sites;
- discovery of title defects or environmental conditions that are not currently known, unforeseen engineering problems, construction delays, contract performance shortfalls and work stoppages;
- material supply shortages, failures or disruptions of labor, equipment or supplies;
- increases to labor costs beyond our expectation upon entering into construction agreements as a result of enhanced local or national requirements regarding the use of union labor on-site;
- insolvency or financial distress on the part of our service providers, contractors or suppliers;
- cost overruns and change orders;
- cost or schedule impacts arising from changes in federal, state, or local land-use or regulatory policies;
- changes in electric utility procurement practices;
- project delays that could adversely affect our ability to secure or maintain interconnection rights;
- unfavourable tax treatment or adverse changes to tax policy;
- adverse environmental and geological or weather conditions, including water shortages and climate change, which may in some cases force work stoppages due to the risk of heat, fire or other extreme weather events;

- force majeure and other events outside of our control;
- changes in laws affecting the project;
- accidents on constructions sites; and
- damage to consumers triggered by blackouts caused by damage to transmission infrastructure during construction.

For example, our project CO Bar, located in Arizona and originally expected to reach COD in the second half of 2026, has been delayed for another year, due to the Arizona Public Service's queue reform process having taken longer than expected to complete and additional hurdles in achieving an interconnection agreement. The project is now expected to reach COD in the second half of 2027. Another example is the delay in receiving the applicable environmental permit for one of our projects in Europe, which has pushed back the project timeline. If we fail to complete the construction of a renewable energy project, fail to meet one or more agreed target construction milestone dates, or fail to perform other contract terms, we may be subject to payment obligations arising under significant letters of credit required to be maintained under offtake contracts or interconnection agreements or termination of such agreements, incur significant liquidated damages, penalties and/or other obligations under other project-related agreements, and may not be able to recover our investment in the project. If we are unable to complete the construction of a renewable energy project, we may impair some or all of the capitalized investments we have made relating to the project, which could have an adverse effect on our results of operations in the period in which the loss is recognized. For more details, see "—Projects under development may not be partially or fully developed, financed or constructed."

Risks related to the offtake of our renewable energy projects

We face growing competition from traditional and renewable energy companies in developing renewable energy projects.

The solar energy and wind energy industries are highly competitive. A growing number of companies are seeking to develop and originate such projects, driven by the growth of the total addressable market for such projects and the increased level of interest from investors in environmental, social and governance focused ventures. In addition to developers, independent power producers, unregulated utility affiliates, renewable energy companies, and pension and private equity funds, we also compete with traditional oil and gas companies and incumbent utilities. We may not be able to enter into or renew long-term contracts for the sale of power produced by our projects at prices and on other terms favourable to us. If we cannot offer compelling value to our offtakers, then our business will not grow at our anticipated pace or at all. Traditional utilities generally have, and certain of our other competitors have, substantially greater financial, technical, operational and other resources than we do. In addition, growing corporate and investor support for renewable energy has increased the amount of money being allocated to developers that compete with us. Such competitors may be able to build and own solar energy projects at lower costs than us, enabling them to submit bids for PPAs or similar energy purchase agreements at more competitive and appealing terms to potential customers than ours. Traditional utilities could also offer other value-added products or services that could help them compete with us even if the cost of electricity they offer is higher than ours.

Attractive offtake terms may become unavailable, which would adversely affect our business and growth.

Intense competition for offtake contracts may result in downward pressure on offtake pricing. Downward pressure on equipment pricing over the long-term, may also create downward pressure on offtake pricing. If falling offtake pricing results in forecasted project total revenues and income from the sale of electricity that is insufficient to generate returns higher than our cost of capital, our business, financial condition and results of operations could be adversely affected.

Alternatively, if we pursue offtake contracts with pricing that we assume will be attractive based on expectations of falling equipment or construction pricing or other cost or total revenues and income expectations that ultimately prove to be inaccurate, or the value of a project is less than expected at the time of execution of the related offtake contract, our business, financial condition and results of operations could be adversely affected, including through payment obligations to issuing banks in connection with any posted letters of credit.

In addition, competition for offtake contracts and other market factors may result in new market terms that may not be favourable to us and could adversely affect the economics of our projects and, in turn, our ability to obtain sufficient financing and grow our business. This trend may require us to seek new offtake counterparties, which could expose us to risks in new markets or associated with having less creditworthy counterparties. Similarly, our competitors are increasingly willing to accept short duration offtake terms, which may put pressure on us to accept shorter duration offtake contracts, thereby increasing our exposure to market volatility and inaccuracy in the third-party prediction of energy pricing during the merchant tail period of operations after expiration of the offtake contract.

In addition, the availability of offtake contracts depends on utility and corporate energy procurement practices that may change over time. Offtake contract availability and terms are a function of a number of economic, regulatory, tax and public policy factors, each of which is also subject to change.

If our projects fail to meet development, operational or performance benchmarks, our offtakers may have the right to terminate the applicable offtake contract, require us to pay damages or reduce the amount of energy such projects sell.

If certain of our projects fail to meet development, operational or performance benchmarks related to, among other things, energy production and project availability, within specified time periods, such failure may give rise to a default or event of default under one or more of the offtake contracts in our portfolio or offtake contracts we may enter into in the future. These contracts may provide the applicable counterparties with rights to, among other things: terminate the applicable offtake contracts; require us to pay damages under such offtake contracts; or reduce the amount of energy our projects can sell under such offtake contracts. If our projects fail to meet applicable development or operational benchmarks, such as minimum production requirements, and our offtakers or other counterparties elect to take any such action against us under our offtake contracts, it could materially and adversely affect the development of our renewable energy projects, our results of operations and cash flow unless and until we are able to replace the offtake contract on similar terms. We may not be able to enter into a replacement offtake contract on favourable terms or at all, which may have an adverse impact on our growth strategy and may negatively affect our business.

Our offtakers could become unwilling or unable to fulfill or renew their contractual obligations to us or they may otherwise terminate their agreements with us.

Once we enter into offtake contracts or other long-term contracts, we are exposed to the risk that our counterparties will become unwilling or unable to fulfill or renew their contractual obligations and, if any such agreement is terminated, we cannot guarantee that we will enter into a replacement agreement on substantially similar terms or at all. Any or all of our offtakers may fail to fulfill or renew their obligations to us under their contracts or otherwise, including as a result of the occurrence of any of the following factors:

- Events beyond our control or the control of an offtaker that may temporarily or permanently excuse the offtaker from its obligation to accept and pay for delivery of energy generated by a project. These events could include a system emergency, a transmission failure or curtailment, adverse weather condition, a change in law, a change in permitting requirements or conditions, or a labor dispute.

- The ability of our offtakers to fulfill their contractual obligations to us depends on their creditworthiness. Due to the long-term nature of our offtake contracts, we are exposed to the credit risk of our offtakers over an extended period of time. Any of these counterparties could become subject to insolvency or liquidation proceedings or otherwise suffer a deterioration of its creditworthiness, including when it has not yet paid for energy delivered, any of which could result in a default under their agreements with us, and an insolvency or liquidation of any of these counterparties could result in the termination of any applicable agreements with such counterparty.

- The ability of any of our offtakers to extend, renew or replace its existing offtake contract with us depends on a number of factors beyond our control, including: whether the offtaker has a continued need for energy or capacity at the time of expiration, which could be affected by, among other things, the presence or absence of governmental incentives or mandates, prevailing market prices or the availability of other energy sources; the satisfactory performance of our delivery obligations under such offtake contracts; the regulatory environment applicable to our offtakers at the time; and macroeconomic factors present at the time, such as population, business trends and related energy demand.

If our offtakers are unwilling or unable to fulfill or renew their contractual obligations to us, or if they otherwise terminate such agreements prior to their expiration, we may not be able to recover contractual payments and commitments due to us. Since the number of counterparties that purchase wholesale bulk energy is limited, we may be unable to find a new energy purchaser on terms similar to or at least as favourable as those in our current agreements or at all. Any interruption in or termination of payments by any of our counterparties could adversely affect our ability to pay project lenders and tax equity investors, could cause a default under the applicable project debt and tax equity financing arrangements, and could trigger cross-defaults under our other financing arrangements. In such a case, the cash flows we receive could be adversely affected. In addition, our ability to finance additional projects with offtake contracts from such counterparties would be adversely affected, undermining our ability to grow our business. The loss of or a reduction in sales to any of our offtakers could have a material adverse effect on our business, financial condition and results of operations.

Some of our offtake contracts have embedded exposure to market prices.

Pursuant to the de-regulation of the electricity market in Israel that became effective on January 1, 2024, our newly signed corporate PPAs require us to provide power pursuant to each individual customer's demand profile. This requires us to purchase electricity from the grid or discharge power from our batteries in order to meet customer demands during times that our projects are not generating electricity, such as at night or on cloudy days for our solar energy projects. Purchasing energy from the grid exposes us to market risk, thereby increasing uncertainty surrounding our projects in Israel and could negatively affect our results of operation.

Risks related to the operation and management of our renewable energy projects

Operation and maintenance of renewable energy projects involve significant risks that could result in unplanned outages, reduced output, interconnection or termination issues, or other adverse consequences.

There are risks associated with the operation of our projects. These risks include, but are not limited to:

- greater or earlier than expected degradation, or in some cases failure, of solar panels, inverters, transformers, turbines, gear boxes, blades and other equipment (including quality issues and defects we have experienced related to turbines at some of our renewable energy projects in Sweden);
- technical performance below projected levels, including the failure of solar panels, inverters, wind turbines, gear boxes, blades and other equipment to produce energy as expected, whether due to incorrect measures of performance provided by equipment suppliers, improper operation and maintenance, or other reasons;
- design or manufacturing defects or failures, including defects or failures that are not covered by warranties or insurance;
- insolvency or financial distress on the part of any of our service providers, contractors or suppliers, or a default by any such counterparty for any other reason under its warranties or other obligations to us;
- increases in the cost of Operational Projects, including costs relating to labor, equipment, unforeseen or changing site conditions, insurance, regulatory compliance, and taxes;
- loss of interconnection capacity, and the resulting inability to deliver power under our offtake contracts, due to grid or system outages or curtailments beyond our or our counterparties' control;
- breaches by us and certain events, including force majeure events, under certain offtake contracts and other contracts that may give rise to a right of the applicable counterparty to terminate such contract;
- catastrophic events, such as fires, earthquakes, severe weather, tornadoes, ice or hail storms or other meteorological conditions, landslides, and other similar events beyond our control, which could severely damage or destroy a project, reduce its energy output, result in property damage, personal injury or loss of life, or increase the cost of insurance even if these impacts are suffered by other projects as is often seen following events like high-volume wildfire and hurricane seasons;
- storm water or other site challenges;
- the discovery of unknown impacts to protected or endangered species or habitats, migratory birds, wetlands or other jurisdictional water resources, and/or cultural resources at project sites;
- the discovery or release of hazardous or toxic substances or wastes and other regulated substances, materials or chemicals;

- errors, breaches, failures, or other forms of unauthorized conduct or malfeasance on the part of operators, contractors or other service providers;
- cyber-attacks targeted at our projects as a way of attacking the broader grid, or a failure by us or our operators or contractual counterparties to comply with cyber-security regulations aimed at protecting the grid from such attacks;
- failure to obtain or comply with permits, approvals and other regulatory authorizations and the inability to renew or replace permits or consents that expire or are terminated in a timely manner and on reasonable terms;
- the inability to operate within limitations that may be imposed by current or future governmental permits and consents;
- changes in laws, particularly those related to land use, environmental or other regulatory requirements;
- disputes with government agencies, special interest groups, or other public or private owners of land on which our projects are located, or adjacent landowners;
- changes in tax, environmental, health and safety, land use, labor, trade, or other laws, including changes in related governmental permit requirements;
- government or utility exercise of eminent domain power or similar events;
- existence of liens, encumbrances, or other imperfections in title affecting real estate interests; and
- failure to obtain or maintain insurance or failure of our insurance to fully compensate us for repairs, theft or vandalism, and other actual losses.

These and other factors could have adverse consequences on our solar energy, wind energy or energy storage projects. For example, these factors could require us to shut down or reduce the output of such projects, degrade equipment, reduce the useful life of the project, or materially increase operations and maintenance ("O&M") and other costs. Unanticipated capital expenditures associated with maintaining or repairing our projects would reduce profitability. Congestion, emergencies, maintenance, outages, overloads, requests by other parties for transmission service, including on our facilities, actions or omissions by other projects with which we share facilities, and certain other events, including events beyond our control, could give rise to a partial or complete curtailment of generation or transmission of energy from our projects and could lead to one or more of our customers terminating their offtake contracts with us. Any termination of a project's interconnection or transmission arrangements or non-compliance by an interconnection provider, an owner or operator of shared facilities, or another third party with its obligations under an interconnection, shared facilities, or transmission arrangement may delay or prevent our projects from delivering energy to our offtakers. If an interconnection, shared facilities or transmission arrangement for a project is terminated, we may not be able to replace it on terms as favourable as those of the existing arrangement, or at all, or we may experience significant delays or costs in connection with such replacement. In addition, due to supply chain disruptions, replacement and spare parts for solar panels, wind turbines and other key pieces of equipment may be difficult or costly to acquire or may be unavailable.

Any of the risks described above could significantly decrease or eliminate the total revenues and income of a project, significantly increase a project's operating costs, cause us to default under our financing agreements, or give rise to damages or penalties owed by us to an offtaker, another contractual counterparty, a governmental authority or another third party, or cause defaults under related contracts or permits. Any of these events could have a material adverse effect on our business financial condition and results of operations.

Energy production and total revenues and income from our solar energy and wind energy projects depend heavily on suitable meteorological and environmental conditions and our ability to accurately predict meteorological conditions.

The energy produced, and total revenues and income and cash flows generated, by a solar energy or wind energy project depend on suitable climatic conditions, particularly solar and wind conditions, both of which are beyond our control. Our solar energy projects require strong, consistent exposure to sunlight to achieve the predicted power generation and weather, geological or other conditions at our project sites, as well as climatological phenomena not experienced directly at our sites, may prevent adequate amounts of sunlight from reaching some or all of our solar energy projects. Also, our wind energy projects will only operate within certain wind speed ranges that vary by turbine model and manufacturer, and the wind resource at any given project site may not fall within such specifications.

Furthermore, components of our solar energy systems, such as panels and inverters, and wind energy projects, such as turbines and blades, could be damaged by severe weather or natural catastrophes, the exposure of our projects to which varies greatly due to the number of diverse regions in which our projects are located, examples of which include snowstorms, ice storms, hailstorms, lightning strikes, tornadoes and derechos, fires, earthquakes, landslides, mudslides, sandstorms, drought, dust-storms, floods, hurricanes or other inclement weather. In these circumstances, the provision of O&M or other services may be adversely affected. In particular, materials may not be delivered as scheduled and labor may not be available, and we may be obligated to bear the expense of repairing the damaged solar energy and wind energy systems that we own. Such extreme weather conditions or natural catastrophes may also severely affect our operations by greatly reducing energy output from our systems, and in cases of severe damage, to zero, causing a reduction in total revenues and income in addition to increased costs due to damages. Replacement and spare parts for key components may be costly, or otherwise difficult or unavailable to obtain. Moreover, natural disasters may adversely affect the economy, infrastructure and communities in the regions where we conduct our business and regions and countries where we source our materials.

We base our investment decisions with respect to projects on the findings of solar or wind resource studies as well as remote modelling of solar or wind resources conducted by third-party engineers, all of which are used to generate predictions as to solar or wind resource over future periods and forecast methodologies used by third-party engineers may change over time. Actual weather, resource and other climatic conditions at a project site may not conform to the findings of these studies and remote modelling, and our projects may not meet anticipated production or transmission levels. Climatic conditions and resource expectations will continue to change over time, and we cannot accurately predict such changes. Further, weather patterns change in scope and magnitude in ways that diverge from historic trends, making it harder to predict the average annual amount of sunlight striking each of our solar energy project locations or prevailing wind patterns and speeds at our wind energy projects. Climate change also affects the severity and frequency of weather or other natural catastrophes and the geographical regions in which they are experienced. Our inability to accurately predict availability of solar or wind resources could adversely affect our profitability and, as a result, harm our business, financial condition and results of operations.

Our projects may not perform as we expect, and the protection afforded by warranties provided by our counterparties may be limited by the ability or willingness of a counterparty to satisfy its warranty obligations or by the expiration of applicable time or liability limits.

Our projects may take longer to achieve full production, driven by quality and service issues from our suppliers. For example, we have experienced longer ramp up times for wind and photovoltaic projects that began operations in the past 12 to 24 months. Although we expect to benefit from various warranties, including construction, product quality and performance warranties, provided by our counterparties in connection with the construction of our projects, the purchase of equipment necessary to operate our projects, and certain other matters, our counterparties may become insolvent, cease operations or otherwise default on their warranty obligations. Even if a counterparty fulfills its obligations, many of our warranties do not cover reimbursement for lost total revenues and income, and we cannot guarantee any warranties will be sufficient to compensate us for all of our losses. Further, there are limitations in most warranties, including limits on liability. Many warranties have exclusions rendering them inapplicable if, for example, the owner does not follow the manufacturer's operating instructions. We may disagree with a counterparty about whether a particular product defect, performance shortfall or other similar matter is covered by a warranty, in whole or in part, as well as the manner in which any such matter should be resolved. As a result, enforcing any such warranty may be costly or impossible. For example, we have recently experienced quality failures in two turbine blades in our wind project Björnberget in Sweden and other equipment quality or installation issues, which have resulted in operational disruptions and repair costs. Although we are seeking to recover the damages that we have suffered, we may not be compensated for all of the costs, expenses and losses (including lost profits) incurred as a result of the defects in the wind turbine generators and the related downtime period during which the wind turbine generators were not operational. Another example is our inability to complete capacity testing in a timely manner at one of our solar projects. While we expect that some of the damages caused to us by these issues will be recovered under our agreements with the relevant suppliers, some of the compensation may be limited or may not cover the entire set of damages caused to us. Such costs may include significant out-of-pocket and internal expenses, some or all of which may not be recovered. The failure of some or all of our projects to perform according to our expectations and limitations to our warranty coverage could have a material adverse effect on our business, financial condition and results of operations.

See also "—Our suppliers may not perform existing obligations or be available or able to perform future obligations, which could have a material adverse effect on our business" regarding equipment having shorter warranty time than it otherwise would have, had a supplier not defaulted on his obligations under his agreement with us.

Our projects are subject to curtailment and other production restriction risks.

Our projects, and particularly those that operate on the Merchant Model, may be subject to curtailment or other production restrictions under various circumstances. Under the terms of certain of our offtake contracts, our projects' delivery of electricity is subject to curtailment or other restrictions, including by our offtakers, regional transmission organizations or ISOs, for various reasons, including for system maintenance or reliability and stability purposes, negative market prices or due to transmission limitations, emergencies, force majeure or geopolitical circumstances. For example, at one of our projects in Europe, under our existing offtake contract, energy from the wind farm can be curtailed when market prices for electricity fall below zero. In addition, the local grid regulator recently ordered curtailment of another of our projects in Europe, due to inclement weather and physical damage to the grid. While this event did not result in material financial losses, there is no guarantee that we will not suffer material losses if such events occur in the future.

Additionally, under the terms of certain of our interconnection agreements, our projects may bear the risk of curtailment or other restrictions on production required by the regional transmission organization, balancing authority, transmission owner or ISO for similar reasons. As the penetration of renewable energy increases in electric transmission systems around the world, the risk of congestion leading to curtailment increases, particularly at the times of day and year when our projects are generating the most energy due to common resource availability among us and our competitors. In addition, the determination as to whether compensation for curtailments will be paid is made under contracts which may be subject to differing interpretations or may be breached by counterparties. Any curtailment or restriction could have a material adverse effect on our business, financial condition and results of operations.

Electricity prices are volatile, and decreases in demand for and the price of electricity we sell may harm our business, financial condition, results of operations and cash flows.

The amount of electricity consumed is affected primarily by overall demand for electricity, which fluctuates in response to factors such as macroeconomic conditions, absolute and relative prices, availability of energy from various sources, energy conservation and demand-side management, as well as environmental and other governmental regulations. Decreases in the price of electricity may negatively impact our business and results of operations. The price of electricity could decrease as a result of:

- construction of new, lower-cost power generation plants, including plants utilizing renewable energy or other generation technologies;
- relief of transmission constraints that enable lower-cost and/or geographically distant generation to access transmission lines less expensively or in greater quantities;
- reductions in the price of natural gas or other fuels;
- the amount of excess generating capacity relative to load in a particular market;
- decreased electricity demand, including from energy conservation technologies and public initiatives to reduce electricity consumption;
- development of smart-grid technologies that reduce peak energy requirements;
- development of new or lower-cost customer-sited energy storage technologies that have the ability to reduce a customer's average cost of electricity by shifting load to off-peak times;
- changes in the cost of controlling emissions of pollution, including the cost of emitting carbon dioxide and the prices for renewable energy certificates;
- the structure of the electricity market;
- weather conditions and seasonal fluctuations that impact electrical load; and
- development of new energy generation technologies which could allow our competitors and their customers to offer electricity at costs lower than those that can be achieved by us and our facilities.

We seek to minimize our exposure to electricity price volatility through the use of long-term offtake contracts. In select countries such as Sweden and Spain, where we sell electricity in the open market, we may seek to hedge our market exposure through a wide range of products, including but not limited to forward sales of electricity with hedges or by entering into PPAs with offtakers.

Our hedging activities may not adequately manage our exposure to electricity prices.

We sell or intend to sell a significant portion of the electricity we generate in Sweden, Spain, Serbia and Hungary on the open market at spot-market prices and other select markets in the future. In order to stabilize a portion of the revenue from such sales of electricity, we enter into hedging arrangements for some of our projects through a wide range of product types, including but not limited to entering into PPAs, contracts for differences and forward sales of electricity. Hedging products may consist of physical power, financial swaps and options or structured transactions. If a project does not generate the volume of electricity covered by associated hedging arrangements, we could incur significant losses if electricity prices in the market rise substantially above the fixed price provided for in the hedging arrangement. If a project generates more electricity than is contracted in the hedging arrangement, the excess production will not be hedged and the related revenues from the sale of electricity will be exposed to market price fluctuations. From 28% to 100% of the revenue from the sale of electricity from said projects are not hedged (for example, by entering into forward sales, PPAs, and contracts for differences), thereby exposing such revenues to market risks. For example, if electricity prices were to fall by 10%, we could lose up to $0.5 million per year in revenue from sales of electricity generated at project Picasso in Sweden.

We may incur significant financial losses as a result of adverse changes in the mark-to-market values of the financial swaps or if the counterparties to our hedging contracts fail to make payments when due. In addition, if we have to unwind a hedging arrangement that has become uneconomical or for any other reason, we may be unable to hedge at all, which would expose our revenues from the sale of electricity to market price fluctuations. We could also experience a reduction in cash flow if we are required to post margin in the form of cash collateral to secure our delivery or payment obligations under these hedging agreements.

General business risks

We depend on certain Operational Projects for a substantial portion of our cash flows.

We depend on certain Operational Projects, and expect to depend on certain future projects, for a substantial portion of our cash flows. For example, Blacksmith accounted for approximately 13% and 9% of our total revenues and income for the year ended December 31, 2023 and the year ended December 31, 2024, respectively. Similarly, Gecama, which we operate on a Merchant Model without a PPA, accounted for 22% and 17% of our total revenues and income for the year ended December 31, 2023 and the year ended December 31, 2024, respectively. Our dependence on Blacksmith and Gecama is expected to decline over time as new projects reach commercial operation.

Our business strategy includes growing our portfolio of projects through acquisitions, which involves numerous risks.

Our strategy includes growing our business occasionally through acquisitions. Acquisitions involve numerous risks, including exposure to existing and future liabilities and unanticipated post-acquisition costs, dependence on approvals by regulatory bodies across various jurisdictions (including, with respect to certain acquisitions in the United States, the Committee on Foreign Investment in the United States), difficulty in integrating the acquired projects into our business and, if the projects operate in new markets, the risks of entering markets where we have limited experience. For example, projects may be acquired from parties that have made inaccurate representations, which exposes us to existing and future liabilities.

Additionally, we risk overpaying for such projects (or not making acquisitions on an accretive basis) and failing to retain the offtake agreements or other commercial agreements in place for such projects. While we have customarily and will continue to perform due diligence on prospective acquisitions, we may not have discovered, or may not in the future discover, all potential risks, operational issues or other problems affecting such projects. Future acquisitions might not perform as expected or the returns from such acquisitions might not support the financing utilized to acquire them or maintain them. A failure to achieve the financial returns we expect when we acquire renewable energy projects and assets could have a material adverse effect on our ability to grow our business.

Finally, we may not have sufficient availability under our credit facilities or have access to project-level financing, including, in some instances, tax equity financing, on commercially reasonable terms when acquisition opportunities arise. An inability to obtain the required or desired financing could significantly limit our ability to consummate future acquisitions and effectuate our growth strategy. If financing is available, it may be available only on terms that could significantly increase our costs, impose additional or more restrictive covenants, or reduce cash flow.

Solar energy and wind energy may not remain primary sources of renewable energy.

Solar energy and wind energy have been the leading sources of clean electricity generation to date due to the low cost of electricity and the ability to access these resources in some form in many geographies. Our generation pipeline consists entirely of solar energy and wind energy Development Projects, and therefore our growth is premised on solar energy and wind energy continuing to be the technology of choice for clean electricity generation. Should alternative technologies emerge that limit the demand for solar energy and wind energy technologies, our long-term growth may be adversely impacted.

Our projects depend, and will depend, on third-party service providers.

We have retained and will in the future retain third-party service providers to perform EPC, O&M and other services related to our projects. Outsourcing these functions involves the risk that third parties may not perform to our standards (including as a result of errors, breaches, failures, or other forms of unauthorized conduct or malfeasance), may not produce results in a timely manner or may fail to perform at all. Although we have not experienced any significant difficulties with our third-party service providers to date, it is possible that we could experience difficulties in the future, which could: (i) cause us to default on our contractual, financing, regulatory and other obligations; (ii) reduce our capacity to generate power from one or more projects on a temporary or permanent basis; (iii) lead to litigation or arbitration; or (iv) expose us to liquidated damages.

If a third-party service provider is terminated or resigns, or if we lose a provider through consolidation, or otherwise, it may be difficult or impossible to locate a suitable replacement. We may have limited access to alternative service providers or experience difficulty finding a replacement on a cost-efficient basis if the service providers on which we generally rely are unable to perform for any reason. Further, as the EPC and O&M service industries continue to consolidate, we may experience additional cost pressure from our service providers. We also may not be able or desire to retain third-party service providers on the same terms in the future, and, as a result, we may be forced to take on additional risk, such as cost inflation and other cost increases that would otherwise be covered by third-party providers and/or responsibilities associated with the construction and the operation and management of our projects. Any of these events could have a material adverse effect on our business, financial condition and results of operations.

Cost inflation could adversely affect our project construction costs and results of operations.

The renewable energy industry has seen long periods of declining equipment costs, which may not continue, or may reverse. Although solar panel and energy storage battery prices dropped significantly in 2023 compared to prior years and have remained low since, regulatory changes related to electric vehicles that lead to increased demand for batteries for electric vehicles, or other market factors, may adversely affect the cost of batteries sold to us. Inflation or the absence of cost decreases could adversely affect us by increasing the actual or expected costs of land, electricity generation and storage equipment, labor and other goods and services needed to construct our projects, potentially reducing project profitability. Future increases in actual or expected costs may have an adverse impact on our business, financial condition and results of operations.

Our ability to effectively operate our business could be impaired if we fail to attract and retain key personnel.

Our ability to operate our business and implement our strategies effectively depends on the efforts of our executive officers and other key employees. Our management team has significant industry experience and would be difficult to replace. For example, we announced in January 2024 that Jason Ellsworth, CEO and co-founder of Clēnera, will be stepping down at the end of June 2024. Our key personnel possess development, construction, operational, management, legal, engineering, financial and administrative skills that are critical to the operation of our business. With the growth of the renewable energy industry, we have seen an increase in the need for experienced personnel with applicable experiences. In addition, the market for personnel with the required industry and technical expertise to succeed in our business is highly competitive, and we may be unable to attract and retain qualified personnel to replace or succeed key employees should the need arise. In order to remain competitive in attracting and retaining such personnel, we may need to increase the compensation of our employees, including new hires, beyond our current expectations. Our board of directors recently approved the cancellation of certain vested and unvested share options previously granted to employees and officers of the Company and the replacement thereof with RSUs, in order to further motivate employees and officers to deliver the important strategic and operational initiatives of our Company, which may not prove successful. For more details, see Item 6.B. “Compensation.” The loss of the services of any of our key employees or the failure to attract or retain other qualified personnel could have a material adverse effect on our business, financial condition and results of operations. There can be no assurance that the services of any of these individuals will continue to be available to us in the future.

We are subject to organizational and legal risks associated with our complex corporate structure and global operations.

Our corporate structure and operating model require coordination of business activities with multiple subsidiaries, joint ventures and partnerships across various jurisdictions as described elsewhere in this Annual Report. Failure to properly manage such business activities could have a material adverse effect on our business.

In addition, our operations are subject to risks inherent in conducting business globally. In addition to the cross-border regulatory and legal risks described elsewhere in this Annual Report, our business is subject to risks associated with management communication and integration problems resulting from cultural and geographic dispersion. Compliance with laws and regulations applicable to our global operations also substantially increases our cost of doing business in foreign jurisdictions. If we invest substantial time and resources to expand our international operations and are unable to do so successfully and in a timely manner, our business, results of operations and financial condition may suffer. We may be unable to comply with changes in government requirements and regulations, which could harm our business. In many countries, it is common for others to engage in business practices that are prohibited by our internal policies and procedures or other regulations applicable to us. Although we have implemented policies and procedures designed to ensure compliance with these laws and policies, there can be no assurance that all of our employees, contractors, partners and agents will comply with these laws and policies. Violations of laws or key control policies by our employees, contractors, partners or agents could result in delays in recognition of total revenues and income, financial reporting misstatements, investigations and enforcement actions, reputational harm, disgorgement of profits, fines, civil and criminal penalties, damages, injunctions, other collateral consequences or the prohibition of the importation or exportation of our platform and could harm our business, results of operations and financial condition.

We are not able to insure against all potential risks, and we may become subject to higher insurance premiums or may not obtain insurance at all.

We are exposed to numerous risks inherent in the operation of renewable energy projects, including equipment failure, manufacturing defects, natural disasters, pandemics, terrorist attacks, cyber-attacks, sabotage, theft, vandalism, political risks in developing markets and environmental risks. Further, with respect to any projects that are under construction or development, we are, or will be, exposed to risks inherent in the construction and development of these projects. The occurrence of any one of these events may result in us being named as a defendant in lawsuits or in regulatory actions asserting claims for substantial monetary damages and/or other forms of relief, including those associated with environmental clean-up or other remediation or compliance costs, personal injury, property damage, fines and penalties.

Some of the risks to which we are exposed may not be insurable, including some risks related to terrorism. Our projects in Israel are not fully covered by private insurance for all damage to our facilities that may result from the ongoing war with Hamas, Hezbollah, and other terrorist organizations or states. Also, although the State of Israel provides companies with certain compensation for direct damages from the conflict, such coverage does not include loss of future total revenues and income. Even if the risks are generally insurable, we may not maintain or obtain insurance of the type and amount we desire at reasonable rates or at all, and we may elect to self-insure a portion of our portfolio. The insurance coverage we do obtain may contain large deductibles or insufficient coverage or fail to cover all risks or potential losses across our global footprint. We often cannot obtain full coverage at economic rates and are instead limited to probable maximum loss coverage subject to commercially reasonable limits. In addition, our insurance policies are subject to annual review by our insurers and may not be renewed on similar or favourable terms, including with respect to coverage, deductibles or premiums, or at all.

As the renewable energy industry grows, insurance providers may reassess the risks associated with solar energy and wind energy projects and we may experience higher insurance costs, including as the result of industry-wide increases in insurance premiums. Industry-wide increases in insurance premiums have recently and may in the future arise as the result of cost spreading efforts from major insurance providers following major natural disasters such as hurricanes or widespread wildfires. Finally, even if we believe that insurance should cover any particular claim, there may be litigation with insurance companies or others regarding the claim, and we may not prevail. The occurrence of any such natural disaster may result in our being named as a defendant in lawsuits asserting claims for substantial monetary damages, including those associated with environmental cleanup costs, personal injury, property damage, fines and penalties. If a significant accident or event occurs for which we are not fully insured, or if we are unable to obtain or retain a sufficient level of insurance, which could constitute a breach under our offtake contracts, we may experience a material adverse effect on our business, financial condition and results of operations.

We are subject to risks associated with litigation or administrative proceedings that could materially affect us.

We are subject to risks and costs, including potential negative publicity, associated with lawsuits, claims or administrative proceedings, including lawsuits, claims or proceedings relating to our business or the development, construction or operation of our projects. In addition, we may become subject to legal or administrative proceedings or claims contesting the issuance of a permit or seeking to enjoin the construction or operation of our projects. The result and costs of defending any such proceedings or claims, regardless of the merits and eventual outcome, may be material. Any such proceedings or claims could also materially delay our ability to complete construction of a project in a timely manner or at all or could otherwise materially adversely affect a completed project's operations. Further, we have little control over whether third-party claims will be brought by one or more third parties, including public and private landowners, offtakers, equipment suppliers, construction firms, labor unions, and O&M and other service providers or their employees or contractors. Defending litigation, delays caused by litigation, and the costs of settling or other unfavourable outcomes, including judgments for monetary damages, injunctions, or denial or revocation of permits, could have a material adverse effect on our business, financial condition and results of operations.

For additional information regarding pending litigation, see Item 4.B "Business Overview— Legal Proceedings."

We and third parties with which we do business may be subject to cyber-attacks, disruptions and security incidents, as well as acts of terrorism or war that could have a material adverse effect on our business, financial condition and results of operations, as well as result in significant physical damage to our projects.

Our operations rely on computer systems, hardware, software infrastructure and networks (collectively, "IT Systems") that we manage or that are managed by third parties with which we do business, such as O&M and other service providers, and on the secure processing, storage and transmission of proprietary, confidential, financial, personal and other sensitive information, including personal information about our employees (collectively, "Confidential Information"). We also rely heavily on IT Systems, including those of third parties, to operate our solar energy and wind energy projects. Failures and disruptions or compromises to our or our critical third parties' IT Systems may be caused by natural disasters, accidents, power disruptions, telecommunications failures, acts of terrorism or war, computer viruses, bugs, misconfigurations or exploited vulnerabilities in hardware or software, physical or electronic break-ins, human or technological error, intentional conduct, targeted cyber-attacks, or similar events or incidents. Attacks, including those targeting IT Systems, such as the electronic control systems used to operate our energy projects or the facilities of third parties on which our projects rely, could severely disrupt business operations and result in loss of service to offtakers and significant expense to repair or remediate system damage.

Although we have taken steps to enhance the security of our IT Systems and Confidential Information, we have experienced cyber-attacks in the past and we expect attempted cyber-attacks and other security incidents to increase in the future. Recently, we have identified an increasing number of intrusion attempts into the control systems of our power stations in Israel and in various other countries in which we operate, each of which was blocked by the defensive measures we employ at our facilities. In 2024, we experienced one cyber-related incident, which we classified as immaterial, because it carried no damage to the Company, its data or infrastructure. In 2022, several of our corporate email accounts were compromised, which resulted in a payment being made to a fraudulent third-party actor. In addition, in 2021, cybercriminals launched an attack on our IT Systems and managed to gain control over the control system in one of our smaller facilities in Israel. The attackers were not able to disrupt the production of electricity or cause any material damage. While to date no incidents have had a material impact on our operations or financial results, we cannot guarantee that material incidents will not occur in the future. Cyberattacks are expected to accelerate on a global basis in frequency and magnitude and global threat actors and terrorists have targeted and will continue to target entities and projects like ours that operate in the energy and infrastructure sectors, including through disruptive attacks, such as those involving ransomware. We cannot guarantee the security or protection of our IT Systems, information or projects and we have little or no control over the IT Systems and facilities of third parties on which our projects rely. Additionally, energy-related facilities, such as substations and related infrastructure, are protected by limited security measures, in most cases only perimeter fencing and security cameras and are therefore potentially vulnerable to physical intrusion. Threat actors (such as ransomware groups) are becoming increasingly sophisticated and using tools and techniques – including artificial intelligence – that are designed to circumvent security controls, to evade detection and to remove or obfuscate forensic evidence. Our defensive measures, including back-up systems and those of critical third parties may fail to timely or effectively anticipate, detect, prevent or allow us to investigate, remediate or recover from cyber-attacks. As a result of Israel's war with Hamas, we also face increased cybersecurity risks associated with the ongoing conflict and the fact that our headquarters are located in Israel. Our costs to adequately counter the risk of cyber-attacks and to comply with contractual and/or regulatory compliance requirements may increase significantly in the future.

If our security measures or those of critical third parties are disrupted or fail, valuable Confidential Information may be lost; our development, construction, O&M and other operations may be disrupted; we may be unable to fulfill our customer obligations; and our reputation may suffer. These risks may subject us to litigation, regulatory action and fines, remedial expenses, loss of current or future customers or project opportunities and financial losses beyond the scope or limits of our insurance coverage which could, individually or in the aggregate, have a material adverse effect on our business, financial condition and results of operations. Additionally, we cannot guarantee that applicable insurance will be available to us in the future on economically reasonable terms or at all. In addition, the White House, the SEC and other regulators, including in European countries in which we operate, have increased their focus on cybersecurity vulnerabilities and risk management, which have resulted in new rules, regulations or standards, and may continue to do so in the future, that could increase our costs of compliance, decrease total revenues and income and have other adverse effects on our results. For example, in September 2023, one of our renewable energy projects was asked to demonstrate its compliance with applicable cybersecurity requirements. In addition, the Cyber Incident Reporting for Critical Infrastructure Act (CIRCIA) was signed into law on March 15, 2022. CIRCIA mandates that all owners and operators of critical infrastructure and other covered entities to report covered cyber incidents to the U.S. Department of Homeland Security's Cybersecurity and Infrastructure Security Agency (CISA) within 72 hours after the covered entity reasonably believes that the covered cyber incident has occurred and ransomware payments within 24 hours after the ransomware payment was made.

Our current portfolio, as well as projects we may develop or acquire and the facilities of third parties on which our projects rely, may be targets of attacks, burglaries or terrorist attacks (particularly our project portfolio in Israel, which are at greater risk due to various conflicts in the region) and may be affected by responses to terrorist attacks, each of which could fully or partially disrupt our projects' ability to produce, transmit, transport and distribute energy. There can be no assurance that our cybersecurity risk management program and processes, including our policies, controls or procedures, will be fully implemented, complied with or effective in protecting our systems and information. To the extent such acts constitute force majeure events under our offtake contracts or interconnection agreements, the applicable offtaker generally may reduce or cease making payments to us and may terminate such offtake contract or interconnection agreement if such force majeure event continues for a period typically ranging from six to 12 months as specified in the applicable agreement. Any such attack could result in significant reconstruction or remediation costs, or otherwise disrupt our business operations, any of which could have a material adverse effect on our business, financial condition and results of operations. For more information, see Item 16.K "Cybersecurity."

We are subject to stringent and changing laws, regulations, standards and contractual obligations related to privacy, data protection and data security. Our actual or perceived failure to comply with such obligations could harm our business.

We receive, collect, store, process, share, transfer, disclose and use personal information in the course of our business. We are subject to numerous federal, state, local and foreign laws and regulations regarding privacy, data protection and data security, the scope of which are changing, subject to differing interpretations and may be inconsistent among jurisdictions or conflict with other legal and regulatory requirements. For example, the Israeli Privacy Protection Law 5741-1981 and its regulations, the EU's General Data Protection Regulation and Member State laws and the data protection and security laws of other jurisdictions impose onerous obligations – including around transparency, data breach reporting and international data transfers – with respect to our processing personal data of individuals. We are also subject to certain contractual obligations related to privacy, data protection and data security. The legal and regulatory framework for privacy, data protection and data security worldwide is, and is likely to remain for the foreseeable future, uncertain and complex, and it is possible that these or other actual or alleged obligations may be interpreted and applied in a manner that we do not anticipate or that is inconsistent from one jurisdiction to another, and may conflict with our other legal obligations or our practices. Any failure or perceived failure by us to comply with our privacy, data protection and data security obligations may result in governmental investigations or enforcement actions, litigation or other claims that could result in significant liability (including monetary penalties or requirements to alter our processing operations), and otherwise materially and adversely affect our reputation and business. Further, any significant change to applicable laws, regulations or industry practices regarding privacy, data protection and data security could increase our costs and require us to modify our operations, possibly in a material manner.

We may suffer a significant loss resulting from fraud, bribery, corruption, other illegal acts, inadequate or failed internal processes or systems, or from external events.

We may suffer a significant loss resulting from fraud, bribery, corruption, other illegal acts, inadequate or failed internal processes or systems, or from external events, such as the occurrence of disasters or security threats affecting our ability to operate. We operate in different markets and rely on our employees to follow our policies and processes as well as applicable laws in their activities. Risk of illegal acts or failed systems is managed through our infrastructure, controls, systems and people, complemented by central groups focusing on enterprise-wide management of specific operational risks such as fraud, trading, outsourcing and business disruption, as well as personnel and systems risks. Specific programs, policies, standards and methodologies have been developed to support the management of these risks. These risks can result in direct or indirect financial loss, reputational impact or regulatory censure.

We face risks associated with the expansion of our scale of operations globally, and if we are unable to effectively manage these risks, they could impair our ability to expand our business abroad.

We increasingly operate our business globally, with customers and suppliers located in a variety of countries. As we continue to grow our business and expand our operations globally, we expect to enter new jurisdictions in which we have limited or no experience. Our global operation exposes us to a number of risks, including:

- limited relationships with international customers;
- difficulty in managing multinational operations;
- competitors in overseas markets who have stronger ties with local customers and greater resources;
- fluctuations in currency exchange rates;
- challenges in providing appropriate products and services and support in these markets;
- challenges in managing our overseas sales strategies effectively;
- unexpected transportation delays or interruptions or increases in international transportation costs;
- difficulties in operating products overseas while complying with the different commercial, legal and regulatory requirements of the overseas markets in which we offer our products and services;
- regulations, changes to regulation, regulatory uncertainty in or inconsistent regulations across various jurisdictions;
- inability to effectively enforce contractual or legal rights or intellectual property rights in certain jurisdictions under which we operate;
- changes in a specific country or region’s political or economic conditions or policies; and
- governmental policies favouring domestic companies in certain foreign markets or imposing trade barriers including tariffs, taxes and other restrictions and charges.

If we are unable to effectively manage these risks, our ability to operate and expand our business will be impaired, which could have a material adverse effect on our business, financial condition and results of operations.

Our recent entry into new lines of business may not perform to expectations.

Starting in January 2024, the Israeli electricity market shifted to a fully deregulated market. In February 2024, we announced the acquisition of Aria Energy Ltd., which develops, constructs, owns and operates small PV and storage systems primarily for municipal rooftop customers and agri-solar in Israel. In addition, in March 2024 we announced that we entered into definitive agreements to form a joint venture with Electra Power, which formally launched in July 2024 and focuses on marketing and supplying renewable electricity to households and small businesses. The joint venture is subject to the approval of the Israeli Competition Authority. We have also established a dedicated business unit, Enlight Enterprise, to act as an electricity supplier and expand activity in the deregulated sector, and we were the first company in Israel to complete direct-to-user sales of electricity under the new regulatory framework. These represent our first entry into the non-utility segments of renewable energy, and we hope to grow our activity in this segment gradually over time. For a variety of reasons, we may not prove successful in these new ventures, including lack of management expertise and adequate knowledge of the municipal market for PV systems and of direct marketing and supplying of electricity to consumers. In addition, management could be distracted from our core focus on utility scale renewable energy, and opportunities for us to expand in the future into additional non-utility spaces may not materialize.

Risks Related to Government Regulation

Our projects and the industry in which we operate are highly regulated and may be adversely affected by legislative or regulatory changes or a failure to comply with energy regulations.

Our projects and the industry in which we operate are highly regulated, and the scope and nature of regulation may vary depending on jurisdiction. The sale of electric energy from our projects, either at wholesale or retail, and the transmission of electric energy therefrom, may be subject to varying levels of regulation. In addition, our processing of information about individuals is subject to a patchwork of complex and ever-evolving data privacy and security laws and frameworks. Therefore, we may need certain authorizations, exemptions or waivers prior to making any sales from our projects, transmitting electric energy from our projects, and issuing securities. We may be required to file updates and comply with certain requirements relating to, among other things, ownership, affiliation and market power, including changes thereto, to maintain such authorizations, exemptions or waivers, and failure to do so may result in our projects losing such authorization, exemptions or waivers. The loss or impairment of such authorizations, exemptions or waivers could have a material adverse effect on our business.

For example, for certain size of projects in Israel (above 16 MW), we are required to obtain certain licenses to produce and sell electricity in Israel. Although the Israeli licensing regime has been reformed in recent years to significantly reduce the regulatory burden, we may need additional licenses in the future to pursue our activities. In certain regulations, the EA determines the tariff we will receive for the electricity we generate on the date of tariff approval (as well as fees we are required to pay to the Israel Electric Corporation (the "IEC"), for system operation services provided to us), requiring that we sign a purchase agreement with the IEC to purchase the electricity we produce as a condition for our receipt of a license. In order to enjoy this benefit, we are required to operate exclusively in accordance with the license terms, and are not entitled to withdraw from the PPAs, or to cancel the licenses, without the EA's approval. Any change in license terms requires the approval of the EA or other regulators. In the event of breach of the terms of our license agreements, we could be subject to a variety of sanctions, including revocation or suspension of the license or loss of the guarantee provided by the license. Since 2023 a new market has emerged allowing electricity plants and Battery Energy Storage Systems, or BESS's, of less than 16MW (unlicensed producers) to sell energy directly to sellers holding a proper license, and allowing existing plants registered in specific regulations to migrate to this market.

Our projects and certain upstream owners may be subject to books and records requirements and accounting and recordkeeping requirements. Our projects may also be subject to certain reliability standards, administrative compliance obligations, reporting requirements and burdens. We and our projects could be exposed to criminal and civil penalties, sanctions, disgorgement of profits and substantial monetary penalties for failure to comply with any such regulatory requirements.

A failure by us, our subsidiaries or projects to comply with applicable energy laws, regulations and rules could have a material adverse effect on our business, including any existing or future financing arrangements. In addition, changes in law, policy, regulation or rule could adversely affect the rates, terms and conditions of services from our projects and, therefore, our total revenues and income.

Government interventions in response to current high energy prices may negatively impact total revenues and income or increase our tax burden.

At both the European Union and member country levels, European countries have responded to the increased energy prices experienced in the last year by proposing a number of measures including the imposition of caps on energy prices, changes to price formulations and the proposal of windfall taxes on energy companies, including companies that generate renewable energy. These measures are aimed at protecting customers from increased prices and, with relevance to our business, by reducing and/or taxing revenue from energy generation. The scope of these measures is currently evolving and likelihood of their being enacted into law is uncertain; however, of the measures already announced, we anticipate that revenues from the sale of electricity at our Operational Projects in Spain and Sweden would be negatively affected by enactment of the European Union's proposed electricity price cap. In February 2025, the Hungarian government decided that electricity prices under certain subsidy schemes will not be indexed to inflation from 2025 to 2029, unless inflation exceeds 6% in a given year during that period, in which event the PPA will benefit from indexation solely for that year. Three of our five sites in Hungary are expected to be adversely affected by this decision. These measures and others that may be taken by other countries in which we operate may intensify in the future such that they materially affect our performance and financial results.

Government regulations in the United States, Europe and globally, that currently provide incentives and subsidies for renewable energy, particularly the current production and investment tax credits, could change at any time.

Our strategy to grow our business partly depends on current government policies in the United States, Europe and globally that promote and support renewable energy and enhance the economic viability of developing, investing in, constructing, owning and operating renewable energy projects. In the United States, renewable energy projects currently benefit from various federal, state and local governmental incentives, such as investment tax credits ("ITCs"), production tax credits ("PTCs") and Renewable Portfolio Standards ("RPS") programs, accelerated tax depreciation, and other incentives provided for under applicable laws including the Inflation Reduction Act of 2022 (the "Inflation Reduction Act"). In the European Union, the Renewable Energy Directive provides an economy-wide target for renewable energy use that is sought to be achieved, with individual member states of the European Union ("Member States") introducing domestic legislation including incentives to encourage higher uptake. Other jurisdictions may also implement policies to incentivize renewable energy projects.

Governmental incentives and regulations that promote the development of renewable energy projects could change at any time, and any loss or reduction in any or all of these renewable energy incentives and subsidies may reduce our willingness to pursue or develop certain renewable energy projects due to higher development costs or less attractive financing opportunities. In the United States, these incentives may be at risk of amendment or repeal following the inauguration of President Donald Trump in January 2025. While no changes have been made to the Inflation Reduction Act as of this Annual Report, the new presidential administration issued multiple executive orders in early 2025 addressing the energy industry, which may signal a departure from the U.S. government's previous approach to industry regulation and tax incentives. The new administration may also be susceptible to the influence of private parties who have an interest in limiting the growth of the renewable energy sector. This may result in policies that are detrimental to projects in our development pipeline. Additionally, increased ambiguity around the regulatory landscape limits our ability to effectively plan development strategies, to access project finance in terms of both the size and pricing of new loans, and to accurately forecast earnings. In the European Union, considerable amendments to the European Union's Renewable Energy Directive entered into force in November 2023, which increased the targets for renewable energy use in the European Union. Member States are required to transpose the majority of the revised directive's provisions by May 21, 2025, which include an overall renewable energy target of at least 42.5% across the European Union by 2030, with an ambition of 45%. In addition, electricity is a sector included in the European Union's carbon border adjustment mechanism, which will begin requiring financial adjustments to be made on the import of certain products into the EU from 2026. This is a regulatory area that continues to evolve, and the specific nature of any new targets and/or proposal adopted in relation to renewable energy may have a material impact on the economic attractiveness of our projects to investors. In addition, a high level of governmental involvement in this sector, including with respect to promoting domestic renewable energy production, can mean that this sector is the subject of trade disputes and resulting import/export restrictions, including tariffs.

Additionally, some jurisdictions in the United States with RPS targets and a number of European Union Member States with national targets for renewable energy use pursuant to the Renewable Energy Directive, have met, or in the near future will meet, their renewable energy targets. If these jurisdictions do not increase their targets in the near future (noting that, in the case of European Union Member States, these targets are likely to increase as part of the transposition of the amendments to the Renewable Energy Directive), demand for additional renewable energy could decrease. To the extent other jurisdictions do not adopt or decide to scale back or abandon renewable energy targets (including RPS targets), programs, or goals, demand for renewable energy could decrease in the future. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations and ability to grow our business.

The new administration and Congress may seek to repeal or curtail the tax credits under the Inflation Reduction Act, as well as its other tax provisions intended to incentivize renewable energy technologies. Changes in laws related to the tax credits under the Inflation Reduction Act, or changes in interpretations of such laws, communications with regulatory agencies, transactions or agreements with third parties, and/or evolving interpretations of the regulations under the Inflation Reduction Act may result in a material change in our estimate of tax credits to which we may be entitled, which could materially affect our business and results of operations.

We may be negatively affected by changes in the global trade relations including the imposition of tariffs, which could adversely affect our financial performance.

We may be negatively affected by tariffs or adverse developments in trade relations among the United States, China, the European Union, Israel and other countries, including any actions that may be taken by other countries in retaliation. Tariffs, the adoption and expansion of trade restrictions, the occurrence or exacerbation of a trade war, or other governmental action related to tariffs, trade agreements or related policies could adversely affect our supply chain, access to equipment, costs and ability to economically serve certain markets. Safeguard quotas and tariffs imposed by the United States in January 2018 under Section 201 of the U.S. Trade Act of 1974 included certain solar cells and modules imported into the U.S. In February 2022, the Section 201 tariffs were extended for an additional four years and, in May 2024, the Section 201 exemption for bifacial solar panels was eliminated. The removal of this exemption resulted in a minor increase to supply costs for a number of our projects currently under construction. Additional Section 201 quotas and other import restraints could introduce further supply and cost challenges.

In addition, the United States currently imposes antidumping and countervailing duties ("AD/CVD") on certain imported crystalline silicon photovoltaic ("PV") cells and modules from China and Taiwan. Such AD/CVD can change over time pursuant to administrative reviews conducted by the U.S. Department of Commerce, and an increase in duty rates could have an adverse impact on our operating results. In February 2022, Auxin Solar Inc. ("Auxin"), a U.S. producer of crystalline silicon PV products, petitioned the U.S. Department of Commerce ("USDOC") to investigate alleged circumvention of AD/CVD with respect to imports of crystalline silicon PV cells and modules assembled and completed in Cambodia, Malaysia, Thailand and Vietnam. On March 28, 2022, the USDOC announced that it would investigate the circumvention alleged in the petition. On June 6, 2022, an Executive Order on clean energy reiterated the independence and integrity of these ongoing investigations while suspending the collection of AD/CVD for a period of two years.

In its preliminary ruling, the USDOC made a negative circumvention determination as to certain companies but an affirmative circumvention determination as to all four countries. The USDOC announced final determinations several months later which were largely aligned with the preliminary determinations, but with some changes as to the specific company determinations. Auxin and Concept Clean Energy, a U.S. semiconductor manufacturer, filed a lawsuit in the U.S. Court of International Trade on December 29, 2023, challenging the June 2023 Executive Order's suspension of AD/CVD collections. On April 24, 2024, the American Alliance for Solar Manufacturing Trade Committee, an ad hoc coalition of domestic producers of CSPV cells and modules, filed a petition with the USDOC and the U.S. International Trade Commission ("USITC") seeking the imposition of AD/CVD tariffs on imports of CSPV cells and modules from Cambodia, Malaysia, Thailand and Vietnam. The USITC made a preliminary affirmative determination on June 7, 2024, and the USDOC made its preliminary affirmative determination on October 1, 2024. The preliminary tariff rates vary from below 1% to almost 300%, depending on the relevant company. As the timing and progress of many of our projects depend upon the supply of PV cells and modules, the extent to which our operating results could be adversely impacted by these proceedings depends on (among other things) the type of materials, rates imposed and timing of the tariffs, and availability of alternative material sources and manufacturing locations. Further, pursuant to the America First Trade Policy and Reciprocal Trade and Tariffs memoranda under President Trump, the USDOC, USTR, and other agencies, have been directed to review and identify unfair trade practices by other countries and recommend appropriate actions, as well as recommend modifications of AD/CVD laws to further induce compliance by foreign respondents and governments involved in AD/CVD proceedings. The effects on the global trading system could be far-reaching.

In addition, any changes in government policy could result in a more aggressive posture towards international trade. Certain policies and statements of the prior and current U.S. presidential administrations have given rise to uncertainty regarding the future of international trade agreements and the United States' position on international trade. For example, On February 1, 2025, three executive orders were issued directing the U.S. to impose new tariffs on imports from Canada, Mexico, and China, to take effect on February 4, 2025. On February 3, 2025, tariffs on Canada and Mexico were delayed for one month. The tariffs impose an additional 25% ad valorem rate of duty on all imports from Canada and Mexico (other than imports of Canadian energy resources exports, which are subject to a 10% ad valorem rate of duty) and an additional 10% ad valorem rate of duty on all imports from China. As of March 4, 2025, certain of these new tariffs went into effect and others were announced since then.

We are currently evaluating the potential impact of the imposition of the announced tariffs to our business and financial condition. While we do not believe that the tariffs will have a material adverse effect upon our results of operations, financial condition, or liquidity, the actual impact of the new tariffs is subject to a number of factors including the effective date and duration of such tariffs, changes in the amount, scope and nature of the tariffs in the future, any countermeasures that the target countries may take and any mitigating actions that may become available.

Tariffs and the possibility of additional tariffs in the future like those described above have created uncertainty in the industry. If the price of solar systems in the U.S. increases, the use of solar systems could become less economically feasible and could reduce our gross margins or reduce the demand of solar systems manufactured and sold, which in turn may decrease demand for our products. Additionally, existing or future tariffs may negatively affect key customers, suppliers, and manufacturing partners causing significant price increases for raw materials which could reduce the profitability of our projects. Such outcomes could adversely affect the amount or timing of our total revenues and income, business, results of operations and cash flows, and continuing uncertainty could cause sales volatility, price fluctuations or supply shortages or cause our customers to advance or delay their purchase of our products. It is difficult to predict what further trade-related actions governments may take, which may include additional or increased tariffs and trade restrictions, and we may be unable to quickly and effectively react to such actions. This includes tariff risks associated with AD/CVD, circumvention inquiries and safeguard quotas and tariffs.

Our cross-border operations expose us to risks from sanctions and export control laws.

Our business must be conducted in compliance with applicable economic and trade sanctions laws and regulations, such as those administered and enforced by the U.S. Department of Treasury's Office of Foreign Assets Control, the U.S. Department of State, the U.S. Department of Commerce, the United Nations Security Council, the European Union, Her Majesty's Treasury of the United Kingdom or other relevant sanctions authorities. Our global operations expose us to the risk of violating, or being accused of violating, economic and trade sanctions laws and regulations. Our failure to comply with these laws and regulations may expose us to reputational harm as well as significant penalties, including criminal fines, imprisonment, civil fines, disgorgement of profits, injunctions and debarment from government contracts, as well as other remedial measures. Investigations of alleged violations can be expensive and disruptive. Despite our compliance efforts and activities we cannot assure compliance by our employees or representatives for which we may be held responsible, and any such violation could materially adversely affect our reputation, business, financial condition and results of operations.

Our cross-border operations require us to comply with anti-bribery and anti-corruption laws.

Our international business requires us to comply with anti-corruption, anti-bribery and other similar laws, including but not limited to the U.S. Foreign Corrupt Practices Act of 1977, as amended (the "FCPA"), the U.K. Bribery Act 2010, Chapter 9 (sub-chapter 5) of the Israeli Penal Law, 1977, and other anti-corruption and anti- bribery laws in countries in which we (or third parties acting on our behalf) conduct activities. These laws generally prohibit companies and their officers, directors, employees, agents and anyone else acting on their behalf, from offering, promising, authorizing or providing anything of value to government officials for the purposes of influencing official decisions or otherwise securing an improper advantage to obtain or retain business. The FCPA also requires U.S. issuers to make and keep books, records and accounts that accurately and fairly reflect transactions and dispositions of assets and to maintain a system of adequate internal accounting controls. The U.K. Bribery Act 2010 also prohibits "commercial" bribery not involving government officials, the receipt of bribes, and requires companies to implement adequate procedures to prevent bribery.

We currently have interactions with government entities around the world which expose us to potential risks under anti-corruption and anti-bribery laws. As we increase our international sales and business, our risks under these laws may increase. In addition, we may participate in relationships with third parties whose conduct could potentially subject us to liability under the FCPA or other anti-corruption laws even if we do not explicitly authorize or have actual knowledge of such activities. Violations of these legal requirements are punishable by criminal fines and imprisonment, civil penalties, disgorgement of profits, injunctions, debarment from government contracts as well as other remedial measures, and may also result in collateral litigation. We have established policies and procedures designed to assist us and personnel acting on our behalf in complying with applicable anti-bribery and anti-corruption laws and regulations; however, these policies and procedures may not prevent violation of these legal requirements, inadvertent or otherwise.

We may fail to comply with the conditions in, or may not be able to maintain, our governmental permits.

Our Operational Projects and projects under construction are required to comply with numerous statutory and regulatory standards and to maintain numerous licenses, permits and governmental approvals required for operation. Some of the licenses, permits and governmental approvals that have been issued to our operations (or may be issued in the future will) contain conditions and restrictions, or may have limited terms. If we fail to satisfy the conditions or comply with the restrictions imposed by our licenses, permits and governmental approvals, or the restrictions imposed by any statutory or regulatory requirements, we may become subject to regulatory enforcement action and the operation of the assets could be adversely affected or be subject to significant fines, penalties or additional costs or revocation of regulatory approvals, permits or licenses. In addition, we may not be able to renew, maintain or obtain all necessary licenses, permits and governmental approvals required for the continued operation or further development of our projects, as a result of which the operation or development of our assets may be limited or suspended. Our failure to renew, maintain, obtain or comply with the conditions of all necessary licenses, permits or governmental approvals may have a material adverse effect on our assets, liabilities, business, financial condition, results of operations and cash flow.

Our business is subject to liabilities and operating restrictions arising from environmental, health and safety laws, regulations, and permits.

Our projects are subject to various environmental, health and safety laws ("EHS"), regulations, guidelines, policies, directives, permits, and other requirements governing or relating to, among other things:

- the protection of wildlife, including migratory birds, bats, and threatened and endangered species, such as desert tortoises, or protected species such as eagles, and other protected plants or animals whose presence or movements often cannot be anticipated or controlled;
- water use, and discharges of silt-containing or otherwise polluted waters into nearby wetlands or navigable waters;
- hazardous or toxic substances or wastes and other regulated substances, materials or chemicals, including those existing on a project site prior to our use of the site or the releases thereof into the environment;
- land use, zoning, building, and transportation laws and requirements, which may mandate conformance with sound levels, radar and communications interference, hazards to aviation or navigation, or other potential nuisances such as the flickering effect, known as shadow flicker, caused when rotating wind turbine blades periodically cast shadows through openings such as the windows of neighbouring properties;
- the presence or discovery of archaeological, historical, religious, or cultural artifacts at or near our projects;
- the protection of workers' health and safety; and
- the proper decommissioning of the site at the end of its useful life.

If our projects do not comply with such laws, regulations, requirements or permits, each of which may vary across the jurisdictions in which we operate projects, we may be required to pay penalties or fines, curtail or cease operations of the affected projects, make costly modifications to such projects or seek new or amended permits for our projects. Violations of environmental and other laws, regulations, and permit requirements, including certain violations of laws protecting wetlands, migratory birds, and threatened or endangered species, may also result in criminal sanctions or injunctions. The global EHS regulatory environment continues to change, and significant changes in the legislative or regulatory EHS environment in jurisdictions in which we operate may have a material impact on our business.

Our projects also carry inherent EHS risks, including the potential for related civil litigation, regulatory compliance, remediation orders, fines, and other penalties. For instance, equipment or machinery at our projects could malfunction or experience other unplanned events that cause spills that exceed permitted levels, resulting in personal injury, fines, or property damage. EHS laws and regulations have generally become more stringent over time, and we expect this trend to continue. We may need to incur significant capital and operating costs to keep our projects in compliance with EHS laws and regulations. If it is not economical to make those expenditures, or if we violate any of these laws and regulations, it may be necessary to retire or suspend operations at our facilities or restrict or modify our operations to obtain or maintain compliance, either of which could have a material adverse effect on our business, financial condition and results of operations.

Additionally, we may be held liable for related investigatory and clean-up costs for any property where there has been a release or potential release of a hazardous substance, regardless of whether we knew of or caused the release or potential release, even in the absence of negligence. We could also be liable for other costs, including fines, personal injury, property damage or damage to natural resources. In addition, some environmental laws place a lien on a contaminated site in favour of the government as security for damages and costs it may incur relating to contamination and clean-up. Contained or uncontained hazardous substances on, under, or near our projects, regardless of whether we own or lease the property, or the inability to remove or otherwise remediate such substances may restrict or eliminate our ability to operate our projects.

Our projects are designed specifically for the landscape of each project site and cover a large area. Despite the fact that we conduct studies of project sites prior to construction, problems may arise, such as the discovery of archaeological, historical or cultural artifacts, threatened or endangered species or their habitat, or hazardous materials at our project sites. Such discoveries could result in the restriction or elimination of our ability to operate our business at a particular project site or, if during construction, could result in delays or termination of construction. Landscape-scale projects and operations may also cause effects to certain landscape views, trails or traditional cultural activities. Such effects may trigger claims from members of local communities alleging that our projects are infringing upon their legal rights or other claims, which could result in the in the restriction or elimination of our ability to operate our business at any project site.

Violations of environmental and other laws, regulations and permit requirements, the discovery of archaeological, historical or cultural artifacts, threatened or endangered species or their habitat, or hazardous materials at our project sites, or adverse effects on public or private lands could also result in negative publicity for us, which could, in turn, limit our ability to develop our solar energy and wind energy projects and acquire interests in additional renewable energy projects on favourable terms or at all.

Increased attention to, and evolving expectations for, environmental, social, and governance ("ESG") initiatives could increase our costs, harm our reputation, or otherwise adversely impact our business.

Companies across industries are facing increasing scrutiny from a variety of stakeholders related to their ESG and sustainability practices. Expectations and requirements regarding voluntary ESG initiatives and disclosures and consumer demand for alternative forms of energy may result in increased costs (including but not limited to increased costs related to compliance, stakeholder engagement, contracting and insurance), changes in demand for certain products, enhanced compliance or disclosure obligations, or other adverse impacts to our business, financial condition, or results of operations.

Various regulatory authorities have imposed, and may continue to impose, mandatory substantive and/or disclosure requirements with respect to ESG matters. For example, we may be subject to, or indirectly impacted by, the requirements of the European Union Corporate Sustainability Reporting Directive and/or other European Union and national regulatory frameworks, disclosure requirements (such as information on greenhouse gas emissions, climate risks, use of offsets, and emissions reduction claims) from the State of California, among other regulations or requirements. Any of the foregoing may require us to make additional investments in facilities and equipment, require us to incur additional costs for the collection of data and/or preparation of disclosures and associated internal controls, may impact the availability and cost of key raw materials used in the production of our products, and, in turn, may adversely impact our business, operating results, and financial condition. Additionally, many of our suppliers, customers and business partners may be subject to similar requirements, which may augment or create additional risks, including risks that may not be known to us. Moreover, these requirements may not always be uniform across jurisdictions, which may result in increased complexity, and cost, for compliance. In particular, in the U.S., certain states have adopted laws aimed at discouraging or penalizing the adoption of ESG or sustainability policies and the potential exists for similar initiatives at the federal level, which may conflict with other regulatory requirements or our various stakeholders' expectations.

Further, while we may at times engage in voluntary initiatives (such as voluntary disclosures, certifications, or goals, among others) or commitments to improve our ESG profile, such initiatives or achievements of such commitments may be costly and may not have the desired effect. For example, expectations around a company's management of ESG matters continues to evolve rapidly, in many instances due to factors that are out of our control, including certain stakeholders that may take a more negative view of ESG initiatives in general. In addition, we may commit to certain initiatives or goals but not ultimately achieve such commitments or goals due to factors that are within or outside of our control. Moreover, actions or statements that we may take based on expectations, assumptions, or third-party information that we currently believe to be reasonable may subsequently be determined to be erroneous or be subject to misinterpretation. Even if this is not the case, our current actions may subsequently be determined to be insufficient by various stakeholders, and we may be subject to investor or regulator engagement on our ESG initiatives and disclosures, even if such initiatives are currently voluntary. To the extent ESG matters negatively impact our reputation, it may also impede our ability to compete as effectively to attract and retain employees or customers, which may adversely impact our operations.

Certain market participants, including major institutional investors and capital providers, use third-party benchmarks and scores to assess companies' ESG profiles in making investment or voting decisions. Unfavourable ESG ratings could lead to increased negative investor sentiment towards us or our industry, which could negatively impact our share price as well as our access to and cost of capital.

Risks related to our financing activities

We are exposed to interest rate risk.

Our activities are, and are expected to continue to be, financed through project debt, bonds and credit facilities and, as such, we are exposed to risk resulting from changes in the base interest rate of loans in the various markets in which we operate. While the existing debt of our subsidiaries largely accrues interest at fixed rates, some of our subsidiaries' debt accrues interest at variable rates. We expect that our subsidiaries will continue to incur debt that accrues interest at both fixed and variable rates in connection with the financing of future projects.

Moreover, as a result of widespread inflation in the global economy, certain governmental authorities responsible for administering monetary policy have increased, and may continue to increase, applicable central bank interest rates, which could increase the costs required to obtain debt financing in the future or refinance current indebtedness. We manage our interest rate exposure by monitoring current interest rates, entering into interest rate swap contracts and continuing to use a combination of fixed-rate and variable-rate debt. Interest rate swaps are used to mitigate or adjust interest rate exposure when appropriate based upon market conditions or when required by financing agreements. As of December 31, 2024, we had approximately $349 million of consolidated variable-rate debt outstanding net of deferred financing costs and $2.5 billion of fixed-rate debt outstanding. Variable rate debt largely consisted of 20% from the senior debt of our Björnberget project and draws on our credit facility with Bank Leumi Le-Israel Ltd and Bank Hapoalim Ltd., as discussed elsewhere in this Annual Report. Assuming no change in the variable-rate debt amount outstanding, the impact on interest expense of a 2% increase or decrease in the average interest rate would be approximately $1.9 million per year

In February 2024, Moody's downgraded Israel's credit rating from A1 to A2, due in part to the effects of its ongoing war with Hamas, and lowered Israel's credit outlook from stable to negative, signaling the possibility of further downgrades in the future. On August 12, 2024, FitchRatings downgraded Israel's credit ratings from 'A+' to 'A,' with a negative outlook. On September 27, 2024, Moody's downgraded Israel's credit ratings for the second time in 2024, from 'A2' to 'Baa1.' On October 1, 2024, S&P Global Ratings lowered Israel's credit ratings from 'A+' to 'A,' with a negative outlook. We rely on access to the Israeli financial markets to source a wide range of corporate finance, including corporate bonds, convertible bonds, corporate credit facilities, letters of credit facilities and equity capital. As of December 31, 2024, we have $612 million in issued debt in the form of bonds, and in February 2025 we issued approximately $245 million in additional bonds. The downgrading of Israel's credit ratings by Moody's and other credit rating agencies may raise our borrowing costs by increasing the interest we will need to pay to our lenders and bond purchasers. If credit rating agencies continue to downgrade Israel's credit rating, our access to Israeli financial markets and ability to finance future projects could be materially adversely impacted.

Our subsidiaries' substantial amount of indebtedness may adversely affect our ability to operate our business, and our failure to comply with the terms of our indebtedness could have a material adverse effect on our financial condition.

As of December 31, 2024, our consolidated indebtedness, net of deferred financing costs, was approximately $2.8 billion. For more information, see Item 5. "Operating and Financial Review and Prospects." Our subsidiaries' substantial indebtedness could have consequences on our business operations. For example,

- if our subsidiaries are unable to fulfill payment or other obligations or comply with their covenants under the agreements governing our indebtedness, such subsidiaries could default under such agreements or be rendered insolvent, or lenders may exercise rights and remedies under the terms of such agreements, such as foreclosure on us, our subsidiaries, or our and their projects or other assets, which could materially adversely affect our business, financial condition and results of operations;

- our subsidiaries' substantial indebtedness could limit our ability to fund operations of future acquisitions and our financial flexibility, which could reduce our ability to plan for and react to unexpected opportunities and contingencies;

- our subsidiaries' substantial debt service obligations and maturities make us vulnerable to adverse changes in general economic, industry and competitive conditions, credit markets, capital markets, and government regulation that could place us at a disadvantage compared to competitors with less debt or more capital resources;

- the financing arrangements of certain of our subsidiaries are subject to cross-collateralization or other similar credit support arrangements that could heighten the risks associated with defaults under our and their debt obligations, increase the potential that adverse events relating to individual projects could materially affect our financing arrangements on a broader scale, or limit our ability to freely sell or finance some or all of our projects; and

- our subsidiaries' substantial indebtedness could limit our ability to obtain financing for working capital, including collateral postings, capital expenditures, debt service requirements, acquisitions, and general corporate or other purposes.

If our subsidiaries do not comply with their obligations under their debt instruments, they may be subject to acceleration of the obligations thereunder, requiring them to refinance all or a part of the indebtedness under such instruments, which may force us to accept then-prevailing market terms that may be less favourable and could reduce our cash flow. If, for any reason, our subsidiaries are unable to refinance such indebtedness of our projects, those projects may be in default of their existing obligations, which may result in a foreclosure on the collateral and loss of the applicable projects. In addition, if for any reason our subsidiaries are unable to refinance the existing indebtedness of our projects with new debt, we may issue additional ordinary shares or other equity interests in us or any of our subsidiaries, which may dilute the then-existing holders of ordinary shares in our net assets, or we may be required to guarantee the obligations of our subsidiaries, which could subject us to increased credit risk. Any such events could have a material adverse effect on our business, financial condition and results of operations.

In addition, increases in interest rates and changes in debt covenants may reduce the amounts that we can borrow, reduce our cash flows and increase the equity investment we may be required to make in any projects we may develop or acquire. If our subsidiaries are not able to generate sufficient operating cash flows to repay their outstanding indebtedness or otherwise are unable to comply with the terms of their indebtedness, we could be required to reduce capital expenditures and operating expenditures, reduce the scope of our projects, sell some or all of our projects, or delay construction of projects we may develop or acquire, all of which could have a material adverse effect on our business, financial condition and results of operations.

We or our subsidiaries may not be able to obtain project financing on attractive terms, or at all, which may adversely affect our ability to fund the development and construction of our projects. We expect to be dependent on tax equity financing arrangements in the United States, which may not be available in the future.

We rely heavily on third-party project finance, including tax equity arrangements for our U.S. projects, to finance our business and the development and construction costs of our projects and other capital expenditures. The terms of our financing arrangements and the amount of financing available to us is dependent on a variety of factors, including general market conditions and assumptions with respect to the value of our projects and anticipated future cash flows. If we are unable to raise additional funds when needed, we may be required to delay or abandon development and construction of projects, reduce the scope of projects or sell some of our projects, or default on our existing contractual commitments. We also may be unable to refinance existing arrangements at their contractual maturity, which may cause us to default on such obligations and be subject to foreclosure by the project's lenders. We may not be successful in locating suitable financing transactions in the time period required or at all, or on terms we find attractive, and we may not obtain the capital we require by other means, all of which could have a material adverse effect on our business, financial condition, and results of operations.

Our U.S. projects will often rely on third-party tax equity funding either via traditional tax equity partnerships or through the transfer market to capitalize on available tax incentives because we do not have sufficient tax capacity to make use of all such credits. We intend to develop or acquire projects in the future that utilize tax equity financing to monetize tax benefits available to certain renewable energy assets. However, no assurance can be given that tax equity investors will be available or willing to provide financing on acceptable terms at the time of any such development or acquisition or that the tax incentives and benefits that are needed to make tax equity financing available will remain in place. Furthermore, as the renewable energy industry expands, the cost of tax equity financing may increase and there may not be sufficient tax equity financing available to meet the total demand in any year. Our business strategy depends on the availability of tax equity financing to develop and acquire additional assets. Therefore, our inability to enter into tax equity financing agreements with attractive pricing terms, or at all, could have a material adverse effect on our business, financial condition, results of operations and cash flows.

We may be unable to secure refinancing of indebtedness on favourable terms or at all upon the maturity thereof and may be required to incur significant costs to novate existing swap arrangements in connection with a refinancing.

The outstanding project-level indebtedness for all of our projects is scheduled to mature prior to the anticipated end of such projects' useful life and the full amortization of such loans. In addition, we have substantial other indebtedness, which is scheduled to mature in the next several years. Upon the maturity of such indebtedness, our ability to obtain refinancing on attractive terms is contingent on a number of factors, including changes to the prevailing market terms on which indebtedness is generally available, changes to the industry in which we operate, local market conditions in the jurisdictions in which our projects are located, the continued operating performance of our assets, future electricity market prices, the level of future interest rates, lenders' appetite for investments in renewable energy and infrastructure assets, and assessment of our credit risk at the time. It may not be possible to secure refinancing on terms that we think are attractive or at all. Adverse terms may negatively affect our ability to operate our projects or may require us to use a significant portion of the project's cash flow to make payments related to the debt financing. Further, the process of identifying new financing sources and agreeing on all relevant business and legal terms could be lengthy and could require us to slow the rate of the growth of our business until such new financing arrangements were in place. In connection with any refinancing, we could also be required to incur potentially significant costs associated with the novation or cash settlement of any outstanding swaps or other financial derivatives executed in connection with indebtedness being refinanced. Our failure to secure refinancing of indebtedness or inability to do so on terms that we think are commercially acceptable, and the costs associated with novating or settling any related derivatives in connection with any such refinancing, could materially adversely affect our business, results of operations and financial conditions. We have historically used cash from refinancing to help fund our business and we may be adversely affected if we are unable to have continued access to this source of funding of our business.

We are exposed to risks inherent in our use of financial derivative arrangements, including interest rate swaps.

Most of our subsidiaries' indebtedness accrues interest at variable rates, and such subsidiaries are parties to interest rate swaps that attempt to reduce the impact of interest rate volatility on such subsidiaries' related payment obligations. In the vast majority of cases, our project lenders require us to enter into swaps to provide an economic hedge for our variable rate debt. The use of interest rate swaps, however, does not eliminate the possibility of fluctuations in the value of the position or prevent losses if the value of the position declines. Such transactions may also limit the opportunity for gain if the value of a position increases. In addition, to the extent that actively quoted market prices and pricing information from external sources are not available, the valuation of these contracts will involve judgment or the use of estimates. As a result, changes in the underlying assumptions or use of alternative valuation methods could affect the reported fair value of these contracts. We are also exposed to the risk of default by a swap counterparty, which may become a particularly pronounced risk in the case of a large-scale financial crisis.

If our interest rate swaps or any other financial derivative arrangements that we may enter into in the future perform in a manner that we do not anticipate, it could materially adversely affect our business, financial condition and results of operations.

We guarantee certain of the obligations of our projects and other subsidiaries, and a requirement to make a payment under such guarantee may have a material adverse effect on our financial condition or liquidity.

Our subsidiaries incur various types of debt and other obligations. Project non-recourse debt or obligations are repayable solely from the applicable project's or entity's future total revenues and income and, in some cases, are secured by the project's or entity's physical assets, major contracts, cash accounts and our ownership interests in other entities. While we seek to secure project non-recourse debt for our projects, in certain cases we are unable to do so or unable to do so on favourable terms, and thus may be liable for some or all of our subsidiaries' obligations on a recourse basis. To satisfy these obligations, we may be required to use amounts distributed by our other subsidiaries, as well as other sources of available cash, reducing the cash available to execute our business plan. For example, in 2023 we invested $304 million of equity in the Atrisco Solar project, $204 million above what was originally planned, driven by delays in securing non-recourse construction finance. These funds were subsequently recycled back to our balance sheet following the financial close of the project in December 2023. In addition, if our subsidiaries default on their obligations under non-recourse financing or other agreements, we may decide to make payments to prevent the creditors of these subsidiaries from foreclosing on the relevant collateral (which foreclosure would result in a loss of our ownership interest in the subsidiary or in some or all of its assets). Such payments or losses could have a material adverse effect on our business, financial condition and results of operations.

The use of traditional tax equity partnership arrangements to finance projects will limit certain management rights and operational flexibility with respect to those projects, as well as our rights to cash flows, tax credits and depreciation deductions generated by those projects.

We expect that some of our U.S. projects will utilize traditional tax equity partnership structures. Under many of these arrangements, a tax equity investor acquires an equity interest in the company that directly or indirectly owns the project, which entitles the tax equity investor to a significant percentage of the tax credits and depreciation deductions generated by the project, as well as a percentage of the project's cash flows (which may be significant in certain transactions), until a certain point in time. If a project underperforms, it could delay such point in time and, as a consequence, a tax equity investor may become entitled to receive a greater percentage or, in some cases, all of the project's cash flows until such point in time. The tax equity investor also has the right to approve most major management decisions with respect to the applicable project. These approval rights include decisions regarding material capital expenditures, replacement of major contracts, bankruptcy and the sale of the applicable project. To the extent we want to incur project-level debt at a project in which we co-invest with a tax equity investor, we may be required to obtain the tax equity investor's consent prior to such incurrence. In addition, the amount of debt that could be incurred by an entity in which we have a tax equity co-investor may be further constrained because even if the tax equity investor consents to the incurrence of the debt at the entity or project level, the tax equity investor may not agree to pledge its interest in the project, which could reduce the amount that can be borrowed by the entity. As a result, compliance with our obligations to our tax equity investors may prevent us from making certain business decisions.

Indemnification claims by a tax equity investor, project lender or other counterparty may reduce our right to cash flows generated by a project and could result in a cross-default under project-level debt financing.

Certain of our project subsidiaries may make representations, warranties and covenants to tax equity investors, project lenders or other counterparties with respect to, among other things, a project's initial and continued eligibility for tax credits, the tax basis of those assets and accelerated tax depreciation, and fulfillment of obligations under construction contracts, purchase and sale agreements, tax equity financing documents, and certain other project and finance agreements. The potential exposure of our project subsidiaries under such representations, warranties or covenants is significant, and in certain cases, we or our subsidiaries provide guarantees or undertakings with respect to such obligations that could result in substantial liabilities that are recourse to us or our subsidiaries and not limited to the specific project. If any representation, warranty or covenant is untrue or breached, we or our subsidiary may be required to indemnify the tax equity investors and the project subsidiary may be required to pay all of the project's operating cash flow to the tax equity investors until such indemnity obligation is satisfied. Any such indemnity obligation or cash sweep by us or our project subsidiary could result in a cross-default under the terms of the project's senior debt or impose material liabilities on us or our other subsidiaries, and correspondingly have a material adverse effect on our business, financial condition and results of operations.

We do not wholly own certain of our projects. If we are unable to find suitable partners or investors, or experience disagreements with our existing partners or investors, our business plans, including our ability to recycle capital in our business, and results of operations, could be adversely affected.

Many projects in our portfolio are owned through certain joint ventures or with other partners. In particular, we have sold minority interests in several of our projects to major Israeli institutional bodies. Our strategy going forward is to occasionally sell minority interests targeting 30% in our projects near the completion of construction. In some cases, all or a portion of our projects are owned by an investment fund we manage, and in some cases our management decisions are subject to investor consent rights. Our co-owners and fund investors may have interests that are different from ours which may result in conflicting views as to the conduct and management of the projects. Although we currently control these and expect to control future projects, we may not be able to favourably resolve disagreements with our partners or investors arising from a particular issue to come before the project, or as to the operation or management of the project, and such disagreements could hinder the operations of such project, or require additional management resources and attention. Any disagreements with our partners or investors could adversely affect our business plans, including our ability to recycle capital in our business, and results of operations.

We may not be able to fund our business through sales of existing assets or equity in our existing projects, which could adversely affect our liquidity to fund future growth.

We may seek to fund future acquisitions and the development and construction of new projects by selling assets or equity interests in our projects. Our ability to sell such assets or interests, and the prices we receive upon a sale, may be affected by many factors, and we may be unable to execute our strategy. In particular, these factors could arise from weakness in or the lack of demand, changes in the financial condition or prospects of prospective purchasers and the availability of financing to potential purchasers on reasonable terms, the number of prospective purchasers, the number of competing properties on the market, unfavourable local, national or international economic conditions, industry trends, and changes in laws, regulations or fiscal policies of jurisdictions in which the asset is located. We may not be able to sell such assets or interests, the terms of any such sales may not meet our expectations, and we may incur losses in connection with those sales, which could result in less liquidity to fund future growth. Failure to complete such sales may cause us to seek liquidity from alternative sources, such as raising additional debt or equity and diluting existing shareholders, which may be less favourable to our shareholders and could have a material adverse impact on our business, financial condition and results of operations.

Risks related to our financial condition

Our corporate structure and intercompany arrangements are subject to increasingly complex tax laws of various jurisdictions, and we could be obligated to pay additional taxes.

We are an Israeli company and therefore subject to Israeli corporate income tax. Based on our current corporate structure and operations, we are also subject to taxation in several other jurisdictions around the world.

Tax laws in Israel and these other jurisdictions have grown increasingly complex, and the application thereof can be uncertain. In addition, we are subject to a variety of bilateral and multilateral tax treaties, which can change at any time and impose on us less favourable tax treatment than we currently enjoy. We utilize a variety of tax planning services to address this complexity, but there can be no assurance that we will remain in compliance in the jurisdictions in which we operate, which could subject us to the risk of tax enforcement actions.

The amount of taxes we pay in these jurisdictions could increase substantially as a result of changes in the applicable tax principles, including increased tax rates, new tax laws or revised interpretations of existing tax laws and precedents. The authorities in these jurisdictions could review our tax returns or require us to file tax returns in jurisdictions in which we are not currently filing, and could impose additional tax, interest and penalties. These authorities could also claim that various withholding requirements apply to us or our subsidiaries, assert that benefits of tax treaties are not available to us or our subsidiaries, or challenge our methodologies for valuing developed technology or intercompany arrangements, including our transfer pricing. The relevant taxing authorities may determine that the reported tax treatment does not reflect the manner in which we operate our business. Moreover, given the multijurisdictional developments under the Organization for Economic Co-operation and Development efforts to standardize and modernize global corporate tax policy, it is generally expected that tax authorities in various jurisdictions in which we operate may increase their audit activity and may seek to challenge some of the tax positions we have adopted. It is difficult to assess if and to what extent such challenges, if raised, might impact our effective tax rate.

If such a disagreement were to occur, and our position was not sustained, we could be required to pay additional taxes, interest and penalties. Such authorities could claim that various withholding requirements apply to us or our subsidiaries or assert that benefits of tax treaties are not available to us or our subsidiaries. Any increase in the amount of taxes we pay or that are imposed on us could increase our worldwide effective tax rate and adversely affect our business, financial condition and results of operations.

As a result of plans to expand our business operations, including to jurisdictions in which tax laws may not be favourable, our tax obligations may change or fluctuate, become significantly more complex or become subject to greater risk of examination by taxing authorities.

We operate currently in several jurisdictions in addition to Israel. In the event that our business expands to additional jurisdictions, our effective tax rates may fluctuate widely in the future. Future effective tax rates could be affected by operating losses in jurisdictions where no tax benefit can be recorded under IFRS, changes in deferred tax assets and liabilities, or changes in tax laws. Factors that could materially affect our future effective tax rates include, but are not limited to: (a) changes in tax laws or the regulatory environment, (b) changes in accounting and tax standards or practices, (c) changes in the composition of operating income by tax jurisdiction and (d) pre-tax operating results of our business.

Outcomes from audits or examinations by taxing authorities could have an adverse effect on our after-tax profitability and financial condition. Additionally, the Israel Tax Authority (the "ITA") and several foreign tax authorities have increasingly focused attention on intercompany transfer pricing with respect to sales of products and services and the use of intangibles. Tax authorities could disagree with our intercompany charges, cross-jurisdictional transfer pricing or other matters and assess additional taxes. If we do not prevail in any such disagreements, our profitability may be affected.

Our after-tax profitability and financial results may also be adversely affected by changes in relevant tax laws and tax rates, treaties, regulations, administrative practices and principles, judicial decisions and interpretations thereof, in each case, possibly with retroactive effect.

Our access to cash may be reduced as a result of various factors, including restrictions on our subsidiaries' cash distributions to us under the terms of their indebtedness.

We require cash to serve our long-term debt and for our ongoing operations, and the ability of our subsidiaries to make distributions to us may be restricted by, among other things, the provisions of existing and future indebtedness.

The agreements governing our subsidiaries' project-level debt contain financial tests and covenants that our subsidiaries must satisfy prior to making distributions and restrict our subsidiaries from making more than one distribution per quarter or per six-month period. If any of our subsidiaries is unable to satisfy any of these tests or covenants or is otherwise in default under such agreements, it would be prohibited from making distributions that could, in turn, limit our available cash. Also, upon the occurrence of certain events, including our subsidiaries' inability to satisfy distribution conditions for an extended period of time, our subsidiaries' total revenues and income may be swept into one or more accounts for the benefit of the lenders under the subsidiaries' debt agreements and the subsidiaries may be required to prepay indebtedness. Restrictions preventing our subsidiaries' cash distributions could have a material adverse effect on our business, financial condition and results of operations.

Furthermore, we maintain the majority of our cash and cash equivalents in accounts with major and highly rated multi-national or local financial institutions, and our deposits at certain of these institutions significantly exceed insured limits. Market conditions can impact the viability of these institutions. In the event of failure of any of the financial institutions where we maintain our cash and cash equivalents, there can be no assurance that we would be able to access uninsured funds in a timely manner or at all. Any inability to access or delay in accessing these funds could adversely affect our business and financial position.

Currency exchange rate fluctuations may affect our operations

We are exposed to currency exchange rate fluctuations. For example, 47% of our total revenues and income for the year ended December 31, 2024 was denominated in EUR, approximately 40% was denominated in NIS and approximately 10% was denominated in USD. Moreover, the cash on our balance sheet as of December 31, 2024 is largely held in USD, while our future investments in projects will largely be denominated in both USD and EUR. We expect total revenues and income from the European and Israeli markets to continue to represent a meaningful portion of our total revenues and income, though we also expect total revenues and income denominated in USD from projects located in the United States to increase in the coming years. Given that a significant portion of our headquarter expenses are denominated in NIS and USD while our total revenues and income is denominated in multiple currencies, we are exposed to the risks inherent in currency exchange rate fluctuations.

To the extent that we engage in hedging activities to reduce our currency exchange rate exposure, we may be prevented from realizing the full benefits of exchange rate increases above the level of the hedges. However, because we are not fully hedged, we will continue to have exposure on the unhedged portion of the currency we exchange. Additionally, our hedging activities may not be as effective as we anticipate at reducing the volatility of our future cash flows. Our hedging activities can result in substantial losses if hedging arrangements are imperfect or ineffective or our hedging policies and procedures are not followed properly or do not work as intended. Further, hedging contracts are subject to the credit risk that the other party may prove unable or unwilling to perform its obligations under the contracts, particularly during periods of weak and volatile economic conditions. Certain of the financial instruments we use to hedge our exchange rate exposure must be accounted for on a mark-to-market basis. In addition, foreign currency translation risk arises upon the translation of the financial statements of our subsidiaries whose functional currency is the NIS, EUR or other foreign currency into USD for the purpose of preparing our combined financial statements included elsewhere in this Annual Report. The assets and liabilities of our non-U.S. subsidiaries are translated at the closing rate at the date of reporting and income statement items are translated at the average rate for the period. These currency translation differences may have significant negative impacts. Foreign currency transaction risk also arises when we or our subsidiaries enter into transactions where the settlement occurs in a currency other than ours or our subsidiaries' functional currency. Exchange differences arising from the settlement or translation of monetary items at rates different from those at which they were translated on initial recognition during the period or in previous financial statements are recognized as profit or loss in the period in which they arise, which could materially impact our net income. Any measures that we may implement to reduce the effect of currency exchange rate fluctuations and other risks of our multinational operations may not be effective or may be overly expensive. Any exposure to adverse currency exchange rate fluctuations could materially and adversely affect our financial condition, results of operations and cash flows.

We are subject to operating and financial restrictions through covenants in our loan, debt and security agreements.

We and our subsidiaries are or will in the future be subject to operating and financial restrictions through covenants in our loan, debt and security agreements. These restrictions may prohibit or limit our ability to, among other things, incur additional debt, provide guarantees for indebtedness, create liens, dispose of assets, liquidate, dissolve, amalgamate, consolidate or effect corporate or capital reorganizations, issue equity interests, enter into material or affiliate contracts and create subsidiaries. Financial covenants in our bonds and in our corporate credit facilities limit our overall indebtedness to a percentage of total capitalization and require us to maintain certain other financial ratios which may limit our ability to obtain additional financing, withstand downturns in our business and take advantage of business and development opportunities. If we breach our covenants, our credit facilities may be terminated or come due, and such event may cause our credit rating to deteriorate and subject us to higher interest and financing costs. We may also be required to seek additional debt financing on terms that include more restrictive covenants, require repayment on an accelerated schedule or impose other obligations that limit our ability to grow our business, acquire needed assets or take other actions that we might otherwise consider appropriate or desirable.

Risks related to the ownership of our ordinary shares

Our share price may decline or may be volatile regardless of our operating performance, and you may not be able to resell your ordinary shares at or above the price at which you purchased them.

The market price of our ordinary shares could be subject to significant fluctuations. The price of our ordinary shares may change in response to our results of operations in future periods and also may change in response to other factors, including factors specific to companies in our industry. As a result, our share price may experience significant volatility that is not necessarily reflective the value of our expected performance. Among other factors that could affect our share price are:

- changes in laws or regulations applicable to our industry or offerings;
- speculation about our business in the press or investment community;
- investor interests in environmental, social and governance-focused companies;
- price and volume fluctuations in the overall stock market;
- volatility in the market price and trading volume of companies in our industry or companies that investors consider comparable;
- sales of our ordinary shares by us or our principal shareholders, officers and directors;
- the expiration of contractual lock-up agreements;
- the development and sustainability of an active trading market for our ordinary shares;
- success of competitive products or services;
- the public's response to press releases or other public announcements by us or others, including our filings with the SEC, announcements relating to litigation or significant changes in our key personnel;
- the effectiveness of our internal controls over financial reporting;
- changes in our capital structure, such as future issuances of debt or equity securities;
- our entry into new markets;
- tax developments in the United States or other countries;
- strategic actions by us or our competitors, such as acquisitions or restructurings; and
- changes in accounting principles.

Further, the stock markets have experienced extreme price and volume fluctuations that have affected and continue to affect the market prices of equity securities of many companies. These fluctuations often have been unrelated or disproportionate to the operating performance of those companies. The stock prices of many energy-related companies have experienced wide fluctuations that have often been unrelated to the operating performance of those companies. These broad market and industry fluctuations, as well as general economic, political and market conditions such as recessions, interest rate changes or international currency fluctuations, may cause the market price of our ordinary shares to decline.

You may not be able to resell any of our ordinary shares at or above the price at which you purchased them. If the market price of our ordinary shares does not exceed the price at which you purchased them, you may not realize any return on your investment and may lose some or all of your investment.

We do not expect to pay any dividends in the foreseeable future.

We have never declared or paid any dividends on our ordinary shares, and we do not anticipate paying any dividends in the foreseeable future. We currently intend to retain future earnings, if any, to finance operations and expand our business. Consequently, investors who purchase our ordinary shares may be unable to realize a gain on their investment except by selling such shares after price appreciation, which may never occur.

Our board of directors has sole discretion whether to pay dividends. If our board of directors decides to pay dividends, the form, frequency and amount will depend upon our future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors that our directors may deem relevant. The Companies Law imposes restrictions on our ability to declare and pay dividends.

Payment of dividends may also be subject to Israeli withholding taxes. See Item 10.E "Taxation-Israeli Tax Considerations" for additional information.

The price of our ordinary shares could decline if securities analysts do not publish research or if securities analysts or other third parties publish unfavourable research about us.

The trading of our ordinary shares is likely to be influenced by the reports and research that industry or securities analysts publish about us, our business, our market or our competitors. If one or more analysts downgrade our ordinary shares or publish unfavourable research about our business, our share price would likely decline. If one or more securities or industry analysts ceases to cover us or fails to regularly publish reports on us, we could lose visibility in the financial markets, which in turn could cause our share price or trading volume to decline.

The issuance by us of additional ordinary shares or the issuance by us of, or exercise of, convertible or other equity securities may dilute your ownership of our ordinary shares and incurrence of indebtedness may restrict our operations, both of which could adversely affect our share price.

From time to time in the future, we may issue additional ordinary shares, securities convertible into ordinary shares, or other equity securities to raise additional capital or pursuant to a variety of transactions, including acquisitions. The issuance by us of additional ordinary shares or securities convertible into our ordinary shares would dilute your ownership of our ordinary shares and the sale of a significant amount of such shares in the public market could adversely affect prevailing market prices of our ordinary shares. We may also seek additional capital through debt financings. The incurrence of indebtedness would result in increased fixed payment obligations and could involve restrictive covenants, such as limitations on our ability to incur additional debt, to make capital expenditures, to create liens or to redeem shares or declare dividends, that could adversely affect our ability to conduct our business.

Future sales, or the perception of potential future sales, by us in the public market could cause the market price for our ordinary shares to decline.

The sale of substantial amounts of shares of our ordinary shares in the public market, or the perception that such sales could occur, could harm the prevailing market price of our ordinary shares. These sales, or the possibility that these sales may occur, also might make it more difficult for us to sell equity securities in the future at a time and at a price that we deem appropriate.

We will continue to incur increased costs as a result of operating as a U.S. public company, and our management will continue to be required to devote substantial time to new compliance initiatives and corporate governance practices.

As a U.S. public company, and particularly since we are no longer an emerging growth company as of January 1, 2025, we will continue to incur significant legal, accounting and other expenses that we did not incur as a private company prior to our initial public offering in the United States, which we completed on February 13, 2023 (the "U.S. IPO"). The Sarbanes-Oxley Act, the Dodd-Frank Wall Street Reform and Consumer Protection Act, the listing requirements of Nasdaq and other applicable securities rules and regulations impose various requirements on public companies, including establishment and maintenance of effective disclosure and internal controls and corporate governance practices. Our management and other personnel will need to continue to devote a substantial amount of time to these compliance initiatives. Moreover, these rules and regulations will continue to increase our legal and financial compliance costs and will continue to make some activities more time-consuming and costly. For example, we expect that these rules and regulations may make it more difficult and more expensive for us to obtain director and officer liability insurance and make it more difficult for us to attract and retain qualified members of our board of directors.

We cannot predict or estimate the amount of additional costs we may incur or the timing of such costs as a result of compliance with these rules and regulations. These rules and regulations are often subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices.

If we fail to maintain an effective system of disclosure controls and internal control over financial reporting, our ability to produce timely and accurate financial statements or comply with applicable regulations could be impaired.

The Sarbanes-Oxley Act requires, among other things, that we maintain effective disclosure controls and procedures and internal control over financial reporting. We are continuing to develop and refine our disclosure controls and other procedures that are designed to ensure that information required to be disclosed by us in the reports that we will file with the SEC is recorded, processed, summarized, and reported within the time periods specified in SEC rules and forms and that information required to be disclosed in reports under the Exchange Act is accumulated and communicated to our principal executive and financial officers. We believe that any disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. These inherent limitations include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by an unauthorized override of the controls. Accordingly, because of the inherent limitations in our control system, misstatements due to error or fraud may occur and not be detected.

We are also continuing to improve our internal control over financial reporting. In order to maintain and improve the effectiveness of our disclosure controls and procedures and internal control over financial reporting, we have expended, and anticipate that we will continue to expend, significant resources, including accounting-related costs and significant management oversight. If any of these new or improved controls and systems do not perform as expected, we may experience material weaknesses in our controls. In addition to our results determined in accordance with IFRS, we believe certain non-IFRS measures and key metrics may be useful in evaluating our operating performance. We present certain non-IFRS financial measures and key metrics in this Annual Report and intend to continue to present certain non-IFRS financial measures and key metrics in future filings with the SEC and other public statements. Any failure to accurately report and present our non-IFRS financial measures and key metrics could cause investors to lose confidence in our reported financial and other information, which would likely have a negative effect on the trading price of our ordinary shares.

Our current controls and any new controls that we develop may become inadequate because of changes in conditions in our business. Further, weaknesses in our disclosure controls and internal control over financial reporting may be discovered in the future. Any failure to develop or maintain effective controls or any difficulties encountered in their implementation or improvement could harm our results of operations or cause us to fail to meet our reporting obligations and may result in a restatement of our consolidated financial statements for prior periods. Any failure to implement and maintain effective internal control over financial reporting also could adversely affect the results of a report by management on, among other things, the effectiveness of our internal control over financial reporting pursuant to Section 404(a) of the Sarbanes-Oxley Act that we are required to include in our annual reports that we file with the SEC. The report by management needs to include disclosure of any material weaknesses identified by our management in our internal control over financial reporting. The rules governing the standards that must be met for our management to assess our internal control over financial reporting are complex and require significant documentation, testing and possible remediation. Testing and maintaining internal controls may divert our management's attention from other matters that are important to our business. Ineffective disclosure controls and procedures and internal control over financial reporting could also cause investors to lose confidence in our reported financial and other information, which would likely have a negative effect on the trading price of our ordinary shares. In addition, if we are unable to continue to meet these requirements, we may not be able to remain listed on the Nasdaq Global Select Market.

Additionally, we are no longer considered an "emerging growth company" as of January 1, 2025 and our independent registered public accounting firm is now required to formally attest to the effectiveness of our internal control over financial reporting pursuant to Section 404(b) of the Sarbanes-Oxley Act. We are required to include in our annual reports such attestation of our independent registered public accounting firm, which may issue a report that is adverse in the event it is not satisfied with the level at which our internal control over financial reporting is documented, designed or operating.

We are engaged in a process to document and evaluate our internal control over financial reporting, which is both costly and challenging. In this regard, we will need to continue to dedicate internal resources, potentially engage outside consultants, and adopt a detailed work plan to assess and document the adequacy of internal control over financial reporting, continue steps to improve control processes as appropriate, validate through testing that controls are functioning as documented, and implement a continuous reporting and improvement process for internal control over financial reporting. Despite our efforts, there is a risk that we will not be able to conclude, within the prescribed time frame or at all, that our internal control over financial reporting is effective as required by Section 404. If we identify one or more material weaknesses, it could result in an adverse reaction in the financial markets due to a loss of confidence in the reliability of our financial statements. As a result, the market price of our ordinary shares could be negatively affected, and we could become subject to investigations by the SEC or other regulatory authorities, which could require additional financial and management resources.

Any failure to maintain effective disclosure controls and internal control over financial reporting could adversely affect our business, financial condition, and results of operations and could cause a decline in the price of our ordinary shares.

Our operating results and our ability to grow may fluctuate from quarter to quarter and year to year, which could make our future performance difficult to predict and could cause our operating results for a particular period to fall below expectations.

Our quarterly and annual operating results and our ability to grow are difficult to predict and may fluctuate significantly in the future. We have experienced seasonal and quarterly fluctuations in the past and expect to experience such fluctuations in the future. In addition to the other risks described in this "Risk Factors" section, the following factors could cause our operating results to fluctuate:

- fluctuations in demand for solar energy or wind energy;
- our ability to complete our wind energy and solar energy projects in a timely manner;
- the availability, terms and costs of suitable financing;
- our ability to continue to expand our operations and the amount and timing of expenditures related to this expansion;
- announcements by us or our competitors of significant acquisitions, strategic partnerships, joint ventures, or capital-raising activities or commitments;
- expiration or initiation of any governmental rebates or incentives;
- actual or anticipated developments in our competitors' businesses, technology or the competitive landscape;
- general economic and political conditions and government regulations in the countries where we currently operate or may expand in the future;
- the war between Israel and Hamas; and
- natural disasters or other weather or meteorological conditions, or pandemics, epidemics or global health emergencies.

For these or other reasons, the results of any prior quarterly or annual periods should not be relied upon as indications of our future performance.

Our actual financial results may differ materially from any guidance we may publish from time to time.

We may, from time to time, provide guidance regarding our future performance that represents our management's estimates as of the date such guidance is provided. Any such guidance would be based upon a number of assumptions with respect to future business decisions (some of which may change) and estimates, while presented with numerical specificity, are inherently subject to significant business, economic, and competitive uncertainties and contingencies (many of which are beyond our control). Guidance is necessarily speculative in nature and it can be expected that some or all the assumptions that inform such guidance will not materialize or will vary significantly from actual results. Our ability to meet any forward-looking guidance is affected by a number of factors, including, but not limited to, our ability to complete our wind energy and solar energy projects in a timely manner, and pricing of offtake contracts we enter into, changes in construction and operating costs, changes in electricity prices, the availability of financing on acceptable terms, the availability of rebates, tax credits and other incentives, changes in policies and regulations, fluctuations in production at our facilities, the availability and cost of solar panels, wind turbines, inverters, batteries and other raw materials, as well as the other risks to our business described in this "Risk Factors" section. Accordingly, our guidance is only an estimate of what management believes is realizable as of the date such guidance is provided. Actual results may vary from such guidance and the variations may be material. Investors should also recognize the reliability of any forecasted financial data diminishes the farther into the future the data is forecast. In light of the foregoing, investors should not place undue reliance on our financial guidance and should carefully consider any guidance we may publish in context.

If our long-lived assets or project-related assets become impaired, we may be required to record significant charges to earnings.

We may be required to record significant charges to earnings should we determine that our long-lived assets or project-related assets are impaired. Such charges may have a material impact on our financial position and results of operations. We review long-lived and project-related assets for impairment whenever events or changes in circumstances indicate that the carrying amount of such assets may not be recoverable. If our projects are not considered commercially viable, we would be required to impair the respective assets, which may have a material adverse effect on our business, financial condition and results of operations.

We are a foreign private issuer and, as a result, we are not subject to U.S. proxy rules and are subject to Exchange Act reporting obligations that, to some extent, are more lenient and less frequent than those of a U.S. domestic public company.

We report under the Exchange Act as a non-U.S. company with foreign private issuer status. Because we qualify as a foreign private issuer under the Exchange Act, we are exempt from certain provisions of the Exchange Act that are applicable to U.S. domestic public companies, including (1) the sections of the Exchange Act regulating the solicitation of proxies, consents or authorizations in respect of a security registered under the Exchange Act, (2) the sections of the Exchange Act requiring insiders to file public reports of their share ownership and trading activities and liability for insiders who profit from trades made in a short period of time, (3) the rules under the Exchange Act requiring the filing with the SEC of quarterly reports on Form 10-Q containing unaudited financial and other specified information, although we are subject to Israeli laws and regulations with regard to certain of these matters and intend to furnish quarterly information on Form 6-K, and (4) Regulation Fair Disclosure ("Regulation FD"), which regulates selective disclosures of material information by issuers. In addition, foreign private issuers are not required to file their annual report on Form 20-F until four months after the end of each fiscal year, while U.S. domestic issuers that are accelerated filers are required to file their annual report on Form 10-K within 75 days after the end of each fiscal year and U.S. domestic issuers that are large accelerated filers are required to file their annual report on Form 10-K within 60 days after the end of each fiscal year. Foreign private issuers are also exempt from Regulation FD, which is intended to prevent issuers from making selective disclosures of material information. As a result of all of the above, you may not have the same protections afforded to shareholders of a company that is not a foreign private issuer.

As we are a "foreign private issuer" and follow certain home country corporate governance practices, our shareholders may not have the same protections afforded to shareholders of companies that are subject to all corporate governance rules of Nasdaq governance requirements.

As a foreign private issuer, we have the option to follow certain home country corporate governance practices rather than those of Nasdaq, provided that we disclose the requirements we are not following and describe the home country practices we are following. We rely on this "foreign private issuer exemption" with respect to Nasdaq rules for shareholder meeting quorums, certain shareholder approval requirements in connection with equity-based compensation of officers, directors, employees or consultants and certain requirements relating to independent director oversight of director nominations. For more information, see Item 6.C "Board Practices—Corporate Governance Practices" and Item 16.G "Corporate Governance." We may in the future elect to follow home country practices with regard to other matters. As a result, our shareholders may not have the same protections afforded to shareholders of companies that are subject to all corporate governance rules of Nasdaq.

We may lose our foreign private issuer status in the future, which could result in significant additional costs and expenses.

As discussed above, we qualify as a foreign private issuer, and therefore, we are exempt from certain periodic disclosures and current reporting requirements under the Exchange Act. The determination of foreign private issuer status is made annually on the last business day of an issuer's most recently completed second fiscal quarter, and therefore, we will re-evaluate our qualification as a foreign private issuer on June 30, 2025. In the future, we would lose our foreign private issuer status if (1) more than 50% of our outstanding voting securities are owned by U.S. residents and (2) a majority of our directors or executive officers are U.S. citizens or residents, or we fail to meet additional requirements necessary to avoid loss of foreign private issuer status. If we no longer qualify as a foreign private issuer, we will be required to file with the SEC periodic reports and registration statements on U.S. domestic issuer forms, which are more detailed and extensive than the forms available to a foreign private issuer. We will also have to mandatorily comply with U.S. federal proxy requirements, and our officers, directors and principal shareholders will become subject to the short-swing profit disclosure and recovery provisions of Section 16 of the Exchange Act. In addition, we will lose our ability to rely upon exemptions from certain corporate governance rules of Nasdaq. As a U.S. listed public company that is not a foreign private issuer, we will incur significant additional legal, accounting and other expenses that we will not incur as a foreign private issuer.

Prior authorization from FERC may be required for the direct or indirect transfer, sale, acquisition or other disposition of 10% or greater of our securities.

Some of our U.S. operating subsidiaries are "public utilities" (as defined in the Federal Power Act ("FPA") and, thus, subject to FERC's jurisdiction under the FPA. U.S. federal law requires our subsidiaries that subject to such FERC jurisdiction either to (1) obtain prior authorization from FERC to transfer an amount of issued and outstanding voting securities sufficient to convey direct or indirect control over any of our public utility subsidiaries or (2) qualify for a blanket authorization granted by FERC order or available under FERC's regulations, in each case for the direct or indirect transfer, sale or other disposition of 10% or greater of our voting securities or the voting securities in any of our public utility subsidiaries. Similar restrictions imposed by U.S. federal law apply to a purchaser of our securities who is a holding company under the Public Utility Holding Company Act of 1935 in a holding company system that includes a transmitting utility or an electric utility, or an "electric holding company" regardless of whether the securities are received pursuant to an offering, in open market transactions or otherwise. Accordingly, as a general matter, absent prior authorization by FERC or qualification for such blanket authorization granted by FERC, no purchaser, together with its affiliates, may legally acquire, directly or indirectly, 10% or more of us and our public utility subsidiaries or otherwise acquire control over us and any of our public utility subsidiaries. A violation of these requirements by the Company, as seller, or an investor as a purchaser of our securities, could subject the party in violation to substantial civil or criminal penalties under U.S. federal law, including possible sanctions imposed by FERC under the FPA and FERC rendering the transaction void. As a result of the FPA and FERC's regulations in respect of transfers of control, and consistent with the requirements for blanket authorizations granted thereunder or exemptions therefrom, absent prior authorization by FERC, no investor will be permitted to receive or purchase such number of our securities that would cause such investor and its affiliate and associate companies to collectively hold a 10% or more voting interest in the Company. In addition, the U.S. Congress periodically considers enacting energy legislation that could assign new responsibilities to FERC, modify provisions of the FPA or provide FERC or another entity with increased authority to regulate transmission matters. Our public utility subsidiaries may be affected by any such changes in federal energy laws, regulations or policies in the future.

There can be no assurance that we will not be classified as a passive foreign investment company, which could result in adverse U.S. federal income tax consequences to United States Holders of our ordinary shares.

We will be classified as a passive foreign investment company ("PFIC") for any taxable year if, after the application of certain look-through rules, either: (i) 75% or more of our gross income for such year is "passive income" (as defined in the relevant provisions of the Internal Revenue Code of 1986, as amended (the "Code")); or (ii) 50% or more of the value of our assets (generally determined on the basis of a quarterly average) during such year is attributable to assets that produce or are held for the production of passive income. For these purposes, cash and other assets readily convertible into cash or that do or could generate passive income are categorized as passive assets, and the value of goodwill and other unbooked intangible assets is generally taken into account. Goodwill is treated as an active asset under the PFIC rules to the extent attributable to activities that produce active income. Passive income generally includes, among other things, rents, dividends, interest, royalties, gains from the disposition of passive assets and gains from commodities and securities transactions. For purposes of this test, we will be treated as owning a proportionate share of the assets and earning a proportionate share of the income of any other corporation of which we own, directly or indirectly, at least 25% (by value) of the stock.

Based on our market capitalization and the current and anticipated composition of our income, assets, and operations, we believe that we were not a PFIC for the year ended December 31, 2024 and do not expect to be a PFIC for U.S. federal income tax purposes for the current taxable year or in the foreseeable future. However, our PFIC status for the year ended December 31, 2024 or the current or any other taxable year is subject to considerable uncertainties. For example, it is expected that our annual PFIC status for any taxable year will depend in large part on the extent to which our gross income from sales of energy is considered to be non-passive income under the Code. Based on the manner in which we operated in the year ended December 31, 2024, currently operate and intend to operate, we believe it reasonable for United States Holders (as defined in Item 10.E "Taxation—Material U.S. Federal Income Tax Considerations for United States Holders") to take the position that our gross income from energy sales is non-passive income. However, because we outsource to independent contractors certain operation and maintenance functions that may be treated as significant with respect to our projects, there can be no assurance that the United States Internal Revenue Service ("IRS") or a court will agree with this position. If our income from sales of energy is not treated as derived from an active business, we will likely be a PFIC. Moreover, whether we are a PFIC is a factual determination that must be made annually after the close of each taxable year. This determination will depend on, among other things, the composition of our income and assets, as well as the value of our ordinary shares and assets. The aggregate value of our assets for purposes of the PFIC determination may be determined by reference to the trading value of our ordinary shares, which could fluctuate significantly. In addition, the extent to which our goodwill will be characterized as an active asset is not entirely clear, and we cannot give assurance that the entire amount of our goodwill will be treated as an active asset. It is possible that the IRS may take a contrary position with respect to our PFIC determination in any particular year, and therefore, there can be no assurance that we were not a PFIC for the year ended December 31, 2024 or will not be classified as a PFIC in the current taxable year or in the future. Certain adverse U.S. federal income tax consequences could apply to a United States Holder if we are treated as a PFIC for any taxable year during which such United States Holder holds our ordinary shares. United States Holders should consult their tax advisors about the potential application of the PFIC rules to their investment in our ordinary shares. For further discussion, see Item 10.E "Taxation—Material U.S. Federal Income Tax Considerations for United States Holders—Passive Foreign Investment Company Considerations."

If a United States person is treated as owning 10% or more of our ordinary shares, such holder may be subject to adverse U.S. federal income tax consequences.

If a United States person is treated as owning (directly, indirectly or constructively) at least 10% of the value or voting power of our ordinary shares, such person may be treated as a "United States shareholder" with respect to each controlled foreign corporation ("CFC") in our group (if any). Because our group includes one or more U.S. subsidiaries, certain of our non-U.S. subsidiaries will be treated as CFCs (regardless of whether we are treated as a CFC). A United States shareholder of a CFC may be required to report annually and include in its U.S. taxable income its pro rata share of "Subpart F income," "global intangible low-taxed income" and investments in U.S. property by CFCs, regardless of whether we make any distributions. An individual that is a United States shareholder with respect to a CFC generally would not be allowed certain tax deductions or foreign tax credits that would be allowed to a United States shareholder that is a U.S. corporation. Failure to comply with these reporting obligations may subject a United States shareholder to significant monetary penalties and may prevent the statute of limitations with respect to such shareholder's U.S. federal income tax return for the year for which reporting was due from starting. We cannot provide any assurances that we will assist investors in determining whether we are or any of our non-U.S. subsidiaries is treated as CFC or whether any investor is treated as a United States shareholder with respect to any such CFC or furnish to any United States shareholder information that may be necessary to comply with the aforementioned reporting and tax paying obligations. The IRS has provided limited guidance on situations in which investors may rely on publicly available information to comply with their reporting and tax paying obligations with respect to foreign-controlled CFCs. A United States investor should consult its advisors regarding the potential application of these rules to an investment in our ordinary shares.

The dual listing of our ordinary shares may adversely affect the liquidity and value of our ordinary shares.

Our ordinary shares will continue to be admitted to trading on the TASE in a different currency than on Nasdaq (USD on Nasdaq and NIS on the TASE), and at different times (resulting from different time zones and different public holidays in the United States and Israel). We cannot predict the effect of this dual listing on the value of our ordinary shares. However, the dual listing of our ordinary shares may dilute the liquidity of these securities in one or both markets and may adversely affect the development of an active trading market for our ordinary shares in the United States. The price of our ordinary shares could also be adversely affected by trading in our ordinary shares on the TASE.

Our Articles of Association provide that unless we consent to an alternate forum, the federal district courts of the United States shall be the exclusive forum of resolution of any claims arising under the Securities Act.

Our Articles of Association provide that, unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States shall be the exclusive forum for the resolution of any claims arising under the Securities Act (the "Federal Forum Provision"). Section 22 of the Securities Act creates concurrent jurisdiction for federal and state courts over all such Securities Act actions. Accordingly, both state and federal courts have jurisdiction to entertain such claims. Alternatively, if a court were to find the Federal Forum Provision inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, which could adversely affect our business and financial condition. The Federal Forum Provision will not relieve us of our duties to comply with U.S. federal securities laws and the rules and regulations thereunder, and our shareholders will not be deemed to have waived our compliance with these laws, rules and regulations. While the Federal Forum Provision does not restrict the ability of our shareholders to bring claims under the Securities Act, nor does it affect the remedies available thereunder if such claims are successful, we recognize that it may limit shareholders ability to bring a claim in the judicial forum that they find favourable and may increase certain litigation costs which may discourage the filing of claims under the Securities Act against the us, our directors and officers.

Risks related to our incorporation and location in Israel

Israel is currently at war, and the duration, scope and effects of the war are unknown.

We are incorporated under Israeli law, and our principal offices and a certain portion of our manufacturing facilities are located in Israel. In addition, many of our employees, including our management team, are Israeli residents and certain of our projects from which we derive total revenues and income are located in Israel. Accordingly, political, economic and military conditions in Israel directly affect our business.

On October 7, 2023, Hamas terrorists infiltrated Israel's southern border from the Gaza Strip and conducted a series of attacks on civilian and military targets, following which, Israel's government declared war against Hamas. Other terrorist groups such as the Hezbollah from Lebanon, and the Houthis from Yemen have launched attacks on Israel in support of Hamas. Temporary cease fire agreements were reached with Lebanon in November 2024 and with Hamas in January 2025; however, the ceasefire with Hamas effectively ended in March 2025 with renewed fighting, and it is uncertain whether the ceasefire in Lebanon will hold or for how long, and whether or when hostilities will re-commence. It is possible that the military campaign against Hamas and other terrorist organizations will escalate in the future into a larger regional conflict. There is no certainty as to the duration, severity, results or implications of the war on the State of Israel generally or on our company.

To date, the war has not had material effects on our operations or financial results. However, if the war continues or escalates, it may affect us in several ways, including:

- **Human Resources**: approximately 18% of our Israeli employees and managers were called to active reserve duty, although as of the date of this Annual Report most have been released from such service; it is possible that the war will require additional reserve duty call-ups and more of our employees and managers or their family members will be called to active reserve duty, which may prevent them from working effectively or at all.

- **Macro-economic effects**: the war has caused and may continue to cause negative domestic macro-economic effects that could materially impact our business and operations, such as inflation, depreciation of the Shekel, bearish capital markets, reduced availability of credit and financing sources and decline in growth.

- **Trade curtailment**: the war may lead to interruptions and curtailment of trade between Israel and its trading partners, which could result in reductions in the demand for our offerings or constraints or disruptions in the supply of components required for our products. Certain countries and organizations may impose trade or other trade or financial sanctions on Israel, which could impact our ability to conduct our business.

- **Shipping costs**: the global shipping industry is experiencing disruptions due to various factors, including the rerouting of shipping from Asia to Europe and the Middle East away from the Suez Canal due to attacks by Houthis on commercial shipping vessels in the Gulf of Aden and the Red Sea, which has caused a substantial increase in rates for some shipping routes. This and other factors have caused a worldwide increase in shipping rates, which has impacted the Company.

- **Damage to infrastructure**: terror and missile attacks may lead to infrastructure damage, such as to various of our facilities and projects located in Israel, including communications networks, computer infrastructure and other cyber assets, which may lead to interruptions in our operations. For example, in June 2023, we commissioned the first wind turbine at Genesis Wind, which, when complete, will be the largest renewable energy project in Israel. Genesis Wind is located in the Golan Heights, an area under frequent rocket attacks from Hezbollah before the ceasefire in Lebanon. If the terms of the ceasefire are violated or if the ceasefire ends for any reason, rocket attacks into Israel could resume. Were Genesis Wind to be damaged by rocket attacks or collateral damage, it may be difficult or impossible to access for maintenance and repairs. Although the Israeli government may cover the reinstatement value of certain damages that are caused by terrorist attacks or acts of war, we cannot be certain that such government coverage will be available to us or maintained or that, if available, will cover all of our damages.

- **Reputation and international relations**: as a result of the war, public opinion in the international community towards Israel, Israeli companies and Israeli industries may be negatively affected. Prior to the recent war, several countries restricted doing business with Israel, and the State of Israel and Israeli companies were subjected to certain economic boycotts. It is difficult to anticipate if and how such sentiments and other political developments will impact our clients, backlog of orders or financial results; however, it is possible that a limited number of customers will hold, delay or cancel existing or future orders as a result of the war and the shift in international relations and politics. The interruption or curtailment of trade between Israel and its present trading partners could adversely affect our business, financial condition and results of operations.

The ongoing war is rapidly evolving and could disrupt our business and operations, affecting our financial results in material ways not discussed above, or to a degree that is not currently anticipated by us.

As some of our wind energy and solar energy projects are located in the Golan Heights, including Genesis Wind which reached COD in October 2023, rising political tensions and negative publicity may negatively impact our business.

Some of our wind energy and solar energy projects are located in the Golan Heights, including the Genesis Wind project, which was fully commissioned in October 2023 and is the largest renewable energy project in Israel. The Golan Heights are currently under Israeli jurisdiction and authority. While the United States recognizes Israeli sovereignty over the Golan Heights, the European Union does not. There has been negative publicity, primarily in Western Europe, against companies operating in the Golan Heights.

It may be difficult to enforce the judgment of a U.S. court against us, our officers and directors and the Israeli experts named in this Annual Report in Israel or the United States, or to assert U.S. securities laws claims in Israel or serve process on our officers and directors and these experts.

Most of our directors or officers are not residents of the United States, and most of their and our assets are located outside the United States. Service of process upon us or our non-U.S. resident directors and officers and enforcement of judgments obtained in the United States against us or our non-U.S. directors and executive officers may be difficult to obtain within the United States. We have been informed by our legal counsel in Israel that it may be difficult to assert claims under U.S. securities laws in original actions instituted in Israel or obtain a judgment based on the civil liability provisions of U.S. federal securities laws. Israeli courts may refuse to hear a claim based on a violation of U.S. securities laws against us or our non-U.S. officers and directors because Israel may not be the most appropriate forum to bring such a claim. In addition, even if an Israeli court agrees to hear a claim, it may determine that Israeli law and not U.S. law is applicable to the claim. If U.S. law is found to be applicable, the content of applicable U.S. law must be proved as a fact, which can be a time-consuming and costly process. Certain matters of procedure will also be governed by Israeli law. There is little binding case law in Israel addressing the matters described above. Israeli courts might not enforce judgments rendered outside Israel, which may make it difficult to collect on judgments rendered against us or our non-U.S. officers and directors.

Moreover, an Israeli court will not enforce a non-Israeli judgment if (among other things) it was given in a state whose laws do not provide for the enforcement of judgments of Israeli courts (subject to exceptional cases), if its enforcement is likely to prejudice the sovereignty or security of the State of Israel, if it was obtained by fraud or in absence of due process, if it is at variance with another valid judgment that was given in the same matter between the same parties, or if a suit in the same matter between the same parties was pending before a court or tribunal in Israel at the time the foreign action was brought.

Your rights and responsibilities as our shareholder are governed by Israeli law, which may differ in some respects from the rights and responsibilities of shareholders of U.S. corporations.

We are incorporated under Israeli law. The rights and responsibilities of holders of our ordinary shares are governed by our Articles of Association and the Companies Law. These rights and responsibilities differ in some respects from the rights and responsibilities of shareholders in typical U.S. corporations. In particular, pursuant to the Companies Law, each shareholder of an Israeli company has to act in good faith and in a customary manner in exercising his or her rights and fulfilling his or her obligations toward the company and other shareholders and to refrain from abusing his or her power in the company, including, among other things, in voting at the general meeting of shareholders and class meetings, on amendments to a company's articles of association, increases in a company's registered share capital, mergers and transactions requiring shareholders' approval under the Companies Law. In addition, a controlling shareholder of an Israeli company or a shareholder who knows that it possesses the power to determine the outcome of a shareholder vote or who has the power to appoint or prevent the appointment of a director or officer in the company, or has other powers toward the company, has a duty of fairness toward the company. However, Israeli law does not define the substance of this duty of fairness.

There is limited case law available to assist in understanding the implications of these provisions that govern shareholder behavior.

Provisions of our Articles of Association and of Israeli law may delay, prevent or make undesirable an acquisition of all or a significant portion of our shares or assets.

Provisions of Israeli law and our Articles of Association could have the effect of delaying or preventing a change in control and may make it more difficult for a third party to acquire us or our shareholders to elect different individuals to our board of directors, even if doing so would be considered to be beneficial by some of our shareholders, which may limit the price that investors may be willing to pay in the future for our ordinary shares. Among other things:

- the Companies Law regulates mergers and requires that a tender offer be effected when more than a specified percentage of shares in a company are purchased;
- the Companies Law requires special approvals for certain transactions involving directors, officers or significant shareholders and regulates other matters that may be relevant to these types of transactions;
- the Companies Law does not provide for shareholder action by written consent for public companies, thereby requiring all shareholder actions to be taken at a general meeting of shareholders;
- our Articles of Association generally do not permit a director to be removed from office except by a vote of the holders of at least (65%) of our outstanding shares entitled to vote at a general meeting of shareholders, except that a simple majority will be required if a single shareholder holds more than 50% of the voting rights in the Company; and
- our Articles of Association provide that director vacancies may be filled by unanimous resolution of our board of directors.

Further, Israeli tax considerations may make potential transactions undesirable to us or to some of our shareholders whose country of residence does not have a tax treaty with Israel granting tax relief to such shareholders from Israeli tax. For example, Israeli tax law does not recognize tax-free share exchanges to the same extent as U.S. tax law. With respect to mergers, Israeli tax law allows for tax deferral in certain circumstances but makes the deferral contingent on the fulfillment of numerous conditions, including a holding period of two years from the date of the transaction during which certain sales and dispositions of shares of the participating companies are restricted. Moreover, with respect to a certain share swap transaction, the tax deferral is limited in time, and when such time expires, the tax becomes payable even if no disposition of the shares has occurred.

Our Articles of Association provide that, unless we consent otherwise, the competent courts of Tel Aviv, Israel shall be the sole and exclusive forum for substantially all disputes between us and our shareholders under the Companies Law and the Israeli Securities Law, which could limit our shareholders' ability to bring claims and proceedings against, as well as obtain a favourable judicial forum for disputes with, us and our directors, officers and other employees.

The competent courts of Tel Aviv, Israel shall be the exclusive forum for (i) any derivative action or proceeding brought on our behalf (ii) any action asserting a claim of breach of fiduciary duty owed by any of our directors, officers or other employees to us or our shareholders, or (iii) any action asserting a claim arising pursuant to any provision of the Companies Law or the Israeli Securities Law, 5728-1968 (the "Israeli Securities Law"). These exclusive forum provisions (the "Israeli Forum Provisions") are intended to apply to claims arising under Israeli Law and would not apply to claims brought pursuant to the Securities Act or the Exchange Act or any other claim for which federal courts would have exclusive jurisdiction. The Israeli Forum Provisions will not relieve us of our duties to comply with U.S. federal securities laws and the rules and regulations thereunder, and our shareholders will not be deemed to have waived our compliance with these laws, rules and regulations. The Israeli Forum Provisions may limit a shareholder's ability to bring a claim in a judicial forum of its choosing for disputes with us or our directors or other employees which may discourage lawsuits against us or our directors, officers and employees. An Israeli court may decide not to enforce the Israeli Forum Provisions in whole or in part, depending on the circumstances, and has broad authority to choose substitute provisions that will govern. If an Israeli court were to find the Israeli Forum Provision inapplicable to, or unenforceable in respect of, one or more of the specified types of actions or proceedings, we may incur additional costs associated with resolving such matters in other jurisdictions, which could adversely affect our business and financial condition.

Item 4. Information on the Company

A. History and Development of the Company

Enlight Renewable Energy Ltd. was founded on August 6, 2008 and merged into a company named Sahar Investments Ltd. in 2010, which subsequently changed its name to Enlight Renewable Energy Ltd. on August 4, 2010. Our commercial name is Enlight Renewable Energy. In February 2023, we listed our shares on the Nasdaq Global Select Market under the symbol "ENLT" and our ordinary shares have traded on the Tel Aviv Stock Exchange ("TASE") since February 2010. We are a company limited by shares and organized under and subject to the laws of the State of Israel. We are registered with the Israeli Registrar of Companies. Our registration number is 520041146. Our principal executive offices are located at 3 Amal St., Afek Industrial Park, Rosh Ha'ayin 4809249, Israel.

Our website address is *www.enlightenergy.co.il*, and our telephone number is +972-3-900-8700. We use our website as a means of disclosing material non-public information. Such disclosures will be included on our website in the "Investors" sections. Accordingly, investors should monitor such sections of our website, in addition to following our press releases, SEC filings and public conference calls and webcasts. Information contained on, or that can be accessed through, our website does not constitute a part of this Annual Report and is not incorporated by reference herein. We have included our website address in this Annual Report solely for informational purposes. Our SEC filings are available to you on the SEC's website at http://www.sec.gov. This site contains reports and other information regarding issuers that file electronically with the SEC. The information on that website is not part of this Annual Report and is not incorporated by reference herein.

Our agent for service of process in the United States is Enlight Renewable Energy LLC, which maintains its principal offices at 800 W. Main St., #900, Boise, Idaho 83702. Its telephone number is 208-440-5719.

For a description of our principal capital expenditures and divestitures as well as other important events in the development of our business, see Item 5.B. "Liquidity and Capital Resources" and Note 28B(3) to our consolidated financial statements included elsewhere in this Annual Report.

Selected Recent Developments

- On January 28, 2025, we announced the signing of an agreement to sell 44% of a partnership which holds the Israeli renewable energy projects Sunlight 1 and 2 (the "Sunlight Cluster") to Harel Insurance Investments & Financial Services Ltd. ("Harel") and Amitim Senior Pension Funds ("Amitim"), which will acquire a 25% and 19% stake, respectively.

  Under the agreement, Harel and Amitim will purchase 44% of the partnership for a total investment of $50 million in cash, of which $45 million will be paid upfront, and $5 million will be deferred consideration to be paid by Harel and Amitim upon fulfillment of certain conditions. The Sunlight Cluster consists of operational and pre-construction projects totaling 69 MW of solar generation and 448 MWh of energy storage capacity, and accounts for 5% of the capacity of our total portfolio in Israel and 1% of the capacity of our total global portfolio. Harel and Amitim will acquire 44% of the limited partner rights in the partnership and will assume a proportionate amount of related shareholder loans. A wholly-owned subsidiary of the Company will act as the general partner in the partnership. On March 27, 2025, the agreement closed and various additional commercial agreements were signed.

- On February 17, 2025, we announced that two of the Company's energy storage facilities have won bids in the EA's first availability tariff tender process. The two sites, Neot Smadar and Ohad, are located in the south of Israel and have a combined grid connection capacity of 300 MW AC. According to the tender's terms, after supplying power at the availability tariff rate for five years, the Company may transition to selling electricity into the deregulated market as well as increase the facilities' storage capacity. Securing a grid connection of 300 MW AC will allow us to build projects with a total storage capacity of 1,300 MWh, potentially increasing to 1,900 MWh following the transition to a deregulated market. According to the tender's terms, the projects are expected to reach commercial operation by 2028.

- On March 25, 2025, the Company won a land tender conducted by the Israeli Land Authority for the construction of a renewable energy complex, to be built on a 50 acre site facility in Ashalim in southern Israel, that in the future could also include a data center.

  The new facility is planned to include systems for the production of approximately 20-25 MW of solar energy, approximately 60 MWh of energy storage facilities and in the future could also include a data center of approximately 100 MW AC hourly consumption capacity. It is expected that the solar generation and energy storage facility planned adjacent to the data center will help satisfy part of the data center's electricity demand, and thus will reduce the projects' operating costs.

  Under the term of the tender, to realize the right to develop the project, the Company will be required to pay an amount of approximately $31.6 million, out of which 20% is due as a down payment and 80% is due once the construction plans for the project are approved. The Company's initial estimates are that the construction costs of the integrated facility will be approximately $1.1 billion.

  Enlight is actively exploring additional opportunities in the expanding market of combined renewable energy and data center facilities, both in Israel and Europe.

B. Business Overview

Overview

We are a global renewable energy platform, founded in 2008 and publicly traded on the TASE since February 2010 and on Nasdaq since February 2023. We develop, finance, construct, own and operate utility-scale renewable energy projects. We primarily generate revenue from the sale of electricity produced by our renewable energy facilities, pursuant to long-term PPAs. Our control over the entire project life cycle, from greenfield development to ownership and operations, enables us to deliver strong project returns and rapid growth. Furthermore, we distinguish ourselves through our diverse global presence and multi-technology capabilities, which allow us to strategically optimize our capital allocation between geographies and renewable technologies to deliver highly profitable projects at reduced risk. As of February 19, 2025, our global portfolio of utility-scale, renewable energy projects included approximately 20 GW of multi-technology generation capacity and approximately 35.8 GWh of energy storage capacity, of which approximately 6.1 GW and approximately 8.6 GWh, respectively, are from Mature Projects.

We act as both a project developer and a power producer, controlling the entire project life cycle through the value chain. Our successful track record and expertise in project development, having reached ready to build ("RTB") status on projects with an aggregate capacity of 5.2 GW and 4.3 GWh globally (including projects developed by Clēnera prior to the Clēnera Acquisition) from our founding to February 19, 2025, enable us to identify and deliver highly profitable projects. Our in-house project development capability, which includes extensive greenfield development capabilities across our largest markets, gives us access to projects that we believe many of our competitors (both strategic and financial investors) either could not access or could not access at an attractive cost. Our development arm also serves as our organic growth engine, providing us with significant levels of visibility into the future of our business through our large project pipeline. Moreover, as a power producer with approximately 2.5 GW of generation capacity and 1.9 GWh of storage capacity across our Operational Projects as of February 19, 2025, we benefit from steady long-term, contracted cash flow, which we believe will increase as our projects under construction and in pre-construction, including approximately 3.6 GW of generation capacity and approximately 6.7 GWh of energy storage capacity, reach commercial operation. These long-term cash flows facilitate the financing of our overall activity at a competitive cost of capital.

Since our founding in 2008, we have transformed into a global renewable energy platform, operating across 12 different countries on 3 (three) continents and across multiple technologies. From a technological perspective, we develop wind energy and solar energy projects, as well as energy storage projects, both collocated with solar energy projects and on a standalone basis. From a geographical perspective, we operate at scale in 10 different countries throughout Europe, in the U.S. and in Israel. Our global platform includes what we believe are some of the largest onshore wind and combined solar and storage projects across the United States, Western Europe and Israel, which are either operational, under construction or in pre-construction, highlighting our ability to identify and deliver projects of scale across our global platform. In August 2021, we established our operations in the United States through the acquisition of Clēnera, a U.S.-based greenfield developer of utility-scale solar energy and energy storage projects, with a focus on the Western United States. Of our 6.1 GW of Mature Projects, 3.8 GW was located in the United States as of February 19, 2025, highlighting the increasing proportion of the projects located in the United States in our overall activity. We believe that our unique breadth of market presence and multi-technology capabilities enable us to optimize our capital allocation, based on power market fundamentals, changing regulatory environments, supply chain access and other considerations, while also diversifying our portfolio of projects and limiting our exposure to individual market disruptions.

Our control over the entire project life cycle coupled with our strategic approach to market and technology selection has enabled us to both develop projects with differentiated returns on investment and deliver rapid growth.

Our history

Established in 2008, Enlight began as a company focused on developing small-scale greenfield solar energy projects in Israel. Over the past 17 years, we have transformed into a global renewables platform with, as of February 19, 2025, an approximate of 6.1 GW and 8.6 GWh Mature Project portfolio across 12 different countries and 360 employees, focused on delivering utility-scale renewable energy projects. Our transformation has been driven by a tailored strategy of gradual entry into new markets, coupled with a clear focus on execution. As a founder-led company with an owner's mindset, we pride ourselves on our proven track record of success in scaling our business.

In August 2021, we established our operations in the United States through the acquisition of a 90.1% equity interest in Clēnera, a major U.S.-based developer of utility-scale solar energy and energy storage projects.

With its headquarters based in Boise, Idaho, Clēnera is, to our knowledge, a market leader in the Western United States, pioneering what we believe are the largest renewable energy projects in the region. The Clēnera Acquisition entailed an upfront payment of $158 million with an additional consideration of up to $232 million depending on the achievement of performance-based milestones (the "Earn-Out"), which include the realization of Development Projects and the retention of Clēnera's two co-founders as employees. During the year ended December 31,2024, we paid Earn-Out consideration in the amount of $23 million, and have paid aggregate Earn-Out consideration of $31 million since the completion of the Clēnera Acquisition. As the remaining performance-based milestones have not been achieved, the Company expects to make no further Earn-Out payments, and considers this liability to no longer be effective. The co-founders retain a 9.9% equity stake in Clēnera, and have the option to sell this stake to the Company in 2026-2028, subject to calculation of the final acquisition price.

Our business model: control over the entire project life cycle

We believe we are uniquely positioned as a global renewable energy platform with end-to-end control over the project life cycle from development to ownership and operations. Our integrated capabilities across project sourcing, engineering, design, procurement, construction, asset management, and finance enable us to achieve strong project returns and source and develop new projects to support robust long-term growth, as follows:

- *Project and business development:* We maintain a high-caliber project and business development team of 360 employees across the United States, Europe and Israel. Our in-house greenfield project development team provides us with the expertise to source greenfield projects in our largest individual markets: the United States, Southern Europe and Israel. Our greenfield development team specializes in identifying locations where there is available interconnection capacity, which is one of the main development obstacles for utility-scale renewables. In markets where we have strategically elected not to develop in-house greenfield development teams largely due to their smaller size, we have established and cultivated co-development partnerships with leading local developers. This gives us access to projects which we believe many of our competitors (both strategic and financial investors) either could not access or could not access at an attractive cost. In addition, our business development team sources project acquisition opportunities across various stages of development. In collaboration with our project development team, we can then create value through project optimization and the completion of the development.

- *Engineering and design:* Once projects are sourced, our internal engineering teams leverage our design expertise to optimize each project. We take an active role in the design and planning of our projects, enabling us to standardize the design to accommodate a wide range of equipment alternatives. Our procurement teams can then focus on acquiring equipment at an optimal cost without triggering the need to reconfigure the project design.

- *Procurement:* Our global operations have required us to establish, maintain and continuously grow our supply chain as we have expanded our geographic footprint across three continents and 12 different countries. Today, our supply chain function is overseen by a global team that works seamlessly to align project needs across geographies with the available supply of inverters, solar panels, wind turbines and energy storage systems among other components. Our global approach to procurement allows us to approach suppliers with significant scale and negotiate attractive pricing. Moreover, our global presence gives us the flexibility to distribute and reallocate resources as needed between geographies.

- Our largest suppliers to date in Europe and Israel for our wind energy projects included all of the major wind turbine manufacturers such as Nordex, Siemens Gamesa, Vestas and General Electric Vernova. Our largest suppliers of solar panels for our solar energy projects in Europe and Israel have included LONGi, Jinko and JA Solar. Our largest suppliers to date for our energy storage projects in Israel include CATL and Sungrow. In the United States, Clēnera has historically sourced solar panels from BYD, Hanwha, Canadian Solar, Risen and Trina Solar for the projects developed and sold prior to the Clēnera Acquisition. However, in response to AD/CVD and UFLPA, we have developed new supplier relationships to ensure a steady supply of components for our U.S.-based projects. For example, we have sourced solar panels for Apex Solar, our first project that we expect to become operational in the United States since the Clēnera Acquisition, from Waaree, an India-based supplier, which is outside the scope of the Department of Commerce Investigation. We have entered into an agreement with Waaree that provides us with an option to order up to 2 GW of additional solar panels for delivery until year-end 2025, giving us greater supply certainty regarding the PV modules required for our Mature Projects in the United States. The largest supplier to date for our U.S.-based energy storage projects is Tesla.

- *Construction:* Our construction management team is crucial to supporting the quality of our projects, which reduces our O&M expenses once a project is operational and supports higher project uptimes. Our experienced construction managers closely monitor our EPC contractors' progress, quality of work and performance testing before we release the final payment to the contractor.

- *Asset management:* We possess a top rate asset management team that is strategically located across markets to efficiently provide ongoing asset monitoring and maintenance services. The team is comprised of experts in commercial and technical project management, electricity trading (for projects where we sell electricity under a Merchant Model) and environmental management. The scale of our asset management activity provides us with a steady feedback loop regarding what we believe to be optimal project design and components for future projects. In addition to our Operational Projects, in prior years we provided asset management services for 1.2 GW of projects developed by Clēnera and sold to third parties prior to the Clēnera Acquisition. During 2024, the Company ceased providing these services.

- *Finance:* Our operational expertise is complemented by a finance function that is focused on maximizing project equity returns and is comprised of a team with decades of corporate and project finance experience in the renewables sector. We leverage our global footprint and scale to secure non-recourse project finance from local banking partners across our target markets. Our network enables us to source bespoke financing packages. In 2024 we secured $401 million of financing relating to Atrisco Energy Storage, arranged by a consortium of eight lenders led by HSBC Securities (USA) Inc., which converted into a $185 million term loan from the consortium, as well as tax equity of $222 million provided by U.S. Bancorp Impact Finance. We have also cultivated deep relationships with Israeli institutional investors, which have helped finance our growth to date by providing corporate equity, unsecured debt and project level equity at a competitive cost. In 2024 we raised from classified investors in Israel approximately $133 million through an issuance of unsecured, non-convertible Series D Debentures and approximately $47 million through a private placement of unsecured, non-convertible Series D Debentures.

Our portfolio

We classify our projects into three categories:

- Development Projects, which includes projects in various stages of development that are not expected to commence construction within 24 months of February 19, 2025;
- Advanced Development Projects, which includes projects that are expected to commence construction within 13 to 24 months of February 19, 2025; and
- Mature Projects, which includes projects that are operational, under construction or in pre-construction (meaning, that such projects are expected to commence construction within 12 months of February 19, 2025).

These three categories are sequential and reflect the progression from being categorized first as a Development Project, then an Advanced Development Project and finally a Mature Project.

Overview of our consolidated portfolio of projects as of February 19, 2025

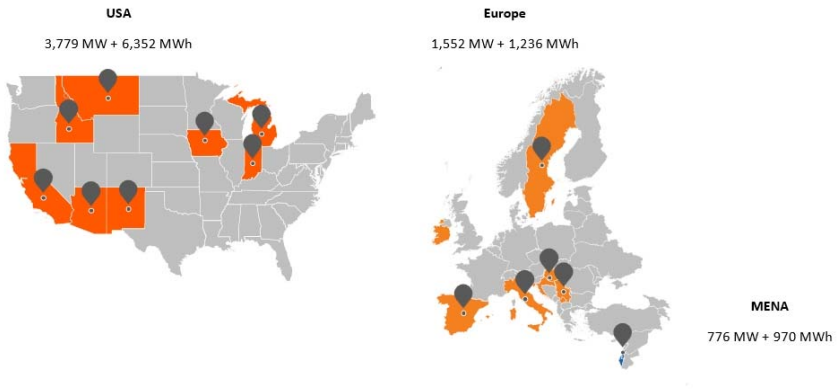
	Mature Projects	Advanced Development Projects	Development Projects	Total Portfolio
Generation capacity (GW)	6,107	3,306	10,597	20,010
Storage capacity (GWh)	8,558	12,972	14,227	35,757

Mature Projects

With a geographically and technologically diverse portfolio of Mature Projects, including 6.1 GW of generation capacity and 8.6 GWh of energy storage capacity as of February 19, 2025, we enjoy the benefits of steady cash flow from our Operational Projects and significant visibility into our growth from our Mature Projects under construction or in pre-construction.

As of February 19, 2025, approximately 85% of the capacity of our Mature Projects was contracted with an average remaining PPA term of 16 years. Furthermore, approximately 11% of the capacity of our Mature Projects was contracted under inflation-linked PPAs, which we believe could supply us with an additional source of total revenues and income growth based on the fact that current inflation levels are above targets set by central banks. In select markets we sell electricity under the Merchant Model, where we carefully and strategically take on exposure to Merchant Risk but enter into short-term hedging agreements to actively manage that exposure. As of February 19, 2025, approximately 10% of the capacity of our Mature Projects is exposed to Merchant Risk. We believe that these projects have the potential to generate profits on a per MW basis that are superior to the profits that could be achieved under a PPA in such markets.

Mature Project portfolio map



Operational Projects (including unconsolidated projects as at share) as of February 19, 2025[1]

Segment	Country	Project name	Technology	Operational year	Sales Tariff (USD per MWh)	Approximate Enlight share	PPA/FIT duration	Inflation indexed PPA	Capacity
MENA	Israel	Emek Habacha	Wind	2022	111	41%	2042	Yes	109 MW
		Halutziot	Solar	2015	195	90%	2035	Yes	55 MW
		Israel Solar Projects	Solar	2013-2015	352	98%[2]	2033-2035	Yes	33 MW
		PV+ storage cluster 1.1	Solar	2023	Confidential	66%[2]	—	No	248 MW + 625 MWh
		Genesis Wind	Wind	2023	101	54%	2043	Yes	207 MW
Total MENA									**652 MW + 625 MWh**
Western Europe	Sweden	Picasso	Wind	2021	Confidential	69%	2033[3]	No	116 MW
	Sweden	Björnberget	Wind	2022	Confidential	55%	2032	No	372 MW
	Ireland	Tully	Wind	2017	96	50%	2032	Yes	14 MW
	Spain	Gecama	Wind	2022	—	72%	Merchant	NA	329 MW
Total Western Europe									**831 MW**
CEE	Kosovo	Selac	Wind	2021	99	60%	2034	Yes	105 MW
	Serbia	Blacksmith	Wind	2019	122	50%	2031	Yes	105 MW
	Serbia	Pupin	Wind	2024	74	100%	2040	Yes	94 MW
	Croatia	Lukovac	Wind	2018	136	50%	2032	Yes	49 MW
	Hungary	Attila	Solar	2019	123	50%	2039	Yes[4]	57 MW
	Hungary	AC/DC	Solar	2023	83	100%	2037	Yes	26 MW
	Hungary	Tapolca	Solar	2024	—	100%	—	NA	60 MW
Total CEE									**496 MW**
USA	U.S.	Apex Solar	Solar	2023	Confidential	100%	2042	No	106 MW
		Atrisco Solar	Solar	2024	Confidential	100%	2044	No	364 MW
		Atrisco Storage	Storage	2024	Confidential	100%	2044	No	1,200 MWh
Total USA									**470 MW + 1,200 MWh**
Total consolidated projects									**2,449 MW + 1,825 MWh**
MENA (not consolidated)	Israel	Unconsolidated Projects at share	Solar	2015-2021	65[2]	50%	2042-2046	Yes	43 MW + 41 MWh
Total consolidated and unconsolidated JVs at share									**2,492 MW + 1,866 MWh**

(1) The figures in this chart are rounded to the nearest whole number.

(2) This figure is calculated on an average basis across multiple projects.

(3) Approximately 50% of the energy generated by this project is sold under a 12-year PPA to a large German utility company while the remaining energy is sold under the Merchant Model on the Nord Pool.

(4) Following a Hungarian government decree dated February 4, 2025, during the years 2025-29 this PPA will not be indexed to the Hungarian consumer price index, or CPI, unless the Hungarian CPI exceeds 6%, in a given year during that period, in which event the PPA will benefit from indexation solely for that year.

Projects under construction, as of February 19, 2025[1]

Geographic sector	Country/State	Project name	Technology	Sales tariff (USD per MWh)	Expected approximate Enlight share	PPA/FIT duration	Inflation indexed PPA	Storage capacity MWh	Capacity MWdc
US[2]	California	Country Acres	Solar	Confidential	100%	20-30 Years	No	688	392
	New Mexico	Quail Ranch	Solar	Confidential	100%	20 Years	No	400	128
	Arizona	Roadrunner	Solar	Confidential	100%	20 Years	No	940	290
Total US								**2,028**	**810**
MENA	Israel	Israel storage	Storage	—	99%	—	No	51	6
Total MENA								**51**	**6**
EU	Spain	Gecama Solar	Solar	—	72%	—	—	220	225
Total EU								**220**	**225**
Total consolidated projects								**2,229**	**1,041**
MENA (not consolidated)	Israel	Unconsolidated Projects at share	Storage	—	50%	—	—	135	15
Total consolidated and consolidated JVs at share								**2,434**	**1,056**

(1) The figures in this chart are rounded to whole numbers or the nearest hundredth decimal, as applicable.

(2) While we own 90.1% of Clēnera, we invest 100% of the equity requirements for our U.S.-based projects. In return, we receive 100% of the distributable cash flow until we return our capital investment, plus a high single-digit preferred return.

Projects in pre-construction (expected to begin construction within 12 months of February 19, 2025)[(1)]

Geographic sector	Country	Project name	Technology	Expected approximate Enlight share	PPA/FIT duration	Inflation indexed PPA	Storage capacity MWh	Capacity MWdc
MENA	Israel	Several Projects	Solar, Wind, Storage	89%	—	—	52	53
Total MENA							**52**	**53**
US[(2)]								
	Iowa	Coggon	Solar	100%	20 years	No	—	127
	Michigan	Gemstone	Solar	100%	20 years	No	—	185
	Indiana	Rustic hills 1+2	Solar	100%	20-25 years	No	—	256
	Arizona	Co bar Complex	Solar	100%	20 years	No	824	1,211
	Arizona	Snowflake	Solar	100%	20 years	No	1,900	600
	Idaho	Crimson Orchard	Solar	100%	20 years	No	400	120
Total US							**3,124**	**2,499**
Western Europe	Italy	Nardo Storage	Stand Alone Storage	100%	PPA to be signed	NA	920	—
	Sweden	BESS	Stand Alone Storage	55%	Merchant	NA	96	—
Total consolidated projects							**1,016**	—
MENA (not consolidated)	Israel	Unconsolidated Projects at share	Solar	50%	PPA to be signed	—	66	8
Total consolidated and consolidated JVs at share							**4,258**	**2,560**

(1) The figures in this chart are rounded to whole numbers.

(2) While we own 90.1% of Clēnera, we invest 100% of the equity requirements for our U.S.-based projects. In return, we receive 100% of the distributable cash flow until we return our capital investment, plus a high single-digit preferred return.

Our pre-construction portfolio is largely comprised of several major combined solar and storage projects located in the United States. These projects, which are located in the Western United States, a region with the highest solar irradiance in the United States, stand to benefit significantly from the use of PTCs as provided for under the Inflation Reduction Act.

Advanced Development Projects and Development Projects

Together, our Advanced Development Projects and Development Projects provide us with valuable visibility as to our growth trajectory over the medium to long-term.

Advanced Development Projects

Our Advanced Development Projects have an aggregate generation capacity of approximately 3.3 GW and aggregate energy storage capacity of approximately 13 GWh, as of February 19, 2025. Our Advanced Development Projects, which are largely concentrated in the United States and Western Europe, are expected to commence construction within 13 to 24 months of February 19, 2025. As of February 19, 2025, approximately 100% (2.9 GW) of our U.S.-based Advanced Development Projects have reached Advanced Interconnect Status. Our Advanced Development Projects are expected to benefit from the high PPA pricing across Europe and the United States, together with the various provisions in the Inflation Reduction Act.

Geographic Sector	Country	Technology	Generation capacity MWdc	Storage capacity MWh
Europe	Italy	Solar + Storage	117	920
	Hungary	Storage	—	100
	Croatia	Solar	163	—
	Sweden	Storage	—	100
	Spain	Storage	—	196
	Total Europe	Solar + Storage	280	1,316
USA	USA	Solar + Storage	2,912	8,436
MENA	Israel	Solar + Storage	114	3,220
Total			3,306	12,972

Development Projects

Additionally, our Development Projects have an aggregate generation capacity of approximately 10.6 GW and energy storage capacity of approximately 14.2 GWh. Approximately 72%, totaling approximately 7.6 GW, of our Development Projects by generation capacity are U.S.-based projects. Of our U.S.-based Development Projects, approximately 45% (3.4 GW) of generation capacity has already reached the Advanced Interconnect Status, giving us significant visibility into the likelihood that they will convert into Mature Projects.

Geographic Sector	Country	Technology	Generation capacity MWdc	Storage capacity MWh
Europe	Italy	Wind + Storage	343	1,160
	Spain	Solar	924	—
	Croatia	Solar	352	—
	Serbia	Wind	200	—
	Poland	Storage	—	2,000
	Total Europe	**Solar + Wind + Storage**	**1,819**	**3,160**
USA	**USA**	**Solar + Storage**	**7,599**	**8,000**
MENA	**Israel**	**Solar + Wind + Storage**	**1,179**	**3,067**
Total			**10,597**	**14,227**

Financial Closing

In 2024, we closed on the financing of project Pupin in Serbia, projects Tapolca and AC/DC solar in Hungary and projects Atrisco Energy Storage and Roadrunner in Arizona, raising an aggregate of approximately $1.1 billion in Europe and the U.S. and supporting the construction of projects with 470 MW and 2,100 MWh capacity.

Competitive strengths

Value creation through our combined greenfield developer, owner and operator business model

Within our vertically-integrated business model, our teams work cohesively to deliver projects with differentiated returns. We are fully staffed to organically identify and develop new projects, steer them through various stages of development and construction and manage and optimize them during operations. We leverage our in-house greenfield development teams to source projects in our largest markets and partner with local developers to source projects in our smaller markets, projects that we believe many of our competitors (both strategic and financial investors) either could not access or could not access at an attractive cost. Additionally, we believe that our business development team, which identifies early-stage projects for potential acquisition and sources select M&A opportunities, possesses a unique ability to evaluate such opportunities due to our experience working across the entire project life cycle. Once a project reaches commercial operation, our asset management group provides regular project optimization through real-time performance monitoring and ongoing O&M enhancement. Our end-to-end control of the project life cycle focuses our attention on developing projects with our long-term interests in mind and provides a consistent feedback channel that improves our future developments. Ultimately, the strong and proven capabilities of our integrated teams enable us to generate differentiated project returns while continuously growing our portfolio.

Our diverse portfolio of Mature Projects reduces our exposure to individual market disruptions

Our diverse portfolio of Mature Projects, including solar energy projects with an aggregate capacity of approximately 4.6 GW, wind energy projects with an aggregate capacity of approximately 1.5 GW and energy storage projects with an aggregate capacity of approximately 8.6 GWh, across 12 different countries, mitigates our exposure to any single market. For example, the 2024 announcement of a Department of Commerce investigation into circumvention of AD/CVD with respect to imports of crystalline silicon PV cells and modules assembled and completed in Cambodia, Malaysia, Thailand and Vietnam resulted in uncertainty among market participants in the United States as to the future availability of solar panels, highlighting the risks of idiosyncratic market disruption. In contrast to many of our peers, our exposure to idiosyncratic market disruptions such as this is mitigated by our global, multi-technology renewables platform. Furthermore, from a macroeconomic perspective, our diverse portfolio of Mature Projects offers a mixture of revenue structures, providing us with significant inflation protection. Approximately 24% of our 8.6 FGW Mature Project portfolio benefit from increases in inflation, either through inflation linkage within our PPAs or select use of the Merchant Model.

Significant financing expertise and efficient deployment of capital for growth

As a global enterprise, we have access to diverse sources of capital and have developed and maintained deep relationships with numerous international banking and institutional investment partners. As of December 31, 2024, we had approximately $2 billion of project finance debt outstanding from a wide range of financial institutions, including EBRD, J.P. Morgan, HSBC, DekaBank, Erste Bank, KfW, Sabadell, Raiffeisen Bank, Bank Leumi, Bank Hapoalim and others. Moreover, we have significant experience in raising tax equity. Prior to the Clēnera Acquisition, Clēnera sourced approximately $735 million of tax equity from several major tax equity providers, including PNC, Citibank and M&T. Since the Clēnera Acquisition, we have sourced approximately $618 million of tax equity from several major tax equity providers, including U.S. Bancorp Impact Finance and Bank of America.

In addition, since the Clēnera Acquisition, we have closed $198 million in tax equity financing for our Apex Solar project with Huntington Bancshares, our Atrisco Solar project with Bank of America and Atrisco Energy Storage project with U.S. Bancorp Impact Finance, with Atrisco Solar and Atrisco Energy Storage securing $198 million and $222 in tax equity, respectively. In 2024, we closed on the financing of project Pupin in Serbia, projects Tapolca and AC/DC solar in Hungary and projects Atrisco Energy Storage and Roadrunner in Arizona, raising an aggregate of approximately $1.1 billion in Europe and the U.S. We seek to be efficient with our capital and sell projects from time to time to recycle equity. In 2024, we sold a U.S. project from our Development Projects portfolio for $5.7 million. In January 2025, we announced the entry into an agreement for the sale of 44% of the Sunlight Cluster of renewable energy projects in Israel for $50 million (including deferred payments) to two Israeli institutional investors, and plan to recycle the proceeds of this transaction to fund our upcoming projects.

Moreover, we have a proven track record of issuing debt and equity in public capital markets. Since our initial public offering on the TASE in 2010, as of February 19, 2025, we have raised approximately $950 million in issued equity and approximately $780 million in issued debt in the form of bonds. These issuances, largely funded by our Israeli institutional partners, have directly funded our growth. As of December 31, 2024, we had approximately $612 million of corporate and convertible bonds outstanding with a weighted average effective interest cost of 4.6% and $2.2 billion of loans from banks and other financial institutions. During February 2025, we raised an additional $245 million of corporate and convertible bonds outstanding with a weighted average effective interest cost of 5.7%. Our ability to source attractively priced unsecured debt, leveraging our strong credit rating in Israel (A2 il stable by Midroog, a subsidiary of Moody's) coupled with our deep relationships with Israeli institutional investors, is a distinct competitive advantage we possess. Our finance team is focused on maintaining an efficient and robust balance sheet to minimize our overall cost of capital and provide ample liquidity to fund our growth.

Our interconnection advantage

In the context of rapidly lengthening interconnection queues and increasing interconnection costs for new power projects in the United States, we believe our ability to secure interconnection in a timely and cost-effective manner is a key competitive advantage for us in the U.S. market. The majority of our projects in the United States have reached Advanced Interconnect Status, secured through our deep understanding of the grid and how to navigate an increasingly congested interconnection queue. This provides us with visibility into the medium-term growth of our U.S. activity, and has enabled us to push PPA pricing higher given increasing electricity demand and limited new project supply.

Our growth strategy

Utilize our renewable energy platform to optimize conversion of our Development Projects into Operational Projects

Our growth is predicated on the successful conversion of our large project development pipeline into Operational Projects. Our control over the entire project life cycle—our greenfield development capabilities, engineering expertise and hands-on construction and asset management—enables us to optimize conversion of our projects in our development pipeline into Operational Projects. Furthermore, our diversified development pipeline across multiple end-markets and across multiple technologies creates a strong "internal hedge" across our business. While the path of our projects to COD in any particular geography may be impacted by individual market events, our blended, company-wide conversion rate is less likely to be impacted due to the depth and breadth of our development pipeline.

In addition to being geographically and technologically diverse, a large number of projects in our development pipeline have met key development milestones that substantiate their path to COD with a particular focus on interconnection milestones. As of February 19, 2025, (i) our Mature Projects had an aggregate generation capacity of approximately 6.1 GW, which constitutes approximately 31% of the overall generation capacity across our portfolio, (ii) our Advanced Development Projects had an aggregate generation capacity of approximately 3.3 GW, of which approximately 2.9 GW from our U.S.-based Advanced Development Projects have reached Advanced Interconnect Status, and (iii) our Development Projects had an aggregate generation capacity of approximately 10.6 GW, of which approximately 3.4 GW from our U.S.-based Development Projects have reached Advanced Interconnect Status.

Expand our pipeline organically, and capitalize on attractive opportunities in our existing markets

Our development team is comprised of 26 development professionals across our global footprint and we seek to expand our existing in-house team as well as our partnerships with local developers. In our largest markets (United States, Israel and Europe), we source new greenfield projects organically through our in-house greenfield development teams. Specifically, across these markets, we utilize our "Connect and Expand" strategy, leveraging existing large and low-cost interconnection positions that we possess to expand our pipeline. For example, the site of our flagship Snowflake A project in Arizona is designed to include another project, with an additional 650 MW of solar generation capacity and 2.1 GWh of energy storage availability being developed. This plan seeks to leverage Snowflake A's existing interconnect infrastructure with additional generation capacity, in turn lowering the costs and risks of building new sites. Another example is our plan to add 225 MW solar generation and 220 MWh storage capacity to the existing wind farm at the Gecama project in Spain. In our other target markets (Italy, CEE and the Nordics), we leverage partnerships with a strong network of local developers to source attractive early-stage projects which we then co-develop. Through our development team and development partners, we maintain a local presence in our target markets, which we believe is essential to identifying profitable projects. In addition, it is our strategy to opportunistically acquire projects, particularly in situations where there are synergies with our existing portfolio. For example, in 2023 we acquired the remaining 66% held by our partners in project Pupin, a 94 MW wind energy farm under development in Serbia. Pupin is adjacent to project Blacksmith, a 105 MW operational wind farm we already owned in Serbia. The proximity of Pupin to Blacksmith enabled us to be more operationally efficient while being well positioned to predict the project's generation profile, all while giving us an edge in financing, where we benefit from existing relationships with lenders to project Blacksmith. Originally planned to reach COD in the second half of 2025, commercial operations at the Pupin wind farm commenced in December 2024, approximately half a year ahead of schedule.

Expand laterally through energy storage and new geographies

We are focused on creating multiple growth engines across the solar energy, wind energy and energy storage sectors. Our existing portfolio of projects, particularly solar energy projects in the United States, positions us to rapidly expand our energy storage portfolio with access to the grid and customer and supply chain relationships. Utilities' need for dispatchable power continues to grow, driving accelerating demand for our energy storage projects. We have an aggregate capacity of approximately 8.6 GWh of battery energy storage projects in our current Mature Project portfolio, of which approximately 7 GWh is based in the United States and approximately 1 GWh is based in Europe. We anticipate that energy storage will become a significant portion of our business as energy storage technology continues to advance and becomes essential to grid stabilization and load balancing.

In addition, we are seeking to expand our geographic footprint in new markets across Europe and MENA. With respect to Europe, we are focused on adding in-house greenfield development capabilities in Northern Europe, either through the hiring of additional personnel or through a potential acquisition of a developer. Additionally, in 2022, we signed a definitive agreement with NewMed Energy LP (TASE: NWMD), a leading oil and gas exploration company in MENA, and its chief executive officer, Yossi Abu, to develop wind energy, solar energy and energy storage projects in the region. We believe that this partnership, of which we own 46.7%, will enable us to leverage our existing knowledge and experience in developing renewable energy projects to expand into Middle Eastern and North African countries.

On March 9, 2025, MedLight, a limited partnership jointly owned by the Company and New-Med entered into agreements (the "MedLight Agreements") with a local Moroccan partner, to create two SPVs for the purpose of developing and constructing a 300 MW solar project and 200 MW wind farm in Morocco. Under the agreements, MedLight will be allocated 75% ownership of the SPVs, and the remaining 25% will be held by the local partner that will furnish certain services to the project until COD. MedLight has committed to injecting capital into the SPVs through shareholder loans pursuant to certain agreed upon milestones, with such loans totaling approximately EUR 25 million for both projects (subject to certain adjustments). Additionally, MedLight has been granted an option to acquire the local partner's holdings by no later than the projects' COD, and the local partner has been granted a "put option" to sell its holdings to MedLight for a period of five years following the projects' COD.

The Medlight Agreements stipulate a timeline for the financial closing of the projects, which is expected to occur in 2027-2028 with COD anticipated in 2029-2030. There is no certainty that the projects will advance to construction and reach COD due to contingencies related to obtaining approvals and/or permits from third parties and local authorities, over which the partnership has no control.

Entrance into new business segments, including the non-utility scale segment and select technology investments

We are also looking to expand our technological capabilities through partnerships with energy technology companies. To advance this goal, in 2023 we formed an energy transition and climate technology fund called Elements. Elements aims to leverage our access to the robust technology ecosystem within and outside of Israel in order to gain early exposure to advances in battery, hydrogen and micro-grid technologies, among others. Enlight has committed $30 million of capital to the fund, with a goal that the fund will grow to $100-150 million in size. As of the date of this Annual Report, Elements has invested in four technology companies for a total of $10 million. We expect that continued innovation, combined with our ability to work across numerous technologies, will help enable us to capitalize on opportunities for continued robust growth and provide us with visibility into the direction of the broader technology sector.

Starting in January 2024, the Israeli electricity market shifted to a fully deregulated market. In preparation for this event, the Company established a new business unit, Enlight Enterprise, to engage in direct power sales to corporate customers. Purchasing electricity from both Enlight's own renewable projects as well as the national grid, this unit then resells this electricity to large industrial consumers through corporate PPAs. Twelve corporate PPAs with a total volume over the lifetime of the contracts of more than 700 GWh have been signed during 2024, including agreements with clients such as NTA Metropolitan Mass Transit System and the Weizmann Institute of Science, in addition to the 6 PPAs signed in 2023 with clients such as Applied Material and SodaStream. For the year ending December 31, 2024, Enlight Enterprise generated revenues from the sale of electricity of $35 million.

Enlight Enterprise actively manages the sourcing and resale of electricity to customers using a sophisticated energy management system ("EMS"), which supports commercial decisions regarding the purchase of electricity for resale and optimizes the charging and discharging of batteries in the business unit's standalone storage network. Enlight Enterprise was the first company to engage in direct-to-customer electricity sales within Israel's deregulated market framework, and has achieved a 50% market share in the renewable energy segment. The EMS system represents an important advantage in maintaining this competitive lead.

The Company continues to invest in expanding Enlight Enterprise. See for example Item 4.A "Selected Recent Developments" regarding two successful bids we won, for which we plan to build two new standalone storage projects operated by Enlight Enterprise.

In addition to selling to large corporate customers, we also formed a joint venture with Electra Power, a household-oriented electricity reseller, to which the Company will supply electricity. Enlight's joint venture with Electra Power was formally launched in July 2024.

In February 2024, Enlight acquired 80% of the share capital of Aria Energy Ltd., a renewable energy company engaged in the non-utility solar and storage segment in Israel. Aria focussed primarily on municipal rooftop customers and agri-solar, and had built up assets in these sectors through purchases of projects from third partes. The Company was not active in these fast-growing segments prior to the acquisition of Aria. Aria was acquired for an immaterial purchase price, though performance-based earnouts and options may lead to future total payments of up to approximately $20 million over the next five years.

In May 2024, the Company changed the name of Aria Energy to Enlight Local. This business unit continues to focus on providing solar and storage infrastructure to the Israeli non-utility market, including municipal, commercial and industrial, and agri-solar customers. Enlight Local continued to expand its presence in this new segment during 2024, and signed 12 new tariff agreements for an equivalent capacity of 20 MW.

Market overview

Our industry and market opportunity

Worldwide severe weather events and global awareness of the rapidly accelerating impacts of climate change are driving a systemic global transition away from fossil fuels towards renewable energy. Global renewable generation has grown from approximately 24% of global power generation in 2015 to approximately 38% in 2025, a CAGR of 7.8%. This transition is expected to accelerate thereafter with renewable generation forecasted to constitute approximately 82% of global power generation by 2050, according to BNEF.

The forecasted growth in renewable energy generation is driven by a variety of economic, social, regulatory, and policy factors, including:

- sweeping renewable energy mandates and regulations as a policy response to climate change;
- utility-scale solar energy and wind energy becoming some of the most competitive sources of electricity generation on a levelized cost of energy, or LCOE, basis;
- the need for energy independence and security;
- growing corporate and investor support for net-zero targets and the decarbonization of energy;
- widespread electrification of transportation (particularly automotive vehicles) and other infrastructure that has historically been powered by fossil fuels; and
- emergence of energy storage, which enhances the ability of solar energy and wind energy generation to serve as load-following generation while providing additional grid resilience and combating extreme weather events.

Furthermore, the energy storage market has witnessed unprecedented growth in recent years, and we believe it sits at the epicenter of the energy transition. The ability of energy storage facilities to allow for renewable generation to provide baseload power is critical to enabling the transition from fossil fuels to renewable energy. Global energy storage capacity installations are projected to have reached a record of approximately 69 GW in 2024, and are expected to grow at an approximate 13% CAGR through 2030, when annual additions are expected to reach 145 GW and global cumulative energy storage capacity is projected to be 790 GW, according to BNEF.

Overview of the U.S. renewable energy industry

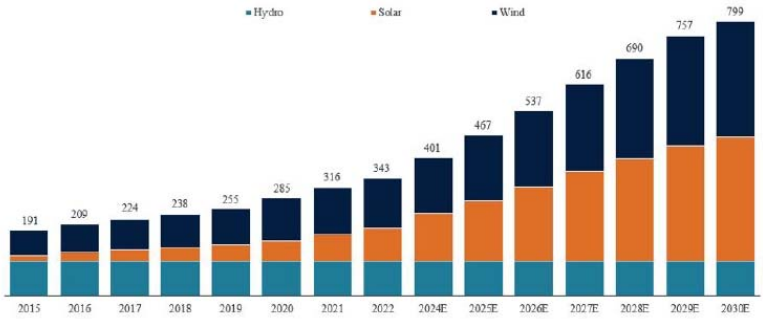
According to some estimates, the renewable energy sector in the United States is expected to grow approximately 17% per annum between 2024 and 2030 and will provide approximately 76% of all electricity generated in the United States by 2050, with solar energy and onshore wind energy generation accounting for approximately 29% and approximately 42%, respectively, of all energy generation by 2050, according to BNEF. ITCs and PTCs for utility-scale solar and storage facilities increase the attractiveness of solar projects in locations with high irradiance. They also give asset owners the option to transfer tax credits to third parties, which is expected to help address the lack of sufficient tax equity capacity.

With its headquarters located in Boise, Idaho, Clēnera, our U.S. subsidiary, is focused on developing solar energy and energy storage projects in the Western United States; as of February 19, 2025, Clēnera had approximately 90% of its Mature Project portfolio (by capacity) in the region. The combined electricity demand for all regions in the Western Interconnection is projected to grow more than 20% from approximately 942 TWh in 2025 to approximately 1,134 TWh in 2034, while the combined peak hour demand is expected to grow 17% from approximately 164 GW in 2025 to over 193 GW in 2034, according to the WECC.

Solar energy and energy storage projects are particularly attractive in the Western United States, in light of:

- higher solar irradiance driving higher production levels and enabling greater utilization of PTCs, as discussed elsewhere in this Annual Report;
- growing scarcity of historically important power resources across the Southwest of the United States, primarily driven by diminishing availability of hydroelectric power which accounts for more than 25% of all power generation capacity in the western United States versus approximately 6% of all power generation capacity across the United States on average in 2021, according to S&P Global Market;
- accelerated retirement of coal plants with over 10 GW of coal retirement planned from 2024 to 2033;
- increased electricity demand from new data centers being built across the region;
- utility-reported future solar needs totaling in excess of 13.5 GW over the next 10 years;
- technological and safety advancements in battery storage, increasing demand to address grid demand fluctuations;
- higher renewable energy portfolio standards relative to other markets within the United States;
- an increasingly coordinated and regionalized western electricity market;
- public is mostly supportive of the transition away from fossil fuel generation; and
- community choice aggregation policies.

Figure 3: 2012—2030E renewable energy capacity forecast in the United States



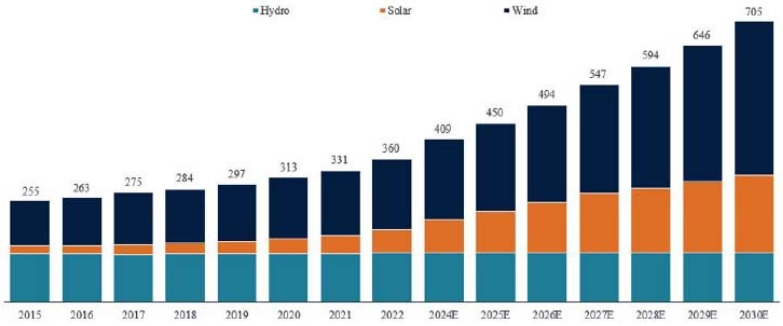
Source: BNEF

Overview of the European renewable energy industry

The European renewable energy generation market is expected to grow approximately 8% per annum between 2022 and 2030 and will provide approximately 84% of all electricity generated in Europe by 2050, with solar energy and onshore wind energy generation accounting for approximately 25% and 33%, respectively, of all energy generation by 2050, according to BNEF.

Utility scale solar energy generation capacity is expected to grow from approximately 97 GW in 2022 to approximately 344 GW by 2030, an approximate 15% CAGR, and onshore wind energy generation capacity is expected to grow from approximately 222 GW in 2022 to approximately 347 GW by 2030, an approximate 5% CAGR, according to BNEF.

Figure 4: 2012—2030E renewable energy capacity forecast in Europe (GW)



Source: BNEF

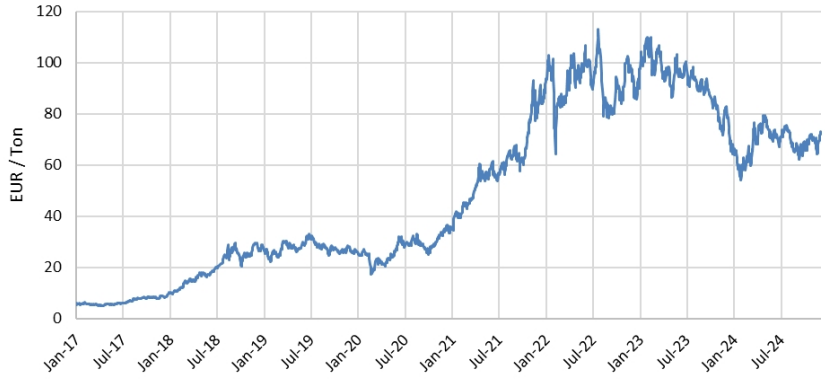
The growth of renewable energy generation is supported by regulatory policies and the underlying economics of renewable energy generation. For example, Spain and Sweden, two of our key existing European markets, and Italy, one of our key potential growth markets, have each instituted regulatory policies to support and encourage the growth in renewable generation. In 2021, Spain approved a clean energy bill that targets carbon neutrality by 2050 and requires renewable sources to account for 74% of the total electricity production by 2030, while also limiting new coal, oil and gas extraction projects. As such, in Spain, renewable generation capacity is expected to grow by approximately 3% per year through 2050, according to BNEF. In 2017, Sweden passed a climate policy framework that targeted a 70% reduction of emissions from domestic transport between 2010 and 2030 and achieving net zero nationally by 2045. As such, in Sweden, renewable generation is expected to grow by approximately 5% per year through 2030, according to the Swedish Energy Agency.

Italy recently implemented the Transitional FER X Decree, which aims to promote the construction of plants powered by renewable energy sources, as well as the MACSE Decree which aims to enhance the country's energy storage capacity. These regulatory measures are aligned with Italy's decarbonization objectives, including goals of a 40% share of renewable energy in total energy consumption and 65% of electricity production from renewables by 2030, according to the country's revised National Energy and Climate Plan.

Further accelerating the European transition to renewable energy generation, the REPowerEU proposal, which was introduced in response to the 2022 Russian invasion of Ukraine, presents an ambitious plan to rapidly reduce dependence on Russian fossil fuels through energy savings, a diversification of energy supplies and an accelerated rollout of renewables. The plan envisions half of pre-war Russian gas imports to Europe being decarbonized by renewables and renewable and low carbon gas, called green gas, driven by a near tripling of wind and solar capacity, representing a 13% CAGR from 2022-2030 and a 41% uplift on prior targets.

The attractiveness of renewable energy in Europe on an LCOE basis has continued to improve not only due to reductions in the cost of utility-scale solar energy and wind energy projects but also due to regulatory mechanisms within the European Union such as the ETS. The ETS imposes a regulatory cap on corporate emissions and requires corporations that use fossil fuels to purchase carbon credits to offset the carbon footprint of the fossil fuel-generated electricity. This increases the all-in cost of fossil fuel generation and, in turn, improves the competitiveness of renewable energy sources. As of the fourth quarter of 2024, the carbon price per ton ranged between 62-73 EUR. Assuming approximately 3.9 MWh per 1 ton of carbon dioxide, the cost per MWh imposed by the ETS was approximately EUR 16-18, increasing the all-in cost of fossil fuel generation and relative LCOE of fossil fuel generation. As a result, corporations are now looking to enter into long duration PPAs in order to secure sufficient renewably sourced electricity. In May 2023, revisions to the EU ETS were published in the Official Journal of the European Union, which increases the rate of reduction of the total cap on emissions allowances, thereby reducing total permitted in-scope emissions on an annual basis. There are also two one-off "rebasings" of the cap, meaning a reduction in the cap of 90 million allowances in 2024 and an additional 27 million allowances in 2026. In addition, in May 2023, the European Union also adopted the Carbon Border Adjustment Mechanism, of which electricity is an in-scope sector. From 2026, importers of electricity will be required to pay an annual levy based on the embedded emissions of their imported electricity.

Figure 5: Evolution of carbon pricing



Source: Montel

Overview of the Israeli renewable energy industry

Israel's electric grid is not connected to any of the networks of its neighbouring countries, requiring the country to be entirely energy self-sufficient. Moreover, the market is characterized by increasing electricity demand. Thus, in the Electricity Sector Report for 2024 published by the EA in September 2024, it was noted that the growth in market demand for electricity increased by approximately 1.2% in 2023 and is expected to increase by approximately 3% per year between the years 2023-2030. The IEC and Noga, the electricity system manager in Israel, also anticipate an average annual increase of 3% in peak demand for electricity from 2021 to 2050 in its business-as-usual forecast, driven by a fast-growing population and robust economic growth.

The need to be self-sufficient while also accommodating growing electricity demand, together with strong international obligations to mitigate global warming, has led the Israeli government to undertake significant reforms to the local electricity sector. For example, in June 2018, the Israeli government approved a comprehensive structural reform of the electricity sector, with a focus on increasing competition in the electricity generation market. In addition, the Israeli government has focused on diversifying the country's energy mix through increased penetration of renewable energy. The Israeli government has set formal additional renewable energy generation targets of 20% and 30% of total energy generation by 2025 and 2030, respectively. For more information, see "—Energy Regulation—Israel" and "—Environmental, Health and Safety— Israel."

Energy regulation

United States

Introduction

In the United States, regulation of electricity generation, transmission, distribution and interconnection is generally divided between the federal government and the states. At the federal level, FERC has jurisdiction over wholesale electricity sales, transmission and transmission-level interconnection. The FERC also administers accounting and financial reporting regulations and standards of conduct for the companies it regulates. At the state level, state public utility commissions (or a similar body) have jurisdiction over generation siting, retail electricity sales, distribution and distribution-level interconnections.

Federal requirements

The Energy Policy Act of 2005 repealed the Public Utility Holding Company Act of 1935 and replaced it with the Public Utility Holding Company Act of 2005 ("PUHCA"). PUHCA grants FERC broad access to books and records of public utility companies, including renewable generation companies, and their holding companies, which are generally defined to include any company that directly or indirectly owns, controls or holds, with power to vote, 10% or more of the outstanding voting securities of a public utility company or of a holding company of any public utility company. PUHCA also provides for FERC review of the allocation of costs for non-power goods or services between regulated and unregulated affiliates of such companies. Renewable generation companies can be exempt from these requirements if the renewable generation company meets the requirements of an "exempt wholesale generator" ("EWG"), or the generation facility qualifies as a "qualifying facility" ("QF") under the Public Utility Regulatory Policies Act of 1978 ("PURPA"). Holding companies solely of EWGs, QFs and foreign utility companies can also be exempt from these PUHCA requirements. EWG status is available to any generator of electricity, regardless of size or fuel source, that exclusively owns and/or operates electric generation facilities for the sale of energy to wholesale customers, while QF status is available to certain cogeneration facilities and small renewable energy facilities up to 80 MW.

There is an ongoing dispute regarding how to calculate the 80MW maximum "power production capacity" for QF under PURPA. Historically, FERC certified a facility based on its net output, rather than total nameplate capability of a facility for purposes of PURPA eligibility. On appeal from a 2021 FERC order, the U.S. Court of Appeals for the D.C. Circuit upheld FERC's approach to calculating capacity for PURPA eligibility, relying on *Chevron* deference, whereby courts may defer to an administrative agency's reasonable statutory interpretation. In June 2024, the U.S. Supreme Court overturned the *Chevron* deference doctrine and found that courts should instead rely on their own independent statutory interpretations. The Supreme Court later directed the D.C. Circuit to reconsider its ruling on FERC's approach to calculating capacity for PURPA eligibility. If the D.C. Circuit requires a different methodology for determining QF eligibility under PURPA or whether QF are eligible for certain exemptions under FPA, facilities that are currently eligible for QF status or such exemptions could lose such status or exemptions.

A renewable generation developer seeking to obtain QF status for a project must file a self-certification or apply for FERC certification, and keep the same up to date at FERC. Renewable generation companies similarly may file to self-certify EWG status with FERC. For example, Apex Solar has self-certified as an EWG at FERC. In both cases, such entities may also be subject to other filing and reporting obligations at FERC.

To maintain EWG status, renewable generation companies are restricted to wholesale sales and, therefore, cannot take advantage of retail sale opportunities, including in jurisdictions that have approved retail direct access. Also, a renewable generation company generally cannot sell directly to retail consumers without becoming a regulated public utility under applicable state law. Renewable generation companies' rates for wholesale power sales are subject to FERC regulation under Section 205 of the FPA and they must obtain FERC authorization for such wholesale power, capacity and ancillary services sales before making such sales (including for the generation of test energy). As a result, an EWG typically seeks FERC authorization under FPA section 205 to make wholesale sales at market-based rates, or market-based rate authority. For FERC to grant market-based rate authority, the applicant and its affiliates (as defined in FERC's rules and regulations), if any, must demonstrate a lack of horizontal market power (electric generation) and vertical market power (transmission and other barriers to market entry) in the relevant power markets, and have satisfied restrictions on affiliate abuses contained in FERC regulations. The owners of certain QFs (generally larger than 20 MWs) may also be required to obtain market-based rate authority from FERC. Additionally, provided that the purchasing electric utility has not been relieved from its mandatory purchase obligation, PURPA and FERC's regulations obligate electric utilities to purchase energy and capacity from QF at either the electric utility's avoided cost or a negotiated rate. FERC's regulations under PURPA allow FERC, upon request of a utility, to terminate a utility's obligation to purchase energy from QF upon a finding that QF have nondiscriminatory access to: (i) independently administered, auction-based day ahead, and real time markets for electric energy and wholesale markets for long-term sales of capacity and electric energy; (ii) transmission and interconnection services provided by a FERC-approved regional transmission entity and administered under an open-access transmission tariff that affords nondiscriminatory treatment to all customers, and competitive wholesale markets that provide a meaningful opportunity to sell capacity, including long-term and short-term sales, and electric energy, including long-term, short-term, and real-time sales, to buyers other than the utility to which the QF is interconnected; or (iii) wholesale markets for the sale of capacity and electric energy that are at a minimum of comparable competitive quality as markets described in (i) and (ii) above. FERC regulations protect a QF's rights under any contract or obligation involving purchases or sales that are entered into before FERC has determined that the contracting utility is entitled to relief from the mandatory purchase obligation. FERC has granted the request of California investor-owned utilities for a waiver of the mandatory purchase obligation for QF larger than 20 MW in size. In addition, FERC recently amended its PURPA regulations to reduce the rebuttable presumption that small power production facilities in organized markets have nondiscriminatory access to markets from 20MW to 5MW. Entities that hold market-based rate authority are subject to certain other filing and reporting obligations at FERC. Apex Solar, for example, has received market-based rate authority from FERC.

State Issues

While wholesale sales are governed by federal law, state law presumptively governs most retail sales of electricity. If retail sales result in the renewable generation company being regulated as a "public utility" under applicable state law, such renewable generation company typically will become subject to comprehensive regulation, including financial, rate and securities issuance regulation, as a state public utility. Renewable generation companies, to the extent possible under the relevant state law, typically seek to avoid activities that would subject them to regulation as a state public utility. However, even if they avoid making retail sales, renewable energy companies with generation facilities in certain states, may still be subject to some form of regulation at the state level.

Interconnection

Electric interconnections are also regulated at either the federal or state level. To gain access to markets, renewable generation developers must generally negotiate agreements to interconnect either with (i) the distribution system of the utility, or (ii) the transmission system of the transmission provider. Interconnection at the distribution level is typically governed by applicable state law and the utility's requirements. It may allow for net-metering, an arrangement with a customer's utility whereby the customer uses its own installed generation to offset all or some of its energy usage and may receive credit for limited excess generation. For interconnections to the transmission system, most are subject to FERC jurisdiction and the relevant agreements are generally subject to FERC regulation.

A generation interconnection agreement is a contract between the generation owner and the owner of the distribution/transmission facilities with which the project will be interconnected and, in certain instances, also the Regional Transmission Organization/Independent System Operator that operates any such transmission facilities. The main purposes of interconnection agreements are to (i) identify and allocate the costs of any new facilities or facility upgrades to be constructed to permit the interconnection, and (ii) set forth the technical and operational parameters governing the physical interconnection. Before executing an interconnection agreement, at either the distribution or transmission level, the utility/ transmission provider will commission interconnection studies at the interconnection customer's expense to determine what new facilities need to be constructed to accommodate the new generation facility and their cost. Interconnection agreements address such technical and operational issues as reactive power factors, responsibility for electrical disturbances, metering and testing of equipment, exchange of operating data and curtailment events.

FERC is also taking actions to facilitate the integration of new forms of generation into the electric grid and remove barriers to grid access. On July 28, 2023, FERC issued a final rule ("Order No. 2023"), to reform procedures and agreements that electric transmission providers use to interconnect new generating facilities to the existing transmission system. The order updates the procedures for interconnecting generating facilities and is intended to address interconnection queue backlogs, improve certainty in the interconnection process, and encourage the evaluation of alternative transmission technologies. Additionally, in June 2024, FERC issued a final rule ("Order No. 1920"), effective on August 12, 2024, which was modified slightly in November 2024, to reform the procedures electric transmission providers must use for long-term planning of expansions to the transmission system and the allocation of the resulting costs to transmission customers, including electric generating facilities. A number of rehearing requests were filed by various parties requesting the FERC to revise or clarify various aspects of the rule. On November 21, 2024, FERC issued an order to address the requests for rehearing, which generally maintains provisions of Order 1920 with certain clarifications and modifications. A number of parties have also filed petitions for review with various circuit courts, which have been consolidated and assigned to the U.S. Court of Appeals for the Fourth Circuit where the matters are pending.

Renewable energy certificates

The sale of RECs can afford a renewable generation developer additional long-term revenue. States that have renewable portfolio standards, or place requirements on the local utilities to purchase or generate a certain percentage of power from renewable generation sources, track utility compliance through the issuance and retirement of RECs, which typically represent 1 MWh of generation from a qualified energy source.

Federal tax incentives

Renewable energy projects in the United States currently benefit from various federal tax incentives. For example, renewable energy projects in the United States that meet certain criteria are eligible to claim PTCs for the 10-year period beginning on the date the project is placed in service equal to a specified amount per kilowatt-hour of electricity generated by the project and sold to an unrelated person, or a one-time ITC in lieu of PTCs equal to a specified percentage of the project's eligible costs. These incentives were recently expanded and extended as part of the Inflation Reduction Act. Under the current legislative framework, most renewable energy projects are expected to qualify for the full value of PTCs or ITCs at least through the end of 2032. Renewable energy projects in the United States also benefit from accelerated tax depreciation and other incentives.

However, members of the current U.S. administration have from time-to-time expressed opposition to renewable energy tax incentives and certain provisions of the Inflation Reduction Act, although the administration has not formally proposed a plan to repeal or revise the Inflation Reduction Act. For more information, see Item 3.D. "Risk Factors—Risks Related to Government Regulation—Government regulations in the United States, Europe and globally, that currently provide incentives and subsidies for renewable energy, particularly the current production and investment tax credits, could change at any time."

Europe

Introduction

Spain, Sweden, Croatia and Hungary are members of the European Union, while Kosovo and Serbia are currently not members. In the European Union, electricity generation and interconnection are generally divided into two levels of governance: (i) European policy direction and directly applicable law; and (ii) the laws of Member States. Member States have adopted laws in respect of renewable energy in order to implement the 2009 EU Renewable Energy Directive as subsequently amended.

Spain

Law 24/2013, of December 26, on the Electricity Sector (the "2013 Electricity Act") and its developing regulations, either at the national or regional level and the EU energy regulations set out the general rules applicable to the entire electricity sector in Spain, including the generation of electricity by facilities using renewable energy sources, cogeneration and waste. Generation companies typically obtain their income from the sale of electricity under a Merchant Model (in EUR/MWh) or through bilateral PPAs (or a combination of both).

Development of renewable energy generation in Spain is subject to the project company successfully obtaining permits and other administrative authorizations at the state and municipal level, including construction and start-up approval. Such permits and administrative authorizations are granted only where the applicant has demonstrated legal, technical and financial capability.

To gain access to the grid, renewable generation developers must generally apply for interconnect either with (i) the distribution system of the utility or (ii) the transmission system referred to as Red Eléctrica de España. Interconnection at the distribution and transmission level is typically guaranteed under law but subject to lack of capacity, security issues or issues of supply continuity. Interconnection agreements cover the same commercial issues as those identified in respect of the United States above.

Sweden

Development of renewable energy generation projects in Sweden are subject to the project company successfully obtaining permits and other administrative authorizations at the state, county and municipal level, including under the Environmental Code and the Planning and Building Act.

To gain access to markets, renewable generation developers must generally apply for interconnect either with (i) the distribution system of the utility, or (ii) the transmission system of the transmission provider. Fair access to interconnection at the distribution and transmission level is required by contractual obligations on distribution and transmission system operators but interconnection is subject to the parties agreeing on reasonable contractual terms.

Serbia and Kosovo

Kosovo is a disputed area between Serbia and the self-proclaimed Republic of Kosovo. The position stated as regards the regulatory position in Serbia is broadly the same in Kosovo. Neither Serbia nor Kosovo are members of the European Union but Serbia is a candidate for membership and so is bringing in legislation broadly in line with that of the European Union in order to facilitate eventual harmonization. Both electricity markets are in the process of being liberalized but currently still display characteristics of a pre-liberalization regime. For instance, in Serbia, Electroprivreda Srbije remains a major generator and distributor.

Both Serbia and Kosovo have incentivized renewable energy production through the payment of feed-in tariff premiums within PPAs with an incentive period of 12 years, and more recently Serbia has introduced a contract for difference auction mechanism to promote construction of renewable energy plants. This is in addition to priority dispatch, free grid interconnection and the allocation of balancing charges to customers rather than renewable generators. In Serbia power is acquired by the sole domestic supplier, state owned Electroprivreda Srbije, under the terms of a PPA.

Development of renewable energy generation projects in both Serbia and Kosovo is subject to the project company successfully obtaining a generation license. Licenses are granted only where the applicant has demonstrated technical and financial capability and are typically valid for 30 years.

To gain access to the grid, renewable generation developers must generally apply to interconnect either with (i) the distribution system of the utility or (ii) the transmission system of the transmission provider. Fair and non-discriminatory access to interconnection at the distribution and transmission level is required by law although refusal due to lack of system capacity or insufficient creditworthiness on the part of the applicant is permitted. There is no requirement for a distribution or transmission system operator to expand the system to accommodate an applicant.

Croatia

The Energy Act (Official Gazette No. 120/2012, 14/2014, 95/2015, 102/2015, 68/2018) governs and sets out general rules applicable to the entire energy sector of Croatia. On the other hand, the Act on Renewable Energy Sources and High-efficient Cogeneration (Official Gazette No. 138/2021) (the "RES Act") establishes a general legal framework for promoting and using renewable energy, as well as producing energy from renewable sources, which is recognized as a special interest of Croatia. With the RES Act, Croatia has incorporated into its own laws the Directive (EU) No. 2018/2001 (the "RED II Directive"), further facilitating development of the renewable energy sector.

The development of renewable energy projects in Croatia is subject to the project successfully obtaining permits and other administrative authorizations at the state and municipal level, including construction permits and energy licenses, with the latter being issued by the Croatian Energy Regulatory Agency. Such permits and licenses are only granted where the applicant has demonstrated, legal, technical and financial capability.

According to the Res Act and related subsequent legislation, producers of electricity from renewable energy sources are considered beneficial electricity producers and are granted special status in applying for interconnection. To gain access to the grid, renewable energy producers must generally apply for interconnect either with (i) the distribution system (operated by HEP-ODS) or (ii) the transmission system (operated by HOPS). Interconnection at the distribution and transmission level is typically guaranteed under law but subject to lack of capacity, security issues and issues of supply continuity.

In terms of the grid capacity in Croatia, the Croatian National Recovery and Resilience Plan, published in 2021, limits the ability to interconnect new renewable energy projects and facilities. However, according to the Croatian Electricity Market Act (Official Gazette No. 111/2021), transmission system operators may not refuse, on the basis of potential future network limitations (such as congestion) in the network's remote parts, to interconnect a new power plant.

Hungary

Act LXXXVI of 2007 on Electricity (the "Electricity Act") sets out the main rules governing the electricity market of Hungary, including the generation of electricity from renewable energy sources. In addition to the Electricity Act, government decrees (such as Government Decree No. 389/2007. (XII. 23.) and 299/2017. (X. 17.) set out the main provisions governing renewable electricity generation. Additionally, Hungary has incorporated the RED II Directive into its own laws.

Generally, development and production of renewable energy in Hungary is subject to the project company successfully obtaining the required permits (such as construction permits, among others) and licenses (such as the so-called integrated small power plant license, which must be obtained by renewable energy producers having a generation capacity of 0.5 MW or more). The integrated small power plant license is issued by the Hungarian Energy and Public Utility Regulatory Authority ("HEPURA"). Such permits and licenses are granted if the renewable generators have demonstrated legal, technical and financial capability as set out in the relevant laws.

Generally, access to markets, with respect to both transmission and distribution, must not (i) be discriminatory, (ii) provide ground for abuse or (iii) contain unreasonable restrictions. Access to the electricity market can be rejected primarily if technical conditions for interconnection are not met or if operational safety cannot be sufficiently guaranteed. In terms of grid capacity in Hungary, interconnection to the grid is subject to specific conditions, including security guarantees and participation at capacity auctions. In order to interconnect, renewable energy developers and producers must negotiate and conclude an agreement with the competent distribution system operator or with the transmission system operator (MAVIR Zrt.).

The sale of electricity generated from renewable energy sources may be carried out either (i) on the Hungarian Power Exchange, (i.e., the organized Hungarian power market) or (ii) through PPAs with offtakers. Renewable energy producers may benefit from (i) a premium-based support scheme for electricity generated from renewable energy sources by participating in a tender process or (ii) the trading of green certificates. For details regarding the Hungarian government's decree regarding indexation to inflation, see Item 3.D. "Risk Factors—Risks Related to Government Regulation— Government interventions in response to current high energy prices may negatively impact total revenues and income or increase our tax burden."

Israel

Introduction

Our operations in Israel fall under two different types of regulation:

(1) a license regime for any power plant over 16 MW that is mostly affected by government resolutions, the Israeli Ministry of Energy and Infrastructure (the "Ministry of Energy") and the EA. In addition, setting up generation facilities usually requires us to obtain permits from municipal authorities, zoning and planning committees and the Israel Land Administration.

Obtaining licenses and permits that are required for our generation facilities is often a lengthy process characterized by changing zoning requirements and uncertainty. We are often required to revise our projects during construction as requirements change. Such requirements affect project timing, construction, relevant agreements, costs and other factors in material ways and have a direct impact on our ability to construct new systems in Israel and on the profitability of such systems.

(2) a license free regime allowing any power plant under 16 MW to connect to the grid subject to adherence to certain terms and conditions.

In recent years, changes in Israeli regulations have been favourable to us, as such regulations were primarily designed to encourage transition to renewable energy. The Israeli government and the EA have taken regulatory measures that are intended to open the Israeli electricity market to competition, to support private electricity producers other than the government-owned IEC, and to make it easier for such private electricity producers to connect their generation facilities to the Israeli power grid. These regulatory measures include caps and goals for the production of electricity from renewable sources, rates (often referred to as 'tariffs') that will be paid to private electricity producers and the conditions that private electricity producers must satisfy in order to set up electricity generation facilities. Most of the Company's electricity production takes place at licence free power plants, mainly photovoltaic cells and in the foreseeable future BESS.

While the importance of government measures designed to support renewable energy projects has declined in recent years as the cost of producing electricity from renewable sources has dropped below that of fossil fuels in Israel, our business is still dependent, to a large extent, on government measures regulating the electricity market, connectivity to the power grid and the sale of electricity that we produce.

Pursuant to the de-regulation of the electricity market in Israel that became effective on January 1, 2024, our newly signed corporate PPAs require us to provide power pursuant to each individual customer's demand profile. This requires us to purchase electricity from the grid or discharge power from our batteries in order to meet customer demands during times that our projects are not generating electricity, such as at night or on cloudy days for our solar energy projects.

In the near future, the Israeli government and its agencies are planning to implement policies facilitating accelerated development of agro-voltaic power plants. The EA has already enacted new regulations permitting stand-alone Battery Energy Storage Systems (BESS) with up to 16MW of installed capacity. This regulatory change opens a new field for potential growth, particularly in light of the projected surplus electricity generation from renewable energy facilities during peak production hours and the necessity to shift this production to meet early evening consumption demands.

Currently, the EA does not intend to authorize stand-alone BESS installations exceeding 16MW capacity. However, the EA is actively promoting such stand-alone BESS's when either dedicated to the electricity system manager (through tender processes) or integrated with photovoltaic power plants.

Additionally, the EA is considering revisions to the calculation methodology of the production tariff (currently based on the IEC's production costs), which could potentially impact companies in the sector. Nevertheless, as mentioned above, most of the Company's power plants operate under predetermined tariff agreements, which are intended to mitigate adverse effects from these potential changes.

Finally, various zoning plans provide principals and set guidelines for the energy production market over the next few years and implement prior government resolutions on the preservation of spaces for planned solar energy facilities and wind turbines.

Sector reform

Israeli regulators have adopted and implemented a comprehensive reform in the electricity sector that has included several important components, such as the separation of the management of the national electricity system from the IEC, shifting generation capabilities from the IEC to private electricity producers, sales of large generation units by the IEC to private producers, opening the distribution segment to competition and lowering regulatory barriers for forming new generation facilities, among others.

In addition, the EA has announced that it will take several measures intended to accelerate the construction of PV systems, including approval of additional projects in the transmission system. We believe this is an important step that will enable construction of additional PV projects, as the connectivity of these projects to the electricity grid is a significant barrier to entry.

While certain key components of that reform have been completed, others are expected to be implemented over the next few years. These include, among others:

Agri-Solar

Government ministries and agencies are working to promote regulations that will allow the establishment of agri-solar facilities in Israel, which are photovoltaic generation systems installed on agricultural land while maintaining agricultural productivity. The field is still in its infancy in Israel. In recent years, the Ministry of Energy and the Ministry of Agriculture have initiated pilot projects to assess the impact of these facilities on agriculture, which are now transitioning to commercial-scale facilities.

Energy Security

Over half of Israel's electricity supply is generated by coal powered plants in 4 to 5 specific locations. In light of the ongoing war, targeting of these locations with precision weapons could critically damage energy production sources, highlighting the need for distribution of energy generation resources. This entails creating a decentralized and dispersed network that in case of damage to a specific portion, would not cause widespread blackouts or harm to the economy. The State of Israel may incentivize the establishment of renewable energy as a tool to address energy security threats.

Storage Market

In Israel, 86% of renewable energy production comes from solar sources. To match the energy produced from PV facilities to peak demand and consumer usage patterns, it is necessary to store generated electricity volumes for release during high-demand hours. Additionally, Israel faces grid bottlenecks when PV-generated energy flows heavily through the grid simultaneously with energy generated from other sources, highlighting the need for storage to absorb the heavy flows and alleviate grid congestion.

In this context, to illustrate the need and scale, the Electricity Authority published a tender for high-voltage storage facilities in November 2023. In February 2025, the Authority selected 11 winning proposals with a combined capacity of 1,500 MW, including a proposal by the Company for a 300 MW facility.

The Israeli electricity sector law

The regulatory framework applicable to the production of electricity by private producers in Israel is mainly stipulated in the Israeli Electricity Sector Law, 1996, or the Electricity Sector Law, and the regulations promulgated thereunder. These regulations set the terms and procedure for granting licenses, the duties of a licensee, rules governing access to the grid and transactions with 'Essential Service Providers' (as defined therein), and other matters that impact our operations.

According to the Electricity Sector Law, the IEC is obligated to purchase electricity from private producers and consumers at rates and under the conditions set in the Electricity Sector Law and the regulations and standards promulgated thereunder. In addition, the IEC is obligated to connect the private producer's facilities to the distribution and transmission grid and provide them with infrastructure and system management services in order to enable them to provide electricity to customers.

The Israeli Ministry of Energy

The Ministry of Energy is responsible for setting policy goals and general rules in the energy and natural resource markets in Israel, including securing a reliable supply of electricity to the Israeli market, formulating procedures for the development of electricity production, energy transmission and distribution facilities (with the consent of the Minister of Finance), promoting policies to integrate renewable forms of energy generation into Israel's electricity production in accordance with governmental resolutions and developing policies as necessary to reform the structure of the electricity market.

In April and August 2020, the Ministry of Energy published a plan in the amount of approximately NIS 25 billion to accelerate certain energy and water-related infrastructure projects, including construction of renewable energy projects of approximately 2,000 MW and providing state-guaranteed loans of approximately NIS 500 million to construct solar energy projects. The plan also removes certain barriers for renewable energy systems by, among others, providing exemptions from building permits for PV systems over water reserves and fish pools, eliminating certain bureaucratic requirements related to land used for national renewable energy projects and removing barriers to more efficiently develop the transmission grid.

The Israel Electricity Authority

The Israel Electricity Authority, or the EA, which is subordinated to the Ministry of Energy and operates in accordance with its policies, has the authority to set rules regarding the electricity markets in all voltages, including setting electricity tariffs, managing the grid rules, granting electricity production licenses to facilities with generation capacity of more than 16MW in accordance with the Electricity Sector Law (facilities with a generation capacity in excess of 100 MW also require the approval of the Minister of Energy), supervising such license holders and setting other criteria, including the level and quality of service required from the IEC. The EA also monitors and supervises the development plans of the national electricity transmission and distribution grid and enforces safety regulations according to the Electricity Sector Law.

According to the Electricity Sector Law, the EA has sole authority to set electricity tariffs, including those to be paid to private electricity producers like us. Tariffs vary for different segments of the electricity sector. According to the Electricity Sector Law, the IEC is required to charge end customers in accordance with the tariffs set by the EA and pay other license holders in accordance with such tariffs. In addition, the EA sets tariffs paid by private electricity producers to the IEC for various services provided by the IEC, including measurement and meter services, and system and infrastructure services.

In the last 15 years, in accordance with the policy of the Ministry of Energy and the Israeli government, the EA has taken several important steps intended to promote the construction of solar energy facilities, energy storage facilities and electric vehicle charging stations. Most importantly, since 2017, PV facilities have been built as part of the arrangement regarding competitive processes over electricity tariffs, according to which the EA publishes, from time to time, tenders in respect of quotas for the construction of ultra-high, high and low voltage PV facilities (including minimum quotas and retaining the right to expand them). As a result, the EA from time to time publishes quotas for renewable energy producers in Israel, and publishes competitive bidding tender processes for the installation of PV facilities.

In recent years, the EA has extended deadlines for numerous competitive bidding processes and various regulations it had previously published, primarily due to the COVID-19 pandemic and Israel's ongoing war with Hamas. Notably, during 2023-2024, the EA issued several resolutions extending deadlines for establishing renewable energy production facilities within the framework of competitive bidding procedures and EA regulations. These extensions were implemented in response to delays in grid development and the challenging circumstances resulting from the ongoing war.

In the last few years, the EA aimed to achieve an independent electricity market allowing electricity trade between private producers and electricity distributors. The EA is considering widening the market to very high voltage producers (above 16 MW) under a different regime of trade (trade in supply availability and not in energy).

Regulation applicable to generation of wind energy

In July 2011, the Israeli government set a quota of 800 MW to be produced by wind turbines, out of which 70 MW were later diverted to production by PV facilities. In addition, the EA has published, from time to time, resolutions related to the formula to determine the tariff for sales of electricity produced by wind, quotas for wind energy generation, allocation of certain costs related to certain wind energy facilities and parameters regarding how to aggregate and distribute electricity from wind energy facilities to the national grid.

In March 2019, the EA decided to update the criteria regarding wind energy facilities in a manner which allows the construction of facilities with a capacity exceeding the actual connection size, for the purpose of creating an optimal production curve, and optimal use of the grid's resources. This update applies to all of our wind energy facilities, and allows optimization of facility planning, in consideration of the details of the site and the project, and the grid's intake capability in that location.

In December 2019 the EA decided that the validity period of the tariff arrangement for wind energy facilities will be extended until December 31, 2022 (later extended until June 30, 2024), or until the quota has been exhausted, whichever is earlier. Additionally, the EA determined the method for allocating the costs of the technological solution for adjusting the Ministry of Defense's radar systems due to the construction of the wind energy farms, such that one third of that cost will be imposed on the holder of a conditional license for the construction of a wind energy farm which received tariff approval up to the cumulative wind energy sectoral capacity of 300 megawatts; an additional third will be imposed on the holder of a conditional license for the construction of a wind energy farm which received tariff approval after the cumulative wind energy sectoral capacity of tariff approvals exceeded 300 MW; and the last third will be imposed on the electricity consumer public through the electricity tariff.

Recently, the EA has determined that all future wind farms will be exempt from licensing requirements, as their connection to the grid will be implemented through clusters of wind turbines, each under 16MW capacity. The economic implication of this decision could be significant since any new wind farm will operate under the electricity market regime rather than under a regulated tariff structure.

Transfer of rights in PV facilities

Any change of control in an electricity production facility that received a production license from the EA is subject to the approval of the EA. Therefore, in the event we execute an agreement to acquire or sell an Israeli PV plant that holds such license, such acquisition or sale will be conditioned upon receipt of such approval and amendment of the relevant license.

Environmental, health and safety

Renewable energy project developers are required to comply with various EHS laws and regulations in the jurisdictions where the projects are located. Such laws and regulations may require developers to obtain and maintain permits and approvals, undergo lengthy environmental review processes, and implement EHS programs and procedures to monitor and control risks associated with the siting, construction, operation and decommissioning of regulated or permitted projects, all of which involve a significant investment of time and resources. Compliance with such laws, regulations, and permit requirements can be costly. The failure to comply with EHS laws and regulations, as well as permit requirements, may result in administrative, civil and criminal penalties, imposition of investigatory, cleanup, and site restoration costs and liens, denial or revocation of permits or other authorizations, and issuance of injunctions to limit, suspend or cease operations. In addition, claims by third parties for damages to persons or property, or for injunctive relief, have been brought in the past against owners and operators of renewable energy projects as a result of alleged EHS effects associated with such projects.

United States

The following list provides an overview of the types of federal, state and local governmental authorizations required to develop and operate renewable energy projects in the United States. Depending on the state or locality where the project is located, the project may be subject to additional environmental regulations.

- Clean Water Act. Clean Water Act permits for the discharge of dredged or fill material into jurisdictional waters (including wetlands), and for water discharges such as storm water runoff associated with construction activities, may be required. Renewable energy project developers may also be required to mitigate any loss of wetland functions and values. Finally, renewable energy project developers may be required to follow a variety of best management practices to ensure that water quality is protected and the environmental impacts of the project are minimized (e.g., erosion control measures).

- Environmental Reviews. Renewable energy projects may be subject to federal, state, or local environmental reviews, including under the federal National Environmental Policy Act ("NEPA"), which requires federal agencies to evaluate the environmental effects of all major federal actions affecting the quality of the human environment. The NEPA process, especially if it involves preparing a full Environmental Impact Statement, can be time consuming and expensive. As noted above, renewable energy projects may be subject to similar environmental review requirements at the state and local level in jurisdictions with NEPA-equivalent statutes, such as the California Environmental Quality Act in California.

- Threatened, Endangered and Protected Species. Federal agencies considering the permit applications for renewable energy projects are required to consult with the United States Fish and Wildlife Service to consider the effect on potentially affected threatened and endangered species and their habitats under the federal Endangered Species Act. Renewable energy projects are also required to comply with the Migratory Bird Treaty Act and the Bald and Golden Eagle Protection Act, which protect migratory birds and bald and golden eagles, respectively. Most states also have similar laws. Federal and state agencies may require project developers to conduct avian and bat risk assessments prior to issuing permits for solar energy projects, and may also require ongoing monitoring and mitigation activities or financial compensation.

- Historic Preservation. Federal and state agencies may be required to consider a renewable energy project's effects on historical or archaeological and cultural resources under the federal National Historic Preservation Act or similar state laws. Ongoing monitoring, mitigation activities or financial compensation may also be required as a condition of conducting project operations.

- Clean Air Act. Certain operations may be subject to federal, state, or local permitting requirements under the Clean Air Act, which regulates the emission of air pollutants, including greenhouse gases.

- Local Regulations. Renewable energy projects are also subject to local environmental and land use requirements, including county and municipal land use, zoning, building, water use, and transportation requirements. Permitting at the local municipal or county level often consists of obtaining a special use or conditional use permit under a land use ordinance or code, or, in some cases, rezoning in connection with the project.

- Management, Disposal, and Remediation of Hazardous Substances. Renewable energy projects and materials handled, stored, or disposed of on project properties may be subject to the federal Resource Conservation and Recovery Act, the Toxic Substances Control Act, the Comprehensive Environmental Response, Compensation, and Liability Act ("CERCLA"), and analogous state laws. Environmental liability may arise under CERCLA for contamination that occurred prior to a project developer's ownership of or operations at a particular site and can be imposed on a joint and several basis. Project developers could be responsible for the costs of investigation and cleanup, and for any related liabilities, including claims for damage to property, persons, or natural resources. Such responsibility may arise even if the project developer was not at fault and did not cause, or was not aware of, the contamination. To limit exposure to such environmental liability related to the land where a project is constructed, a developer may, prior to executing a lease or purchase agreement for the property, commission an environmental site assessment (that is, a Phase I Environmental Site Assessment). That Phase I Environmental Site Assessment is a necessary, but not sufficient, requirement if the project developer plans to attempt to take advantage of the bona fide prospective purchaser defense against CERCLA liability.

In recent years, the U.S. Congress has considered legislation to reduce emissions of greenhouse gas ("GHGs"), including methane and carbon dioxide, byproducts of burning fossil fuels. The Inflation Reduction Act, enacted in August 2022, appropriated significant federal funding for renewable energy initiatives and, for the first time ever, imposes a fee on GHG emissions from certain facilities. This law provides significant funding and incentives for research and development of low-carbon energy production methods and could increase the operating costs of conventional energy sources and accelerate the transition away from fossil fuels, which could, in turn, benefit our renewable energy projects, business and results of operations. However, members of the current U.S. administration have from time-to-time expressed opposition to renewable energy tax incentives and certain provisions of the Inflation Reduction Act and other policies supportive of renewable energy. In January 2025 an executive order was issued that, among other things, pauses the disbursement of funds appropriated through the Inflation Reduction Act. The results of this executive order or efforts to repeal or amend the Inflation Reduction Act cannot be predicted at this time. Members of the current U.S. administration have also opposed other policies of the previous administration aimed at reducing the GHG emissions, including issuing an executive order withdrawing the United States from the Paris Agreement, thereby reversing the 2021 decision to make the United States a signatory to the Paris Agreement.

Europe and other jurisdictions

Outside of the United States, our renewable energy projects are also subject to a number of regulatory requirements in relation to EHS issues. While a number of these requirements and broader relevant EHS policies may be set at a regional (e.g., European Union) level, specific requirements such as permitting restrictions are usually set at a local level. For example, the European Union has also adopted the Renewable Energy Directive, which sets a binding target for at least 42.5% of total EU energy consumption to be renewable by 2030, with an ambition of over 45% (the "Renewable Energy Directive").

The target under the Renewable Energy Directive is binding at the European Union level, but individual Member States are provided flexibility in setting their own national targets to reach this European Union-wide goal. Under the Renewable Energy Directive, Member States are permitted to gain credit toward meeting their national renewable energy goals by contributing to projects in other Member States or non-Member States.

Further, certain projects may be required to be subject to environmental impact assessments in the European Union. The applicability of this process to renewables projects is determined at the Member State level, and the process, when relevant, includes public consultation procedures which may impact development consent. The Habitats Directive and Birds Directive establish Special Areas of Conservation and Special Protection Areas, and if such areas are likely to be impacted by a project, then the competent national authority must carry out an assessment of the conservation implications.

Member States will also be expected to implement controls in their own jurisdictions, which apply to EHS performance including air, water and land emissions, generation of waste, pollution matters, prevention of accidents and other relevant issues.

In addition to the European Union-wide measures outlined above, there are additional jurisdictional specific aspects of EHS law that may be applicable to our projects across the countries in which we currently or may in the future have projects. We also anticipate that other countries globally (outside of the European Union or United States) will also have similar requirements in relation to those outlined above, which will vary by specific jurisdiction.

Israel

Climate change policy and regulation

As the climate crisis becomes increasingly severe, Israel is accelerating its greenhouse emission reduction goals. As part of its commitment to the global effort, the government of Israel resolved in July 2021 to reduce greenhouse gas emissions by at least 85% by 2050 compared to the 2015 baseline. The resolution also sets an intermediate target to reduce such emissions by 27% by 2030 compared to the 2015 baseline. One of the central components of Israel's climate strategy is a transition to an economy based on electricity production from renewable sources. While such government resolutions are reflected in a National Climate Bill, such bill has not yet been enacted into law.

In addition, as part of Israel's national climate policy, the Israeli government in October 2020 set targets to increase the share of electricity generated from renewable energy sources (solar, wind, water and others) to 20% by December 31, 2025, and to 30% by December 31, 2030. In October 2021, the Ministry of Energy published a roadmap to reduce carbon emissions by 80% in the energy sector by 2050 compared to the 2015 reference year. In addition, the roadmap targets a 1.3% annual improvement in energy efficiency and a cessation of the use of coal by 2030 for the production of electricity. The roadmap includes supplemental objectives to help achieve the principal targets, and the EA subsequently published additional guidance on achieving these goals. In May 2022, the Ministry of Energy and the EA published operational plans for achieving the above-mentioned national goals. In January 2025, the Ministry of Energy released an updated roadmap, according to which over 88% of the measures outlined in the original 2022 roadmap have been implemented or are in the process of implementation. By 2030, the updated roadmap predicts that photovoltaic solar installations will reach approximately 15,987 MW of installed capacity, making up the vast majority of Israel's renewable energy mix. The updated roadmap also addresses key implementation challenges for solar deployment, particularly noting the need to increase installation rates from the current average of 1,000 MW per year to approximately 1,400 MW annually—a 40% increase. Additionally, the updated roadmap highlights initiatives to promote solar energy, including the "KVA 15" green track program for expedited approval of solar installations and the innovative "Thousand Solar Roofs" program targeting the installation of solar systems on public buildings. The next update to the roadmap is expected to be developed as part of a comprehensive strategic plan for renewable energy for 2035, the work on which commenced in January 2025.

On February 9, 2025, the Ministry of Energy and the EA published a strategic roadmap for achieving net-zero emissions of greenhouse gases in the energy sector by 2050. The roadmap outlines three potential scenarios, all of which feature solar energy as a significant component, comprising between 45% and 64% of Israel's future energy mix. The plan emphasizes the importance of developing renewable energy and storage facilities in a distributed manner to ensure energy supply continuity. Solar energy, combined with storage solutions, is expected to play a central role, with electricity demand projected to increase more than threefold by 2050 to approximately 220 TWh annually. The strategy particularly emphasizes the need for increased storage capacity both co-located with solar facilities and as standalone projects to manage the intermittent nature of renewable energy sources. In July 2024, the Ministry of Energy published a white paper addressing underground space utilization for energy storage applications. The framework identifies significant geological potential in Israel for various energy storage solutions, including underground compressed air energy storage systems and potential integration with renewable energy projects. The document emphasizes the need for a comprehensive regulatory framework to govern underground storage facilities, both as standalone projects and in conjunction with renewable energy installations, while establishing clear guidelines for environmental protection and safety standards. The Ministry of Energy recommends developing supporting policies and financial mechanisms, including subsidies and grants, to encourage the development of these storage technologies, which are considered crucial for managing the increasing integration of renewable energy into Israel's electricity grid.

In July 2024 the Israeli Ministry of Environmental Protection published the Israeli Taxonomy for Classifying Sustainable Economic Activities, focusing on mitigating greenhouse gas emissions. The taxonomy provides a voluntary framework for classifying economic activities based on their environmental impact, closely mirroring the EU taxonomy. It assesses activities according to their impact on six environmental and climate change goals and includes technical screening criteria for significant contributions to climate mitigation and "Do No Harm" criteria for five other climate and environmental objectives. The taxonomy includes several energy-related economic activities, including electricity generation using PV solar technology, electricity generation using concentrated solar power, or CSP, technology, electricity generation from wind power, electricity storage, and thermal energy storage. Upon the publication of the Israeli taxonomy, the Ministry of Environmental Protection announced plans to expand the taxonomy to cover additional economic activities, aligning with updates to the European taxonomy. The Ministry of Environmental Protection also stated that it intends to introduce new green taxonomies, including an adaptation taxonomy.

In September 2024, the Knesset approved a mechanism for the taxation of greenhouse gas and local pollutant emissions ("Carbon Tax"), which became effective on January 1, 2025. The Carbon Tax will implement a gradual increase in fuel tax and purchase tax rates by fuel type from 2025, through early 2030, when the tax rates are intended to fully internalize the external cost resulting from fuel consumption. In connection with this tax mechanism, the Ministry of Economy and Industry published Director General Directive 4.79, and Director General Directive 4.80 establishing grants programs to support industrial adaptation to the Carbon Tax, by providing financial support to eligible industrial plants from January 1, 2025, through December 31, 2030.

Other licensing, permitting and land use requirements

Renewable energy projects are also subject to multiple licenses and permits depending on the characteristics of the project, including the requirement to obtain a business license, a toxins permit, an emission permit and a discharge permit, each as required under different provisions of Israeli law. On September 1, 2024, the Environmental Protection Law (Streamlining Environmental Licensing Procedures) (Legislative Amendments) came into effect ("Integrated Licensing Law"), constituting a significant reform in the environmental licensing processes of businesses operating in Israel. The purpose of the Integrated Licensing Law is to simplify and unify licensing procedures, as well as to significantly reduce the regulatory burden. The Integrated Licensing Law unifies licensing procedures based on the regulatory principles in the European Union, allowing in appropriate cases for a unified environmental permit to be granted, which may replace a business's emissions permit, toxins permit and conditions imposed by the Ministry of Environmental Protection for the business's business license or replace two of the three if only two are required for its activity. The conditions in the unified permit will include only aspects that are currently regulated under the aforementioned laws or under the Business Licensing Law, 1968. Although the Integrated Licensing Law is already in force, many of its provisions will become effective only starting in 2027.

Renewable energy projects are also subject to land use requirements, including zoning and building regulations. The various permits and licenses may include requirements in relation to infrastructure, installation of treatment facilities for the treatment of environmental impacts, including various reporting obligations to relevant authorities.

In addition, renewable energy projects are subject to regulation to prevent environmental hazards in connection with noise, shadow flicker effects (light), and air pollution.

With regard to wind energy projects, to prevent nuisances of noise or shadow flicker effects (light), we are required to maintain at least 500 meters between wind turbines and any uses defined as "sensitive," with an emphasis on wind turbines constructed in proximity to housing and other residential facilities. In addition, any permissible use must be considered up to 1000 meters from any wind energy project.

In July 2022, the Ministry of Environmental Protection published a position paper regarding approved and planned wind energy projects. According to this position paper, the potential ecological damage associated with wind turbines is significant, specifically with regard to birds. The position paper states that wind energy projects that are approved or under construction should be required to monitor ongoing bird activity and have in place operating regimes and control mechanisms to prevent damage to bird populations, including measures that ensure the immediate cessation of turbines as necessary. In addition, the position paper states that approval of new wind energy projects should be avoided altogether until sufficient knowledge has been gathered about the effectiveness of the operating regimes and control mechanisms in place at existing facilities. The position paper is not binding and the impact that this position paper will have on the future of wind energy projects in Israel is unclear.

In December 2010, the Israeli National Committee for Planning and Construction approved a specific zoning plan to regulate PV plants from small rooftop mounted installations and facilities on land plots of less than 0.75 square kilometers. The zoning plan provides two routes for the construction of PV production facilities: permitting and planning. Permits are available for rooftop mounted installations and for land installations on specifically designated lands, while a plan is required to be filed with and approved by relevant planning authority for projects in other areas. The zoning plan provides a preference for construction of PV facilities in areas designated for construction and development, and authorizes planning authorities to approve relatively larger projects in certain areas in northern and southern Israel. Additional zoning plans exist for wind energy and regarding land use in connection with other electricity production facilities, including electricity systems, natural gas and other fuels.

A proposed change to December 2010 zoning plan would allow the approval of permits for PV facilities with dual use (including water reservoirs and fish pools), and should also allow the construction of energy storage facilities in the areas of plans which do not include building rights for their construction.

As part of a reform of the Israeli electricity sector launched in 2018, the EA published a decision in September 2022 that regulates the activity of private electricity production facilities, including wind and solar, and their ability to sell electricity directly to suppliers. The deregulatory decision aims to reduce the centralization of the Israeli electricity sector and open the supply market for the entry of private companies in addition to the Israel Electric Corporation, which currently dominates the supply market. Accordingly, since July 2024, consumers can purchase electricity directly from private electricity producers, and as of November 30, 2024, 178,910 consumers have switched to private suppliers. As part of the second phase of the reform in the Israeli sector, 4,000 megawatts from existing producers will enter the competitive market in January 2025 and will be available for sale to residential consumers. Subsequently, an additional 3,000 megawatts based on renewable energy and storage facilities will be connected.

In February 2025, the Ministry of Energy published a draft regarding the “100,000 Solar Roofs” program, which aims to add solar panels to roofs of 100,000 residential buildings by 2030. This initiative is expected to add 1.6 GW to Israel’s solar energy capacity and help meet the national target of 30% renewable energy by 2030. The program includes a comprehensive package of incentives, including new tariff structures that will shorten the investment payback period to just five years, tax benefits, regulatory easements for connecting to the electricity grid and subsidized loans for apartment building committees.

In November 2023, the Israeli government approved a national outline plan for energy storage. This plan regulates planning procedures and the issuance of building permits, allowing the construction of storage facilities with a wide range of power capabilities and in different locations within Israel, which will also provide backup for power generation facilities.

Facilities and properties

Our corporate headquarters are located in Rosh Ha’ayin, Israel. We also have offices in Hungary and the United States through our various subsidiaries. We lease all of our office space. We believe that our existing properties are in good condition and are sufficient and suitable for the conduct of our business for the foreseeable future. To the extent our needs change as our business grows, we expect that additional space and facilities will be available. In addition, our Operational Projects are located on properties secured under long-term leases that are suitable for their operations for the foreseeable future.

Employees and human capital management

As of March 15, 2025, we had 360 full-time employees. None of our employees currently are represented by a labor union. We have not experienced any employment-related work stoppages, and we consider relations with our employees to be good. We focus on attracting, developing and retaining a team of highly talented and motivated employees. We regularly conduct assessments of our compensation and benefit practices and pay levels to help ensure that staff members are compensated fairly and competitively. Employee performance is measured in part based on goals that are aligned with our annual objectives, and we recognize that our success is based on the talents and dedication of those we employ. To help our employees succeed in their roles, we emphasize continuous training and development opportunities.

We work to foster a workplace that acknowledges, encourages, and values diversity and inclusion. We believe that individual differences, experiences, and strengths enrich the culture and fabric of our organization. Having employees with backgrounds and orientations that reflect a variety of viewpoints and experiences also helps us to better understand the needs of our customers and the communities in which we operate. By leveraging the multitude of backgrounds and perspectives of our team and developing ongoing relationships with vendors from different backgrounds, we believe we achieve a collective strength that enhances the workplace and makes us a better business partner for our customers and others with a stake in our success.

Legal proceedings

We may, from time to time, be involved in litigation and claims arising out of our operations in the ordinary course of business.

In November 2024, one of our subsidiaries commenced two actions in the U.S. against a supplier of battery storage products and its guarantor, based on a breach of contract. These claims, for an amount of approximately $35.8 million, are now being arbitrated by the American Arbitration Association. The supplier filed counter claims for an amount of approximately $67.3 million. These actions are pending, and although we cannot assess their results with certainty, we believe that our claim against the supplier will be decided in our favour and the supplier's counterclaim will be dismissed.

Currently, we are not a party to any litigation or governmental or other proceeding that we believe will have a material adverse impact on our financial position, results of operations or liquidity. However, the results of any current or future litigation cannot be predicted with certainty, and regardless of the outcome, we may incur significant costs and experience a diversion of management resources as a result of any litigation.

C. Organizational Structure

Our legal name is Enlight Renewable Energy Ltd. and we are organized under the laws of the State of Israel.

For a complete list of our subsidiaries, please refer to Exhibit 8.1 to this Annual Report.

D. Property, Plants and Equipment

Our corporate headquarters are located in Rosh Ha'ayin, Israel, where we lease offices under an agreement that expires in January of 2027, with an option to extend for an additional three years. During 2024, we leased an additional 463 square meters of office space at this location, bringing the total office space to approximately 2,923 square meters.

Our U.S. headquarters is located in Boise, Idaho, where we occupy an office space totaling approximately 17,289 square feet with a lease beginning on June 30, 2023 and expiring on June 30, 2030.

We also lease office space in Hungary, Croatia and Italy, as well as shared office space in the Golan Heights in Israel.

We believe that these facilities are sufficient to meet our current needs and that suitable additional space will be available as needed to accommodate any foreseeable expansion of our operations.

We lease all of our corporate facilities.

For additional information, see Item 4.B "Business Overview."

Item 4A. Unresolved Staff Comments

None.

Item 5. Operating and Financial Review and Prospects

You should read the following discussion together with the consolidated financial statements and related notes included elsewhere in this Annual Report. The statements contained in this discussion regarding industry outlook, our expectations regarding our future performance, planned investments in our expansion into additional geographies, research and development, sales and marketing and general and administrative functions as well as other non-historical statements contained in this discussion are forward-looking statements. These forward-looking statements are subject to numerous risks and uncertainties, including, but not limited to, the risks and uncertainties described in Item 3.D "Risk Factors" and "Cautionary Statement Regarding Forward-Looking Statements." Our actual results may differ materially from those contained in or implied by any forward-looking statements. Certain information called for by this Item 5, including a discussion of the year ended December 31, 2023 compared to the year ended December 31, 2022 has been reported previously in Part I, Item 5. of our Annual Report on Form 20-F for the fiscal year ended December 31, 2023 filed with the SEC on March 28, 2024.

Overview

We are a global renewable energy platform, founded in 2008, and publicly traded on the TASE since February 2010 and Nasdaq since February 2023. We develop, finance, construct, own and operate utility-scale renewable energy projects. We primarily generate revenue from the sale of electricity produced by our renewable energy facilities, pursuant to long-term PPAs. Our control over the entire project life cycle, from greenfield development to ownership and operations, enables us to deliver strong project returns and rapid growth. Furthermore, we distinguish ourselves through our diverse global presence and multi-technology capabilities, which allow us to strategically optimize our capital allocation between geographies and renewable technologies.

We have achieved significant growth in recent years. For the years ended December 31, 2023 and 2024, our total revenues and income was $261 million and $399 million, respectively, representing year-over-year growth of 53%. For the years ended December 31, 2023 and 2024, our net profit was $98 million and $67 million, respectively, and our operating profit was $158 million and $176 million, respectively.

Key Milestones

We were founded in Israel in 2008 by our three co-founders, Gilad Yavetz, Zafrir Yoeli and Amit Paz. We began as a company focused on developing small-scale greenfield solar energy projects in Israel and, over the past 15 years, have transformed into a leading global renewables platform focused on delivering utility-scale renewable energy projects. Our transformation has been driven by a tailored strategy of gradual entry into new markets, coupled with a clear focus on execution. Below are some key milestones that we have achieved since our founding:

2008	Our Founding
2009	First project finance closed in Israel for rooftop solar energy project
2010	Listing on the Tel Aviv Stock Exchange
2011	Initiation of onshore wind energy development activities in Israel
2012	First solar energy project in Europe
2013	Onset of construction of Halutzyut, the largest solar energy project in Israel at the time
2014	First wind energy project in Europe
2015	Commercial operation of Halutzyut
2016	Entry into the Balkan wind energy market
2017	Entry into the Hungarian solar energy market
2018	Acquisition of the biggest onshore wind energy project under development in Spain
2019	Entry into the Swedish wind energy market
2020	Acquisition of Björnberget, one of the largest onshore wind energy farms in Europe
2021	Entry into the United States through the Clēnera Acquisition
2023	Listing on Nasdaq; first operational project in the United States
2024	Our flagship U.S. project, Atrisco Solar and Storage, became operational

Our Business Model

We primarily generate revenue from the sale of electricity produced by our renewable energy facilities, which we sell to local electricity authorities, utilities and corporations pursuant to long-term PPAs, with terms ranging from 10 to 30 years. The remaining duration of the PPAs of our Operational Projects range from 7 to 22 years as of February 19, 2025. We also sell electricity generated by some of our projects in Sweden and Spain under a Merchant Model. Revenues from our PPAs comprised approximately 67% and 75% of all revenues from the sale of electricity in 2023 and 2024, respectively, while revenues generated from the sale of electricity under a Merchant Model comprised approximately 29% and 14% of all revenues from the sale of electricity in 2023 and 2024. Our revenue from projects outside of the United States represented 97% and 98% of all revenues from the sale of electricity in the year ended December 31, 2023 and 2024, respectively. For more information regarding our other sources of revenues from the sale of electricity, see "—Components of Our Results of Operations—Total revenues and income."

Key Factors Affecting Our Performance

We believe that the growth and future success of our business depends on many factors. While each of these factors presents significant opportunities for our business, they also pose important challenges that we must successfully address in order to sustain our growth and improve our results of operations.

Growth in the renewable energy market

The renewable energy market represents one of the largest growth opportunities in the global energy sector. Creating new opportunities across markets and technologies, increasing demand for sustainable energy continues to be driven by global action to combat the climate crisis, the ongoing replacement cycle for aging energy infrastructure, the expanding electrification of the broader economy and the increasing criticality of energy security. Growing public demand coupled with favourable regulatory trends and government policy are also incentivizing development of renewable energy projects. These governmental incentives include tax credits and abatements, accelerated depreciation deductions, grants, rebates, renewable portfolio standards and carbon taxes. These industry, economic and policy trends support our growth and we expect them to continue.

Power prices across Europe and the United States

Power prices have experienced significant volatility across Europe, largely driven by a significant increase and subsequent decline in the price of natural gas. According to Bloomberg, the average power price across Italy, Spain, Hungary and the Nordic markets reached a peak of EUR 404 per MWh in August 2022, post Russia's invasion of Ukraine. Due to successive warm winters and high natural gas storage levels in Europe, power prices have since come down materially, with an average electricity price for the four previously named countries of EUR 81 per MWh in February 2025, a decline of 80% from August 2022 peak. Notwithstanding the significant decline since the peak of 2022, we believe that current prices still reflect levels that are favourable for our business. According to Bloomberg, the average electricity price in the aforementioned markets during 2024 was EUR 78 per MWh, 86% above the average of EUR 42 per MWh in 2020. Renewable energy has become a critical source of power for European utilities and large corporations seeking to secure long-term, attractively priced electricity. Price volatility in recent years has also emphasized the need for national energy security for European countries, as well as diversification away from imported hydrocarbons, with domestically produced and carbon-free renewable energy providing an ideal way to meet these goals.

Nonetheless, declining prices had a direct impact on our revenues from the sale of electricity in 2024 for projects that we operate under a Merchant Model in Sweden and Spain. In these markets, a decrease in energy prices directly translated into a decrease in the price at which we sell electricity. For example, in the fourth quarter of 2023, we sold electricity in Spain at Project Gecama under a Merchant Model, at an average price of EUR 49 per MWh. We also incurred balancing costs of EUR 1.6 per MWh and "windfall tax" of EUR 7 per MWh, resulting in a net price of EUR 40 per MWh. In the fourth quarter of 2024, we sold electricity in Spain at Project Gecama at an average price of EUR 79 per MWh. We also incurred balancing costs of EUR 1.9 per MWh and "generation tax" of EUR 6 per MWh, resulting in a net price of EUR 71 per MWh, an increase of 77% compared to the same period last year. This also translated into a positive impact on Gecama's revenues from the sale of electricity, which rose by EUR 3 million to EUR 14 million in the fourth quarter of 2024, an increase of 32% from the same period in 2023.

In the United States, power prices as reflected in PPA offtake contracts continue to rise. According to LevelTen Energy, national PPA prices for solar power have risen to approximately $57 per MWh by the end of 2024, an increase of approximately 108% from the start of 2021. This increase was driven by greater demand for electricity in the country, linked in part to the broader use of electricity in the transport and information technology sectors. With our interconnect advantage, multiple large-scale projects deliverable in the near term, Enlight is in a unique position to help supply the electricity in need. This dynamic has enabled us to renegotiate previously signed agreements with U.S. utilities, amending prices upwards by an average 30% for 3.0 GW of PPAs over the past three years. Higher Company revenues from the sale of electricity lead to increased profits and boost overall project returns.

Declining equipment costs

The declining cost of solar panels, wind turbines, storage batteries, and other raw materials necessary to build renewable energy installations has historically been a key driver in the growth of the renewable energy industry, and we expect that continued technological advances, among other factors, will further drive long-term declines in equipment prices. Despite these long-term trends, prices for these components and their raw materials increased markedly during the 2021-2022 period due to a variety of factors, including COVID-19 supply chain disruptions, tariffs and trade barriers, and commodity price inflation. The large majority of projects that Enlight is planning to construct over the next three years are focused on solar and battery storage technologies in the United States, with a commensurate very low exposure to the price of wind turbines and accompanying raw materials.

In 2024, prices for solar panels and storage batteries resumed their historical trend and continued to decline significantly. For example, U.S. solar panel prices were in the range of $0.26-$0.28 per watt at the end of February 2025, an increase of approximately 8% from the start of 2024 and a decline of approximately 20% from the start of 2023. At the same time, European solar panel prices fell to as low as $0.08-$0.09 per watt. U.S. storage battery prices were in the range of $155 per KWh at the end of February 2025, a decline of approximately 10% and 35% from the start of 2024 and 2023 respectively. These lower prices have been driven in part by a collapse in the prices of the underlying raw materials used in the manufacture of solar panels and batteries: polysilicon (used in solar panels) and lithium (used in batteries). Prices for these commodities dropped between 36% to 40% respectively during 2024, according to Bloomberg.

For projects that are already under construction, we have already secured supply contracts at historical price levels. For the construction of new projects we stand to capture declining equipment costs, resulting in lower construction costs and commensurately higher project returns. However, contrary to historical trends, should prices of components and raw materials that are required for our projects increase, the required equity to construct new projects would increase accordingly.

Supply chain issues leading to longer ramp-up times for newly operational wind projects

In 2024, we experienced a slower ramp-up of our newly operational wind farms. This was driven partially by quality issues associated with some equipment manufactured during the peak of the supply chain disruption in 2021-2022, coupled with the longer than expected time taken by our suppliers to repair such equipment under their contractual warrantees. This has resulted in availability levels below contractual guarantees. For example, repairs of several wind turbines at our Björnberget project in Sweden have taken longer than expected. As a result, Björnberget experienced an 87% rate of availability for the full year 2024, lower than the 95- 97% expected level of operational performance.

We are working diligently with our suppliers to complete the required repairs in order to reach full production at these facilities. Moreover, our contracts provide us with compensation in the event our assets perform at availability levels below the contractual guarantee. For the year ending December 31, 2024, we received a total of $13 million in compensation linked to inadequate performance of equipment that had been supplied. Of this amount, the Company recognized $10 million in compensation from Siemens linked to lower performance of turbines than expected at the Björnberget project in Sweden. For more information, see Item 3.D “Risk Factors—Risks related to development and construction of our renewable energy projects— Disruptions in our supply chain for materials and components and the resulting increase in equipment and logistics costs and delays could adversely affect our financial performance.”

Major equipment malfunctions leading to project shutdowns

In November 2024, one of the blades in a wind turbine generator in the Björnberget wind farm failed, which led to a temporary shutdown of the wind farm. In early January 2025, another blade failure occurred with a different wind turbine generator at Björnberget. This prompted a complete shutdown of the wind farm, during which 51 of the turbines halted operations for three weeks. Operations are gradually being resumed following comprehensive safety inspections by the supplier of the wind farm turbine generators. As of the date of this Annual Report, 28 turbines out of 60 are operational.

The Company is pursuing all actions to bring the farm to full operation in the near future, including urging the supplier of the wind turbine generators to carry out necessary remedial work. Based on the advice from the Company’s external legal counsel, the Company expects that it may, among other things, obtain compensation for any and all costs, expenses and losses (including lost profits) incurred as a result of the defects in the wind turbine generators and the related downtime period during which the wind turbine generators were not operational.

Access to and cost of capital

Our future growth depends significantly on our ability to raise capital to finance the development and construction of our projects through project finance providers, including lenders and tax equity investors on competitive terms, as well as through corporate finance. We have historically used a variety of structures including the issuance of non-recourse project debt, unsecured corporate and convertible debt, and both public and private equity financing to help fund our operations. Our ability to raise capital from investors and lenders is affected by general economic conditions, the state of the capital markets, inflation levels, and concerns about our industry or business. See Item 5.B. "Liquidity and Capital Resources" for further details on capital raising and the effective management of our capital structure and capital allocation.

Our future growth also depends on our ability to raise capital at an attractive cost and in a timely manner. Rising interest rates across our markets has a minimal impact on our outstanding debt, whereby 86% of our consolidated indebtedness net of deferred financing costs as of December 31, 2024 was locked in at a fixed-rate. Our exposure to rising interest rates relates primarily to either financing projects under construction whereby the base rate is set at each date the facility is drawn, as well as projects under development for which PPAs have been signed but financing has not yet been arranged. For such projects under development, we are working to amend the projects' PPAs to reflect higher power prices, thereby offsetting the impact of increased interest rates. If we incur delays in raising capital from external sources, we may have to invest more of our own equity in our projects than originally planned or find other ways to finance capital expenditures in advance of financial close. For example, during 2024 we invested $234 million of excess equity in the Atrisco Energy Storage project, driven by delays to the financial close. In order to be prepared for the possible need to invest excess equity in projects under construction or nearing construction, the Company maintains $350 million of revolving credit facilities that can be drawn upon to meet peak equity requirements until permanent financing is arranged. This provides additional flexibility to help the Company deliver on its project portfolio.

In addition, the Company intends to pursue sales of portions of the projects it owns, which may include currently operational projects or those currently under construction or pre-construction, or in our Development or Advanced Development portfolios. Enlight intends to sell minority stakes in certain of its projects, however this proportion may increase up to full disposal should the asset be deemed non-core to our operations. For example, in January 2025, the Company announced the signing of an agreement for the sale of 44% of the Sunlight Cluster of renewable energy projects in Israel for $50 million (including deferred payments) to two Israeli institutional investors. For details, see Item 4.A "Selected Recent Developments."

Government regulations and incentives

Our strategy to grow our business through the development of renewable energy projects could be affected by certain government policies and regulations. Renewable energy projects currently benefit from various governmental incentives. These policies have had a significant positive effect on the development of renewable energy projects and the renewable energy industry in general, but such policies could change at any time. These incentives provide tax credits and accelerated depreciation for a significant portion of the development costs, or increase demand by mandating increasing levels of renewable energy generation. Any loss or reduction of such incentives and other programs could result in higher operating costs, while the utilization of such incentives and other programs can help reduce certain operating costs, primarily our cost of capital. For additional information regarding government regulations and incentives, see Item 3.D "Risk Factors—Risks Related to Government Regulation" and Item 4.B "Business Overview—Energy Regulation."

Seasonality

Seasonal trends affect both our solar energy and wind energy projects, with energy output varying seasonally depending on the location of a specific project. The cash flow generated from any project is directly related to the amount of energy produced at such project. We produce a substantial amount of our solar energy projects' energy during the summer months when solar resources tend to be most available. Our wind energy projects also have seasonal variation in output, though the projects differ in terms of which months are more favourable. Although seasonality may affect us on a project-by-project level, our geographic and technological diversity reduces seasonal effects on our global business performance.

Components of Our Results of Operations

Revenues

We primarily generate revenue from the sale of electricity produced by our renewable energy facilities which we sell to local electricity authorities, utilities and corporations pursuant to long-term PPAs, with terms ranging from 10 to 30 years. The remaining duration of the PPAs of our Operational Projects ranges from 7 to 22 years.

We sell electricity produced by project Gecama under the Merchant Model and manage our exposure to Merchant Risk through hedging agreements. In 2024 we hedged 65% of production at an average price of EUR 100 per MWh. For 2025, we have hedged approximately 60% of expected production at an average price of EUR 65 per MWh.

In prior years, portions of the revenues from the sale of electricity we generated from the operation of renewable energy facilities in Israel were accounted for as financial assets under IFRS ("Financial Asset Projects") (for more information on financial assets accounting, see "—Financial Asset Projects)." For these Financial Asset Projects, though we were the legal owner of the facility, because of the manner in which the government controlled and regulated the electricity license terms, from an accounting perspective, the facility was viewed as if ownership had been transferred to the government. We were therefore considered to be a contractor, recognizing only a small portion of the proceeds generated from the sale of electricity under the PPA revenue from the sale of electricity. The remaining proceeds generated from the sale of electricity for the Financial Asset Projects were recognized as finance income through the repayment of the Financial Asset (as defined below). For more information, see "—Financial Asset Projects." Due to a significant change in the concession arrangement vis-a-vis the State of Israel, these projects were no longer considered Financial Asset Project as of January 1, 2024. As a result, the accounting treatment of these projects has shifted to a Fixed Asset method, in line with all of our other operating projects.

Additionally, we generate revenue from sale of green certificates, asset management, development services and construction services that we provide to projects owned by us and third parties. For services provided to projects we own, revenues are eliminated upon consolidation. Revenues in respect to these activities are recognized upon provision of the services over the term of the arrangement. Services provided to third parties largely comprise development services provided by Clēnera to Parasol with respect to the Parasol projects that we did not acquire in the Clēnera Acquisition. The Company has decided to no longer provide services to third parties in the U.S., and is in the process of terminating development services to Parasol. For more information on the Clēnera Acquisition, see Note 8A(1) to our consolidated financial statements included elsewhere in this Annual Report.

We expect our total revenues and income to increase as we (i) convert our projects under construction, our projects in pre-construction, our contracted projects, our Advanced Development Projects and our Development Projects into Operational Projects, and (ii) benefit from inflation-linked price provisions contained in certain of our offtake contracts for our Operational Projects.

Tax Benefits

The recognition of income from tax benefits arises from two mechanisms: the first relates to a tax equity partnership structure, and the second pertains to the direct sale of tax benefits to third parties. In the tax equity partnership structure, the Company receives a cash payment at the time of facility commissioning, reflecting the tax benefits that the partner will receive in return. These benefits may include ITCs, in which case the income is recognized over a period of five years, or PTCs, where the income is recognized over a period of 10 years. Additionally, this payment generally includes entitlement to tax-related benefits, primarily depreciation for tax purposes. In the direct sale structure, the Company recognizes profits from the sale of tax benefits at the time of sale and at the sale price.

Cost of sales

Our cost of sales for total revenues and income or from the operation of renewable energy facilities includes expenses associated with the ongoing operations of our projects such as project site maintenance, municipal taxes, rent and insurance. Cost of sales that are incurred in connection with our construction and management services consist of employee compensation, including share-based compensation, and related human capital expenses.

We anticipate that, in the near term, our absolute cost of sales will increase as we increase the number of Operational Projects but on a relative basis, our cost of sale to total revenues and income ratio will not change materially.

Depreciation and amortization

Depreciation and amortization expense primarily reflects depreciation of our projects over their estimated useful lives. For more information on how we depreciate and amortize our assets, see Notes 2(D)(3) and 2(G) to our consolidated financial statements included elsewhere in this Annual Report.

Operating expenses

General and administrative expenses

General and administrative expenses consist primarily of employee compensation, including share-based compensation and directly attributable or allocated corporate costs including, legal, accounting, treasury and information technology expenses, office expenses, professional fees, and other corporate services costs. We expect that in the near term our general and administration expenses will increase in absolute numbers as we grow our team but will decrease as a percentage of total revenues and income as more projects become operational.

Development expenses

Development expenses consist of expenses related to our business development activities including project sourcing and submission to tenders, costs incurred for the development of our project pipeline, such as allocated employee compensation, including share-based compensation, third-party development spend including interconnection and transmission studies, surveying and project diligence costs, and regulatory compliance studies. We expense development costs for a project as long as we estimate that the realization of such project is improbable. Once we believe it is probable that the relevant project will be materialized, development costs incurred for such project are capitalized. Should the realization of the project become improbable, the capitalized amounts are deducted through development expenses. As we continue to expand our pipeline of early-stage Development Projects, we expect our development expenses to increase in absolute numbers but decrease as a percentage of total revenues and income as more projects become operational.

Gains from projects disposals

With respect to gains (losses) from asset disposals, as part of our strategy to accelerate growth and reduce the need for equity financing, the Company aims to sell parts of or the entirety of selected renewable energy project assets from time to time. In the event of deconsolidation following a full or partial project sale, we include realized gains or losses from these asset disposals on the Income Statement.

Other income

As discussed elsewhere in this Annual Report, the size of our Earn-Out obligations in respect of the Clēnera Acquisition depends on how quickly certain projects that we acquired from Clēnera reach COD. Due to delays in the expected COD of various projects, our expected liability in respect of the Earn-Out payments was lower than what we had previously assumed. This reduction in liability resulted in $9 million being recorded as other income for the year ended December 31, 2024 (for more information regarding the reduction in our estimated Earn-Out payments, see Note 8A1 to our consolidated financial statements included elsewhere in this Annual Report). As of December 31, 2024, our liabilities with respect to the payment of the Earn-Out are no longer effective. In addition, other income also contains compensation from suppliers linked to generation delays.

Finance income

Financial income includes income from interest on deposits, as well as the revaluation of certain currency and interest rate hedges, and revaluation of foreign currency-denominated financial assets. Finance income primarily also includes proceeds from the sale of electricity generated from our Financial Asset Projects that are accounted as finance income, though only for the year ending December 31, 2023. For more information, see “—Financial Asset Projects.”

Finance expenses

Finance expenses primarily consist of interest we pay for our bonds and for loans taken to finance our projects, the impact of changes in the Israeli Consumer Price Index on a portion of these loans, loans provided by non-controlling interests, revaluation of hedge transactions, and expenses related to lease liabilities. Expenses related to the part of potential future earn-out payments that is not subject to the two co-founders' continued tenure with Clēnera and which was recognized on the balance sheet on a discounted basis is also included. See "—Other Income" where we describe that this Earn-Out obligation is no longer effective as of December 31, 2024.

Taxes on income (tax benefits)

Taxes on income (tax benefits) consist primarily of income taxes imposed by the jurisdictions in which we conduct business. Our effective tax rate is affected by tax rates in jurisdictions and the relative amounts of income we earn in those jurisdictions, changes in the valuation of our deferred tax assets and liabilities, applicability of any valuation allowances, and changes in tax laws in jurisdictions in which we operate. As of December 31, 2024, our net operating loss carry forwards for tax purposes amounted to approximately $300 million.

Financial Asset Projects

Pursuant to IFRS, if the government controls and regulates the licensing arrangements for a renewable energy facility and the license term is similar to the facility's useful life, the facility is viewed, from an accounting perspective, as if it has been transferred to the government's ownership. Although when evaluating our performance, such a project is like any other renewable energy project we own, from an accounting perspective, it is treated as Financial Asset Project, whereby we are considered strictly as a contractor during both the construction period and operating period.

As a contractor from an accounting perspective, we are entitled to receive fees during the construction period for construction services. The fees for construction services include the construction costs of the Financial Asset Project plus a standard construction margin estimated by us. These fees, which are due at the end of the construction period, are recorded in our financial statements as a financial asset ("Financial Asset"). When construction is complete and before the project begins operations, we define a repayment schedule for the Financial Asset (the "Repayment Schedule"). The payments under the Repayment Schedule are funded through the sale of electricity under the PPA, which amortize the full amount of the Financial Asset over the PPA term, which is, on average, 20 years.

When the project becomes operational, we are entitled to receive the proceeds from the sale of electricity as under any PPA. However, because the project is treated as a Financial Asset Project from an accounting perspective, the proceeds from sale of electricity under the PPA are accounted for as follows:

- certain amount of the proceeds, as determined in the Repayment Schedule, is recorded as principal payments made by the regulator to repay the Financial Asset (the "Repayments"), which do not appear in the profit and loss statement in our financial statements;
- certain amount of the proceeds, reflecting the interest payments made by the regulator to repay the Financial Asset, is recorded as finance income ("Interest Income" and, together with the Repayments, "Financial Asset Payments"); and
- the remaining amount of the proceeds, if any, are recorded as revenue from the operation of renewable energy facilities.

For the year ended December 31, 2023, we received proceeds from the sale of electricity from the Financial Asset Projects of $18.7 million, which was comprised of:

- $14.1 million recorded as Financial Asset Payments, which appears in our cash flow statement under cash flow from operations; and
- $4.6 million recorded as revenue from the operation of renewable energy facilities.

The accounting treatment of Financial Asset Projects shifted to the Fixed Assets method as of January 1, 2024, in line with all our other operating projects.

A. Operating Results

The following tables summarize key components of our results of operations data and such data as a percentage of total revenues and income for the periods presented. The period-to-period comparisons of our historical results are not necessarily indicative of the results that may be expected in the future. For a discussion of our results of operations for the year ended December 31, 2023, including a year-to-year comparison between 2023 and 2022, and a discussion of our liquidity and capital resources for the year ended December 31, 2023, refer to Item 5 of our Annual Report on Form 20-F for the year ended December 31, 2023, filed with the SEC on March 28, 2024.

	Year ended December	
	2024	**2023 (*)**
	(in thousands)	
Revenues	**$ 377,935**	$ 255,702
Tax benefits	**20,860**	5,440
Total revenues and income	**398,795**	261,142
Cost of sales	**(80,696)**	(52,794)
Depreciation and amortization	**(108,889)**	(65,796)
General and administrative expenses	**(38,847)**	(31,356)
Development expenses	**(11,601)**	(6,347)
Total operating expenses	**(240,033)**	(156,293)
Gains from projects disposals	**601**	9,847
Other income, net	**16,172**	43,447
Operating profit	**175,535**	158,143
Finance income	**20,439**	36,799
Finance expenses	**(107,844)**	(68,143)
Total finance expenses, net	**(87,405)**	(31,344)
Profit before tax and equity loss	**88,130**	126,799
Share of losses of equity accounted investees	**(3,350)**	(330)
Profit before income taxes	**84,780**	126,469
Taxes on income	**(18,275)**	(28,428)
Profit for the year	**$ 66,505**	$ 98,041
Profit for the year attributed to:		
Owners of the Company	**44,209**	70,924
Non-controlling interests	**22,296**	27,117

	Year ended December	
	2024	**2023 (*)**
Total revenues and income	**100**%	100%
Cost of sales	**(20.2)**%	(20.2)%
Depreciation and amortization	**(27.3)**%	(25.2)%
General and administrative expenses	**(9.8)**%	(12.0)%
Development expenses	**(2.9)**%	(2.4)%
Total operating expenses	**(60.2)**%	(59.8)%
Gains from projects disposals	**0.2**%	3.8%
Other income, net	**4.0**%	16.6%
Operating profit	**44.0**%	60.6%
Finance income	**5.1**%	14.1%
Finance expenses	**(27.0)**%	(26.1)%
Total finance expenses, net	**(21.9)**%	(12.0)%
Profit before tax and equity loss	**22.1**%	48.6%
Share of losses of equity accounted investees	**(0.8)**%	(0.2)%
Profit before income taxes	**21.3**%	48.4%
Taxes on income	**(4.6)**%	(10.9)%
Profit for the year	**16.7**%	**37.5**%
Profit for the year attributable to:		
Owners of the Company	**11.1**%	27.2%
Non-controlling interests	**5.6**%	10.3%

(*) In 2024, the Company changed the presentation of its Income Statement, to include the presentation of specific items such as Tax Benefits that were previously included in Other Income and to remove Gross Profit. The Company applied such change retrospectively throughout this Annual Report. For additional details please see Note 2R to our consolidated financial statements included elsewhere in this Annual Report.

Comparison of the years ended December 31, 2024 and 2023

Revenues

	Year Ended December 31,		Period-over-Period Change	
	2024	2023	Dollar	Percentage
	(in thousands, except percentages)			
Electricity, green certificates and operation of facilities	**$ 368,572**	$ 247,442	$ 121,130	49%
Construction and management services	**9,363**	8,260	1,103	13%
Total revenue	**$ 377,935**	$ 255,702	$ 122,233	48%

The following table presents our revenues from electricity, green certificates and operation of facilities and our revenues from construction and management services as a percentage of our total revenue for each period presented above.

Electricity, green certificates and operation of facilities

Revenues from the sale of electricity, green certificates and operation of facilities increased by $121 million, or 49%, to $368.6 million for the year ended December 31, 2024 compared to $247.4 million for the year ended December 31, 2023. The increase in revenue was primarily driven by the addition of new projects, including Atrisco in the U.S., Tapolca in Hungary, Pupin in Serbia and the Solar & Storage cluster in Israel. The Company also benefited from the ramp up of Björnberget and Genesis Wind farm in Israel. In total, the aforementioned projects collectively contributed an additional $96 million to our revenues. An additional $9 million in revenues was derived from inflation indexation of PPAs. An additional $15 million in revenues was recorded due to the change in accounting treatment of projects that were previously treated as financial assets and are now treated according to a fixed asset model in line with the rest of our projects. Revenues from the sales of green certificates amounted to $3.7 million and $3.8 million for the years ending December 31, 2024 and December 31, 2023, respectively.

Construction and management services

Revenues from construction and management services increased by $1.1 million, or 13%, to $9.4 million for the year ended December 31, 2024 compared to $8.3 million for the year ended December 31, 2023. This increase was primarily due to the provision of more construction services in Israel in 2024 compared to 2023.

Tax Benefits

	Year Ended December 31,		Period-over-Period Change	
	2024	2023	Dollar	Percentage
	(in thousands, except percentages)			
Tax benefits	**$ 20,860**	$ 5,440	$ 15,420	283%

Income from tax benefits increased by $15.4 million, or 283%, to $20.9 million for the year ended December 31, 2024 compared to $5.4 million for the year ended December 31, 2023. The increase is primality due to the commissioning of project Atrisco, located in New Mexico, United States, which contributed $8 million during the year.

Cost of sales

	Year Ended December 31,		Period-over-Period Change	
	2024	2023	Dollar	Percentage
	(in thousands, except percentages)			
Cost of sales:				
Operating and maintenance	**$ 69,134**	$ 45,751	$ 23,383	51%
Construction and management services	**11,562**	7,043	4,519	64%
Total cost of sales	**$ 80,696**	$ 52,794	$ 27,902	53%

Operations and maintenance expense

Operations and management expense increased by $23.4 million, or 51%, to $69.1 million for the year ended December 31, 2024 compared to $45.8 million for the year ended December 31, 2023. The increase in operations and maintenance expense was primarily driven by the addition of new projects, including Atrisco in the U.S., Tapolca in Hungary, and the Solar & Storage cluster in Israel. In total, the aforementioned projects collectively contributed an additional $22 million of operating and maintenance expenses.

Construction and management services expense

Construction and management services expense increase by $4.5 million, or 64%, to $11.6 million for the year ended December 31, 2024 compared to $7 million for the year ended December 31, 2023.

Depreciation and amortization expense

Depreciation and amortization expense increased by $43.1 million, or 65%, to $108.9 million for the year ended December 31, 2024 compared to $65.8 million for the year ended December 31, 2023. The increase was primarily driven by the addition of new projects, including Atrisco in the U.S., Tapolca in Hungary and the Solar & Storage cluster in Israel. In total, the aforementioned projects collectively contributed an additional $41 million of depreciation and amortization expense.

Operating costs and expenses

General and administrative expenses

	Year Ended December 31,		Period-over-Period Change	
	2024	2023	Dollar	Percentage
	(in thousands, except percentages)			
General and administrative expenses	**$ 38,847**	$ 31,356	$ 7,491	24%

General and administrative expenses increased by $7.5 million, or 24%, to $38.9 million for the year ended December 31, 2024 compared to $31.4 million for the year ended December 31, 2023. The increase was primarily driven by a $4.5 million increase in employee salaries and benefits resulting from the hiring of additional personnel in the ordinary course of business, and a $2.4 million increase in advisory fees related to the global expansion of our business.

Development expenses

	Year Ended December 31,		Period-over-Period Change	
	2024	2023	Dollar	Percentage
	(in thousands, except percentages)			
Development expenses	**$ 11,601**	$ 6,347	$ 5,254	83%

Development expenses increased by $5.3 million, or 83%, to $11.6 million for the year ended December 31, 2024 compared to $6.3 million for the year ended December 31, 2023. The increase was primarily driven by the increase in development of projects.

Gains from projects disposals

	Year Ended December 31,		Period-over-Period Change	
	2024	2023	Dollar	Percentage
	(in thousands, except percentages)			
Projects disposals	**$ 601**	$ 9,847	$ (9,246)	(94)%

Gains from projects disposals decreased by $9.3 million, or 94%, to $0.6 million for the year ended December 31, 2024 compared to $9.8 million for the year ended December 31, 2023. In 2023 we sold two projects in Israel and one in the United States for a total gain of $9.8 million. In 2024, we sold one project in Israel for a total gain of $0.6 million.

Other income, net

	Year Ended December 31,		Period-over-Period Change	
	2024	2023	Dollar	Percentage
	(in thousands, except percentages)			
Other income, net	**$ 16,172**	$ 43,447	$ (27,275)	(63)%

Other income decreased by $27.3 million, or 63%, to $16.2 million for the year ended December 31, 2024 compared to $43.4 million for the year ended December 31, 2023. The decrease was primarily driven by additional delays to the scheduling of expected COD for various projects that we acquired as a result of the Clēnera Acquisition, which led to additional reductions in liabilities in respect of our Earn-Out obligations in the year ended December 31, 2024, though to a lesser extent compared to the year ending December 31, 2023 (for more information, see "—Components of Our Results of Operations—Other Income").

Finance Income / (Expense)

	Year Ended December 31,		Period-over-Period Change	
	2024	2023	Dollar	Percentage
	(in thousands, except percentages)			
Finance income	**$ 20,439**	$ 36,799	$ (16,360)	(44)%
Finance expense	**(107,844)**	(68,143)	(39,701)	58%
Total Finance Expense	**$ (87,405)**	$ (31,344)	$ (56,061)	179%

Finance income was $20.4 million for the year ended December 31, 2024, a decrease of 44% compared to $36.8 million for the year ended December 31, 2023. Finance expense was $107.8 million for the year ended December 31, 2024, an increase of 58% compared to $68.1 million for the year ended December 31, 2023. The decrease in finance income is primarily due to revaluation of financial assets denominated in foreign currencies and revaluation of interest rate hedges, which benefited the Company in 2023. In addition, the shift in accounting treatment of certain renewable energy projects from Financial Assets to Fixed Assets resulted in a decrease of $10 million. The increase in finance expense resulted primarily from the commissioning of the aforementioned new projects, which in turn recognize interest payments for their debt on the Income Statement.

Non-IFRS Financial Measures

In addition to our financial results reported in accordance with IFRS, we believe that Adjusted EBITDA, which is a non-IFRS financial measure, is useful in evaluating the performance of our business. See tables below for a discussion regarding our use of Adjusted EBITDA, including its limitations, and a reconciliation to the most directly comparable IFRS financial measure.

Adjusted EBITDA

We define Adjusted EBITDA as net income (loss) plus depreciation and amortization, share based compensation, finance expenses, taxes on income and share in losses of equity accounted investees and minus finance income and non-recurring portions of other income, net. For the purposes of calculating Adjusted EBITDA, compensation for inadequate performance of goods and services procured by the Company are included in other income, net. Compensation for inadequate performance of goods and services reflects the profits the Company would have generated under regular operating conditions and is therefore included in Adjusted EBITDA. With respect to gains (losses) from asset disposals, as part of our strategy to accelerate growth and reduce the need for equity financing, the Company sells parts or the entirety of selected renewable energy project assets from time to time, and therefore includes realized gains or losses from these asset disposals in Adjusted EBITDA. In the case of partial assets disposals, Adjusted EBITDA includes only the actual consideration less the book value of the assets sold. Our management believes Adjusted EBITDA is indicative of operational performance and ongoing profitability and uses Adjusted EBITDA to evaluate the operating performance and for planning and forecasting purposes.

Non-IFRS financial measures have limitations as analytical tools and should not be considered in isolation or as substitutes for financial information presented under IFRS. There are a number of limitations related to the use of non-IFRS financial measures versus comparable financial measures determined under IFRS. For example, other companies in our industry may calculate the non-IFRS financial measures that we use differently or may use other measures to evaluate their performance. All of these limitations could reduce the usefulness of our non-IFRS financial measures as analytical tools. Investors are encouraged to review the related IFRS financial measure, Net Income, and the reconciliations of Adjusted EBITDA provided below to Net Income and not to rely on any single financial measure to evaluate our business performance.

The following table sets forth our Adjusted EBITDA for the years ended December 31, 2024 and 2023:

	Year Ended December 31,		Period-over-Period Change	
	2024	2023	Dollar	Percentage
	(in thousands, except percentages)			
Adjusted EBITDA	**$ 289,115**	$ 194,228	$ 94,887	49%

The following table provides a reconciliation of adjusted EBITDA to net income for the periods indicated:

	For the Year Ended December 31,	
	2024	2023
	(in thousands)	
Net Income	$ 66,505	$ 98,041
Depreciation and amortization	108,889	65,796
Share based compensation	8,360	4,970
Non-recurring other income*	(3,669)	(34,681)
Finance income	(20,439)	(36,799)
Finance expenses	107,844	68,143
Share of losses of equity accounted investees	3,350	330
Taxes on income	18,275	28,428
Adjusted EBITDA	**$ 289,115**	**$ 194,228**

* For the purposes of calculating Adjusted EBITDA, compensation for inadequate performance of goods and services procured by the Company are included in other income, net.

B. Liquidity and Capital Resources

Overview

In February 2023, upon completion of our U.S. IPO, we received net proceeds of approximately $270.7 million, after deducting underwriters' discounts and commissions and offering expenses of approximately $21.6 million.

On August 27, 2024, we filed with the Israel Securities Authority a shelf prospectus (the "Shelf Prospectus"). The Shelf Prospectus allows the Company to raise funds in Israel from time-to-time at the discretion of the Company through the offering and sale of various securities including debt and equity. Any offering of these securities will be made pursuant to filing a supplemental shelf offering report which will describe the terms of the securities being offered and the specific terms of the offering. Pursuant to a shelf offering report dated October 10, 2024, the Company has offered and sold to Classified Investors (as such term is defined in the Israeli Securities Law) NIS 591,016,000 Series D Debentures, raising total gross proceeds of approximately NIS 500 million (or approximately $132.9 million). In November 2024, we offered and sold to Classified Investors (as such term is defined in the Israeli Securities Law) NIS 200,000,000 Series D Debentures (as defined below), raising total gross proceeds of approximately NIS 171 million (or approximately $47 million). See "—Holding Company—Level Debt Overview—Debentures (Series D)." In February 2025, we offered and sold NIS 468,784,000 (or approximately $131.9 million) Series G Debentures (as defined below) and NIS 414,847,000 (or approximately $116.7 million) Series H Debentures (as defined below), raising total gross proceeds of approximately NIS 455.2 million (or approximately $128.1 million) and NIS 414.8 million (or approximately $116.7 million), respectively. See "—Holding Company—Level Debt Overview—Debentures (Series G)" and "—Holding Company—Level Debt Overview—Debentures (Series H)." The Company intends to use the net proceeds from the offering for investments in its large-scale portfolio in the United States, Europe and MENA, and for other general corporate purposes. As of the date of this Annual Report, the Company has not made any decision as to the offering of any additional securities, nor as to the scope, terms or timing of any such offering, and there is no certainty that such an offering will be made. Any such offering would comply with the registration requirements of the Securities Act and any applicable U.S. state securities laws, or utilize an applicable exemption from either or both, as the case may be.

Managing our liquidity and capital resources efficiently and productively is critical to the success of our business. Our projects, by their nature, are long-term infrastructure assets that require significant, upfront investment to capitalize on the inherently-free costs of wind and sunlight and generate high margins during operations. As a result, we have structured our liquidity and capital resources to (i) optimize low cost project finance to reduce equity capital requirements during construction and long-term ownership, (ii) utilize an efficient syndication of project level equity to various institutional partners in order to reduce our equity capital requirements, and (iii) leverage our deep access to the Israeli financial markets to source a wide range of corporate finance, including corporate bonds, convertible bonds, corporate credit facilities, letters of credit facilities and equity capital, at a competitive cost. We are rated A2 il stable by Midroog, Moody's Israeli subsidiary, which enables us to raise capital in Israel at an attractive cost. As we accelerate our activity in the United States through Clēnera and our overall business grows, we believe access to the U.S. capital market will be a key source of capital for our future operations. Our liquidity and capital requirements mostly relate to:

- constructing our projects (including equipment costs, EPC costs and other construction costs);
- project origination initiatives to produce Mature Projects (including development expenditures, security deposits, letters of credit, equipment deposits and project acquisitions);
- general and administrative expenses and other overhead costs;
- liquidity reserve for unforeseen events; and
- other growth-related investment opportunities.

We believe that our existing cash and cash equivalents and short-term bank deposits, together with cash flow from operations, and funds from expected future financing agreements, will be sufficient to support our liquidity and capital requirements for at least the next 12 months from the date of this Annual Report. Our future capital requirements will depend on many factors, including our total revenues and income growth, the timing and extent of our conversion of Development Projects and Advanced Development Projects into Operational Projects to support such growth, the expansion of sales and marketing activities, increases in general and administrative costs and many other factors, including those described elsewhere in this section under "—Key Factors Affecting Our Performance" and under Item 3.D "Risk Factors." We may, in the future, enter into additional arrangements to acquire or invest in complementary businesses, which could increase our cash requirements.

We may be required to seek additional equity or debt financing. In the event we require additional financing, we may not be able to raise such financing on terms acceptable to us or at all. In particular, the inflation and rising interest rates across the global economy have resulted in, and may continue to result in, significant disruption of global financial markets, which may reduce our ability to access capital. If we are unable to raise additional capital when required or generate cash flows necessary to expand our operations and invest in continued innovation, we may not be able to compete successfully, which would adversely affect our business, financial condition and results of operations.

Financing the construction of our projects

Our projects are long-term infrastructure assets that require significant upfront investment but minimal ongoing capital investments and expenses due to the inherently-free costs of wind and sunlight allowing for the generation of high margins throughout their useful life. We have historically financed each project individually through a combination of project finance and equity. From time to time, we also procure equipment and other materials on behalf of projects prior to securing project finance and equity commitments in order to mitigate issues caused by supply chain disruptions. As of February 19, 2025, we had approximately $500 million in contractual obligations related to such procurement (with projects Quail Ranch and Country Acres accounting for approximately 90% of this).

Project finance

We utilize project finance to fund a significant portion of the construction costs of our projects. Project finance typically accounts for approximately 35% to 90% of total project costs, depending on the other financing sources that are available for a given project (i.e. long-term loans or tax equity partnerships). When structuring project finance, we evaluate our alternatives holistically. We focus on several objectives, including maximizing project equity returns, reducing the overall equity requirement for the project, minimizing the cost of finance and maintaining operational flexibility. Project finance providers typically look to PPA quality when negotiating loan terms. As such, a loan's interest rate and debt amortization correlate to contract duration and offtaker credit rating. In certain instances, we may elect to borrow less from project finance providers in order to maximize project equity returns. For example, for project Gecama in Spain, we secured non-recourse project finance, which only funded approximately 50% of the total project costs but enabled us to pursue the Merchant Model which, based on electricity prices in Spain as of the date of this Annual Report, continues to generate equity returns significantly higher than the projections we used when planning the project.

As of December 31, 2024, we had raised approximately $2.4 billion in project financing since our founding and had approximately $2 billion of project finance debt outstanding. Our project finance debt, with an average duration of approximately 7.5 years, has been secured at an all-in weighted average interest rate of 4%, of which 93% is fixed-rate. Most of our project finance debt in Israel, totaling approximately $750 million as of December 31, 2024, is indexed to the Israeli consumer price index. The inflationary impact on the principal balance of our Israeli project finance debt is offset through our PPAs in Israel, which are also all indexed to the Israeli consumer price index.

In Europe and in Israel, our project finance arrangements are largely structured as non-recourse bank loans at the project level with some minor exceptions during the construction period. We secure these loans from a wide range of banks operating in the geography in which the project is based. We have borrowed from over 35 different financial institutions, highlighting our deep network of banking relationships across our target markets. Principal amortization and interest payments under these debt financings are generally due either on a quarterly or semi-annual basis, and the project-level borrowers are subject to various fees payable to the lenders and their agents under the relevant financing documents, including annual agency fees and quarterly commitment fees that generally are calculated as a percentage of the outstanding loan or letter of credit commitments, as applicable. As part of the Solar and Storage financing, we have entered into a definitive construction facility agreement with Bank Hapoalim. The facility will be used to finance the ongoing construction of the Solar & Storage cluster in Israel. The European Bank for Reconstruction and Development and the Erste Group Bank AG provided a $95 million financing package for the construction of the Pupin wind project in Serbia. Raiffeisen Bank granted a $42 million senior project financing facility for the construction of the Tapolca solar project in Hungary and the recycling of excess equity in AC/DC project in Hungary.

In Europe, voluntary prepayment of the loans is generally permissible, in whole or in part and without premium or penalty (other than customary interest period breakage costs). In Israel, voluntary prepayment triggers a make-whole payment. The projects may have to make mandatory prepayments in certain circumstances as well, such as if the projects fail to satisfy the conditions required to permit distribution of certain project revenues and income over certain periods of time. Projects are permitted to make distributions from project revenues and income only if certain requirements are satisfied, including satisfaction of a specified debt service coverage ratio over a specified period of time, which is the ratio of operating cash available for debt service after payment of operating expenses to the project's debt service obligations. Furthermore, these project financings contain customary covenants that, among other things and subject to certain exceptions, restrict the project-level borrower's ability to incur new debt or guarantee the debt of others, grant liens, sell or lease certain assets, transfer direct equity interests, dissolve, make distributions and change its business. The financing agreements for these project financings also generally contain default and related acceleration provisions with contractual cure rights relating to, among other things, the failure to make required payments or to observe other covenants in the financing agreement and related documents, defaults by the relevant project company or by other parties under specified agreements relating to the project or the financing documents, the termination of certain specified agreements, and certain bankruptcy-related events, subject to certain exceptions and cure periods. Certain changes in the upstream ownership or control of the project-level borrower without lender consent may also cause a default under these project financings.

In the United States, we entered into definitive construction financing agreements related to Atrisco Energy Storage project, a component of the Atrisco Solar and Energy Storage complex with a consortium of eight lenders led by HSBC Securities (USA) Inc., which were used to finance the construction of the project. The financing converted into a $185 million term loan provided by the consortium led by HSBC Securities (USA) Inc., as well as tax equity of $222 million provided by U.S. Bancorp Impact Finance following the project's COD. Historically, permanent project finance in the United States has been provided through a combination of tax equity and back leverage, which are generally funded by two different capital providers. Given the geographic composition of our portfolio and its high solar irradiance profile (90% of our Mature Projects portfolio and 72% of our total portfolio in the United States as of February 19, 2025 was located in the Western United States), we envision that many of our projects will opt to claim PTCs rather than ITCs. This will enable us to raise a greater quantum of tax equity to fund the construction of our projects, reaching 45% to 55% of total project costs. Moreover, the transferability provisions of the Inflation Reduction Act may enable us to eliminate the need for tax equity and replace it with cheaper long-term bank financing. We expect that the utilization of PTCs and the potential elimination of tax equity investment may both significantly reduce the equity requirement for our Mature Projects in the United States and reduce transaction costs.

Project equity

In general, we utilize project equity to fund the residual 10% to 30% of the total project costs. In certain of our projects, we partner with other investors who take a certain minority equity stake in the project and provide their pro rata share of the equity financing, reducing the size of the equity financing required from us. We also benefit from management fees and promote payments from our partners. For future projects, particularly for those in the United States where there are currently no minority shareholders, we intend to fund a portion of project costs through sale of minority stakes to investors. Our strategy is to remain the controlling shareholder of our projects.

In order to finance our project equity requirement, we utilize holding company level equity and debt offerings. As of February 19, 2025, we had raised $1.7 billion in the Israeli and U.S. capital markets through a mixture of corporate bonds and convertible bonds and equity, and on February 26, 2025, we raised an additional aggregate amount of approximately $245 million by issuing debentures in Israel. As of the date of this Annual Report, we have approximately $857 million of corporate and convertible bonds outstanding with a weighted average duration of approximately 3.8 years, at a weighted average effective interest rate of 4.9%. As we accelerate our activity in the United States through Clēnera and our overall business grows, we believe the U.S. capital market will be a key source of capital going forward. Moreover, as cash flow from our Operational Projects increases, we believe we will have more flexibility to determine if we would like to fund our project equity requirement using holding company level debt or equity offerings, cash on our balance sheet, or a combination of both.

Financing our project origination initiatives, corporate overhead and holding company board repayments

We fund our day-to-day operations, including our general and administrative expenses, our development expenses and our repayment of holding company bonds, through a combination of cash flows from our Operational Projects coupled with holding company level equity and debt offerings. As the cash flow from our Operational Projects increases, we will have more flexibility to determine whether to fund our ongoing operations using holding company level debt or equity offerings, cash on our balance sheet, or a combination of both. In our opinion, our working capital is sufficient to meet our present cash requirements.

Holding company level debt overview

Debentures

Series	Debt Outstanding as of December 31, 2024 (USD in millions)*	Effective interest rate	Effective interest rate debt component only	Indexation	Bond rating as of December 31, 2024	Duration (Years)
C	$ 133	3.2%	1.5%	None	A2 il stable	3.61
D	$ 284	5.3%	5.3%	None	A2 il stable	3.52
E	$ 21	4.4%	4.4%	None	Unrated	0.17
F	$ 174	4.4%	4.4%	None	A2 il stable	1.56
G	$ **128	5.7%	5.7%	None	A2 il stable	6.00
H	$ **117	5.7%	4.0%	None	A2 il stable	6.00

* Based on the exchange rate reported by the Bank of Israel on December 31, 2024, which was NIS 3.647 to $1.00.

**Debentures issued after the balance sheet date of December 31, 2024.

Debentures (Series E)

In June 2018, we issued NIS 135,000,000 (or approximately $37.2 million) (the "Series E Debentures") par value of debentures, along with 30,375,000 options (Series 2). All of the unexercised options have expired as of December 31, 2022. The Series E Debentures were issued under certain terms, including, but not limited to, the following terms:

- the Series E Debentures are not linked to any index or currency;
- the Series E Debentures are repayable in 13 payments, including 12 semi-annual payments, each at a rate of 3.5% of the principal amount and an additional payment, at a rate of 58.0% of the principal amount, which was paid on March 1, 2025;
- the Series E Debentures bear a fixed annual interest to be paid semi-annually, in March and September of each of the years 2018 to 2025 (inclusive). The Series E Debentures effective interest rate is approximately 4.4%;
- the Series E Debentures is not secured by any collateral or other security; and
- so long as the Series E Debentures remain outstanding, we are required to meet the following financial covenants:
    - equity according to our financial statements (audited or reviewed) will not be less than NIS 200 million (approximately $55.4 million);
    - the ratio between standalone net financial debt and net cap will not exceed 70% during two consecutive financial statements (audited or reviewed);
    - should standalone net financial debt exceed NIS 10 million (approximately $2.8 million), and the ratio of net financial debt (consolidated) to EBITDA (as defined in the indenture) as of the calculation date (if any) will not exceed 18 during more than two consecutive financial statements (audited or reviewed);
    - the equity to total balance sheet ratio in our standalone reports will be no less than 20% during two consecutive financial statements (audited or reviewed);
    - we will not create and/or will not agree to create, in favour of any third party whatsoever, a floating charge of any priority on all of its assets, i.e., a general floating charge, to secure any debt or obligation whatsoever; and
    - we will not perform any distribution except subject to the cumulative conditions specified in the trust deed of the debentures.

As of December 31, 2024, the remaining principal balance for payment in respect of the Series E Debentures was approximately $21.5 million.

Debentures (Series F)

In June 2019, April 2020, August 2020 and September 2023, we issued NIS 222,000,000 (or approximately $61.2 million), NIS 101,010,101 (or approximately $27.8 million), NIS 234,860,000 (or approximately $64.8 million) and NIS 335,182,000 (or approximately $92.4 million) par value of debentures, respectively (the "Series F Debentures"). The Series F Debentures were issued under certain terms, including, but not limited to, the following terms:

- the Series F Debentures are not linked to index or currency;
- the Series F Debentures are repayable in seven payments, including six annual payments, each at a rate of 8.0% of the principal amount and an additional payment at a rate of 52.0% of the principal amount, which will be paid on September 1, 2026;
- the Series F Debentures bear a fixed annual interest to be paid semi-annually, in March and September of each of the years 2019 to 2026 (inclusive). The Series F Debentures weighted average effective interest rate is approximately 4.4%;
- the Series F Debentures are not secured by any collateral or other security; and
- so long as the Series F Debentures remain outstanding, we are required to meet the following financial covenants:
    - equity according to our financial statements (audited or reviewed) will not be less than NIS 375 million (approximately $103.4 million);
    - the ratio between standalone net financial debt and net cap will not exceed 70% during two consecutive financial statements (audited or reviewed);
    - should standalone net financial debt exceed NIS 10 million (approximately $2.8 million), the ratio of net financial debt (consolidated) to EBITDA (as defined in the indenture) as of the calculation date (if any) will not exceed 18 during more than two consecutive financial statements (audited or reviewed);
    - the equity to total balance sheet ratio in our standalone reports will be no less than 20% during two consecutive financial statements (audited or reviewed);
    - we will not create and/or will not agree to create, in favour of any third party whatsoever, a floating charge of any priority on all of its assets, i.e., a general floating charge, to secure any debt or obligation whatsoever; and
    - we will not perform any distribution except subject to the cumulative conditions specified in the trust deed of the debentures.

As of December 31, 2024, the remaining principal balance for payment in respect of the Series F Debentures was approximately $176.2 million.

Debentures (Series C)

In July 2021 and March 2022, respectively, we issued NIS 367,220,000 (or approximately $101.2 million) and NIS 164,363,000 (or approximately $45.3 million) par value of debentures, respectively (the "Series C Debentures"). The Series C Debentures were issued under certain terms, including, but not limited to, the following terms:

- the Series C Debentures are not linked to index or currency;
- the Series C Debentures are repayable in a single payment on September 1, 2028;
- the Series C Debentures weighted average interest rate and effective interest rate is approximately 1.5% and 3.2%, respectively. The effective interest rate takes into account the embedded value of the equity component of the convertible debentures;
- the unpaid principal balance of the Series C Debentures is convertible into ordinary shares, according to the following schedule: from the date of listing of the Series C Debentures on the TASE and until December 31, 2023, each NIS 90 (or approximately $25) par value of the Series C Debentures will be convertible into one of our ordinary shares. By December 31, 2023, NIS 80,570 par value of Series C Debentures were converted to 895 ordinary shares; and (ii) from January 1, 2024 to August 22, 2028, each NIS 240 (or approximately $66.2) par value of the Series C Debentures will be convertible into one of our ordinary shares;
- the Series C Debentures is not secured by any collateral or other security; and
- so long as the Series C Debentures remain outstanding, we are required to meet the following financial covenants:
    - equity according to our financial statements (audited or reviewed) will not be less than NIS 1,250 million (approximately $344.6 million);
    - the ratio between standalone net financial debt and net cap will not exceed 65% during two consecutive financial statements (audited or reviewed);
    - the ratio of net financial debt (consolidated) to EBITDA (as defined in the indenture) as of the calculation date (if any) will not exceed 15 during more than two consecutive financial statements (audited or reviewed);
    - the equity to total balance sheet ratio in our standalone reports will be no less than 25% during two consecutive financial statements (audited or reviewed);
    - we will not create and/or will not agree to create, in favour of any third party whatsoever, a floating charge of any priority on all of its assets, i.e., a general floating charge, to secure any debt or obligation whatsoever; and
    - we will not perform any distribution except subject to the cumulative conditions specified in the trust deed of the debentures.

As of December 31, 2024, the remaining principal balance for payment in respect of the Series C Debentures was approximately $145.8 million.

Debentures (Series D)

In July 2021, we issued NIS 385,970,000 (or approximately $106.4 million) par value debentures (the "Series D Debentures"), and in October and November 2024 we have expanded that series by issuing additional Series D Debentures in amounts of NIS 591,016,000 (or approximately $156.6 million) and NIS 200,000,000 (or approximately $54.7 million), respectively. The Series D Debentures were issued under certain terms, including, but not limited to, the following terms:

- the Series D Debentures are not linked to index or currency;
- the Series D Debentures are repayable in two payments, each at a rate of 50% of the principal amount, on September 1, 2027 and 2029;
- the Series D Debentures bear a fixed annual interest of 1.5%, to be paid semi-annually, in March and September of each of the years 2021 to 2029 (inclusive);
- the Series D Debentures effective interest rate is approximately 5.3%;
- the Series D Debentures is not secured by any collateral or other security; and
- so long as the Series D Debentures remain outstanding, we are required to meet the following financial covenants:
    - equity according to our financial statements (audited or reviewed) will not be less than NIS 1,250 million (approximately $344.6 million);
    - the ratio between standalone net financial debt and net cap will not exceed 65% during two consecutive financial statements (audited or reviewed);
    - the ratio of net financial debt (consolidated) to EBITDA (as defined in the indenture) as of the calculation date (if any) will not exceed 15 during more than two consecutive financial statements (audited or reviewed);
    - the equity to total balance sheet ratio in our standalone reports will be no less than 25% during two consecutive financial statements (audited or reviewed);
    - we will not create and/or will not agree to create, in favour of any third party whatsoever, a floating charge of any priority on all of its assets, i.e., a general floating charge, to secure any debt or obligation whatsoever; and
    - we will not perform any distribution except subject to the cumulative conditions specified in the trust deed of the debentures.

As of December 31, 2024, the remaining principal balance for payment in respect of the Series D Debentures was approximately $322.7 million.

Debentures (Series G)

In February 2025, we issued NIS 468,784,000 (or approximately $131.1 million) par value debentures (the "Series G Debentures"). The Series G Debentures were issued under certain terms, including, but not limited to, the following terms:

- the Series G Debentures are not linked to index or currency;
- the Series G Debentures are repayable in four annual payments, each at the rate of 25% of the principal of the Series G Debentures, which will be paid on September 1 of each of the years 2030 through 2033 (inclusive);
- the Series G Debentures bear a fixed annual interest of 5%, to be paid semi-annually, in March and September of each of the years 2025 to 2033 (inclusive), starting on September 1, 2025;
- the Series G Debentures is not secured by any collateral or other security; and
- so long as the Series G Debentures remain outstanding, we are required to meet the following financial covenants:
    - equity will not be less than $600 million during two consecutive financial statements (audited or reviewed);
    - the ratio between standalone net financial debt and net cap will not exceed 65% during two consecutive financial statements (audited or reviewed);
    - the ratio of net financial debt (consolidated) to EBITDA (as defined in the indenture) as of the calculation date (if any) will not exceed 17 during two consecutive financial statements (audited or reviewed);
    - the equity to total balance sheet ratio in our standalone reports will be no less than 28% during two consecutive financial statements (audited or reviewed);
    - we will not create and/or will not agree to create, in favour of any third party whatsoever, a floating charge of any priority on all of its assets, i.e., a general floating charge, to secure any debt or obligation whatsoever; and
    - we will not perform any distribution except subject to the cumulative conditions specified in the trust deed of the debentures.

As of the date of this Annual Report, the Company has not made any payments with respect to the principal or the interest payable in respect of the Series G Debentures, in accordance with their terms.

Debentures (Series H)

In February 2025, we issued NIS 414,847,000 (or approximately $116.7 million) par value debentures (the "Series H Debentures"). The Series H Debentures were issued under certain terms, including, but not limited to, the following terms:

- the Series H Debentures are not linked to index or currency;
- the Series H Debentures are repayable in four annual payments, each at the rate of 25% of the principal of the Series H Debentures, which will be paid on September 1 of each of the years 2030 through 2033 (inclusive);
- the Series H Debentures bear a fixed annual interest of 4%, to be paid semi-annually, in March and September of each of the years 2025 to 2033 (inclusive), starting on September 1, 2025;
- the unpaid principal balance of the Series H Debentures is convertible into ordinary shares, according to the following schedule: from the date of listing of the Series H Debentures on the TASE and until August 31, 2027, each NIS 80 (or approximately $22.50) par value of the Series H Debentures will be convertible into one of our ordinary shares and (ii) from September 1, 2028 to August 22, 2033, each NIS 1000 (or approximately $281.32) par value of the Series H Debentures will be convertible into one of our ordinary shares;
- the Series H Debentures is not secured by any collateral or other security; and
- so long as the Series H Debentures remain outstanding, we are required to meet the following financial covenants:
    - equity will not be less than $600 million during two consecutive financial statements (audited or reviewed);
    - the ratio between standalone net financial debt and net cap will not exceed 65% during two consecutive financial statements (audited or reviewed);
    - the ratio of net financial debt (consolidated) to EBITDA (as defined in the indenture) as of the calculation date (if any) will not exceed 17 during two consecutive financial statements (audited or reviewed);
    - the equity to total balance sheet ratio in our standalone reports will be no less than 28% during two consecutive financial statements (audited or reviewed);
    - we will not create and/or will not agree to create, in favour of any third party whatsoever, a floating charge of any priority on all of its assets, i.e., a general floating charge, to secure any debt or obligation whatsoever; and
    - we will not perform any distribution except subject to the cumulative conditions specified in the trust deed of the debentures.

As of the date of this Annual Report, the Company has not made any payments with respect to the principal or the interest payable in respect of the Series H Debentures, in accordance with their terms.

For more information regarding our debentures, see Note 13 to our consolidated financial statements included elsewhere in this Annual Report.

Credit facilities

In July 2021, we entered into credit agreements (the "Credit Agreements," each as amended) with Bank Hapoalim Ltd. with borrowing capacity up to approximately $74 million available for borrowing and with Bank Leumi Le-Israel Ltd. (together with Bank Hapoalim Ltd., the "Lenders") with borrowing capacity up to approximately $43 million (the "Credit Facilities"). As of the date of this Annual Report, we have drawn a total of approximately $117 million under the Credit Facilities to fund capital expenditures and development of our existing projects in the United States as well as future acquisitions and investments in the United States.

The Credit Facilities include certain terms, including, but not limited to, the following terms:

- the facility period shall be 18 months following the date of provision of credit;
- repayment of principal will be made in one payment, 60 months after the date of provision of credit. The interest will be paid on a quarterly basis; and
- so long as the Credit Facilities remain outstanding, we are required to meet the following covenants:
    - to submit routine and standard reports to the Lenders;
    - to maintain a rating of Baa3.il, or a corresponding rating, from one of the local rating agencies (Maalot or Midroog), or from one of the international rating agencies (Moody's and/or S&P);
    - to maintain a current negative pledge and a negative pledge in favour of the Lenders, in respect of proceeds which will be received by some of our subsidiaries, as defined in the Credit Agreements;
    - to maintain our total equity, as defined in the Credit Agreements, above a total of NIS 1 billion (or approximately $275.7 million);
    - the ratio between standalone net financial debt and net cap will not exceed 70% during two consecutive quarters;
    - the result obtained by dividing the net financial debt ratio by operating profit for debt service, on a consolidated basis, will not exceed 18 during two consecutive quarters; and
    - the equity to total balance sheet ratio, on a standalone basis in our separate financial information, as defined in the Credit Agreements, will not fall below 20% during two consecutive quarters.

Revolving credit facilities

The Company maintains revolving credit facilities with several Israeli banks, under which the Company may draw an aggregate of up to $350 million. As of December 31, 2024, we had drawn $90 million from these facilities. As of the date of this Annual Report, we had no outstanding liability under these facilities.

Sources of liquidity

The following table summarizes our cash flows for the periods presented:

	Year ended December 31,	
	2024	2023
	(in millions)	
Net cash provided by operating activities	$ 193.1	$ 149.6
Cash from financing activities		
Project level finance net of repayments	240.0	420.4
Project level tax equity	410.0	116.0
Project level cash from equity partners net of distributions	(28.0)	(9.1)
Holding company debt issuance net of repayments	151.9	68.3
Holding company equity issuance	0.0	266.5
Deferred financing costs	(21.6)	(2.0)
Other	(6.0)	(4.8)
Total Sources	$ 746.0	$ 855.3
Net cash used in investing activities		
Capital Expenditures and acquisition expenses	$ 941.3	$ 830.7
Short term investments	0.1	(32.6)
Total Uses	941.4	798.1
Net change in cash	$ (2.3)	$ 206.9

	Year ended December 31,	
	2024	2023
	(in thousands)	
Net cash provided by operating activities	$ 193,072	$ 149,620
Cash used in investing activities	(941,367)	(798,065)
Cash generated from financing activities	745,987	855,305

Operating activities

Our primary source of operating cash is cash received from the sale of electricity largely through offtake contracts and management and construction fee income earned from services we provide to our projects and third parties. Our primary uses of operating cash are amounts due to vendors related to the operation of our renewable energy projects, as well as our general and administrative expenses.

For the year ended December 31, 2024, net cash provided by operating activities of $193.1 million was attributable to a net income of $66.5 million, adjusted by net, non-cash charges of $196.6 million, a net decrease in working capital of $3.4 million, net cash interest expense of $62.2 million, cash income tax payment of $11.2 million. The non-cash charges consisted primarily of depreciation and amortization in the amount of $108.9 million, taxes on income in the amount of $18.3 million, finance expenses, net in the amount of $83.6 million, other income, net in the amount of $5.0 million, tax benefits in the amount of $20.9 million and share-based payments in the amount of $8.4 million.

For the year ended December 31, 2023, net cash provided by operating activities of $149.6 million was attributable to a net income of $98 million, adjusted by net, non-cash charges of $75.9 million, a net decrease in working capital of $15.8 million, net cash interest expense of $42 million, cash income tax payment of $12.2 million, and Financial Asset Payments of $14.1 million. The non-cash charges consisted primarily of depreciation and amortization in the amount of $65.8 million, taxes on income in the amount of $28.4 million, finance expenses, net in the amount of $28.8 million, other income, net in the amount of $52.4 million and share-based payments in the amount of $5 million.

The decrease in net income was primarily driven by a number of non-recurring events which benefited net income in the year ended December 31, 2023, as described above. These include the reduction in expected Earn-Out payments; revaluation of financial assets denominated in foreign currency; and revaluation of interest rate hedges. The increase in non-cash charges in the year ended December 31, 2024 is primarily due to an increase in depreciation and amortization linked to the commissioning of the new projects mentioned above.

Investing Activities

Our investing activities primarily consist of capital expenditures related to project acquisitions and the purchase of property, plant and equipment related to our Mature Projects.

For the year ended December 31, 2024, net cash used in investing activities was $941.4 million, which was primarily related to project development and construction.

For the year ended December 31, 2023, net cash used in investing activities was $798.1 million, which was primarily related to project development and construction.

The increase in net cash used in investing activities for the year ended December 31, 2024, as compared to the year ended December 31, 2023, was primarily driven by an increase in project development and construction activities.

Financing Activities

Our financing activities primarily consist of issuance of non-recourse project finance debt, issuance of corporate bonds and equity and project equity from our various partners.

For the year ended December 31, 2024, net cash provided by financing activities was $746 million, which was primarily related to cash received from project-level financing net of repayments of $240 million and from project level tax equity partners of $410 million, distributions to our project equity partners net of cash received from them of $28 million and cash received from our holding company’s debt issuances of $151.9 million.

For the year ended December 31, 2023, net cash provided by financing activities was $855.3 million, which was primarily related to cash received from project-level financing net of repayments of $420.4 million and from project level tax equity partners of $116 million, distributions to our project equity partners net of cash received from them of $9.1 million and cash received from our holding company’s debt and equity issuances of $334.8 million.

The decrease in net cash provided by financing activities for the year ended December 31, 2024, as compared to the year ended December 31, 2023, was primarily due to the level of financing activity in the last two years. In 2023 the Company raised approximately $270.7 million in its U.S. IPO. In 2024, we raised debt in Israel along with financial closing (including long-term debt and tax equity partnerships as relevant) for projects in the U.S. and Israel, reflecting a $200 million increase over the amount of debt and tax equity raised in 2023.

Earn-Out

As part of the Clēnera Acquisition, we agreed to pay the Earn-Out to the sellers subject to (a) certain projects developed by Clēnera reaching 'placed in service' status by specific dates and (b) the retention of the co-founders until August 2024 (subject to certain additional conditions). If development is delayed and projects are placed in service late, the Earn-Out payments for such projects are reduced, and no Earn-Out payment shall be paid with respect to any project that is placed in service following December 31, 2025. In December 2022, we agreed to increase the Earn-Out for project Atrisco from $0.0135 per watt to $0.063 per watt, subject to a placed-in-service date by the end of 2024.

Moreover, we agreed to extend the long stop date for Earn-Out payments for only a small subset of projects until December 31, 2026.

As a consequence of Clēnera not achieving pre-agreed development milestones, our liabilities in respect of the Earn-Out are no longer effective as of December 31, 2024. As a result, the total Earn-Out payment will be significantly lower than the originally agreed maximum amount of $232 million, and the total consideration for the Clēnera Acquisition will be lower than originally anticipated.

In addition to the Earn-Out, the founders of Clēnera retain an option to sell their remaining 9.9% ownership stake to us for up to $43 million (depending on the achievement of certain milestones and calculation of the final acquisition price), exercisable on the fifth anniversary of the consummation of the Clēnera Acquisition, i.e. August 2026.

C. Research and Development, Patents and Licenses, Etc.

We do not conduct research and development and have not had any research and development policies in place during the last three fiscal years.

D. Trend Information

For information regarding changes in the global trade relations, including the imposition of tariffs, and the effects thereof on us, see Item 3.D. "Risk Factors—Risks Related to Government Regulation—We may be negatively affected by changes in the global trade relations including the imposition of tariffs, which could adversely affect our financial performance." For information regarding changes to regulations and incentives for renewable energy projects, see Item 3.D. "Risk Factors—Risks Related to Government Regulation —Our projects and the industry in which we operate are highly regulated and may be adversely affected by legislative or regulatory changes or a failure to comply with energy regulations," "—Government interventions in response to current high energy prices may negatively impact total revenues and income or increase our tax burden," and "—Government regulations in the United States, Europe and globally, that currently provide incentives and subsidies for renewable energy, particularly the current production and investment tax credits, could change at any time."

For information regarding the issuance of Series G Debentures and Series H Debentures that we issued in February 2025, see Item 5.B "Liquidity and Capital Resources—Holding Company Level Debt Overview."

Other than the above and as disclosed elsewhere in this Annual Report, we are not aware of any trends, uncertainties, demands, commitments or events since December 31, 2024 that are reasonably likely to have a material effect on our total revenues and income, income, profitability, liquidity or capital resources, or that would cause our disclosed financial information to be not necessarily indicative of our future operating results or financial condition.

E. Critical Accounting Estimates

Our consolidated financial statements are prepared in conformity with IFRS, as issued by the IASB. In preparing our consolidated financial statements, we make judgements, estimates and assumptions about the application of our accounting policies which affect the reported amounts of assets, liabilities, total revenues and income and expenses. Our critical accounting judgements and sources of estimation uncertainty are described in Note 4 to our consolidated financial statements included elsewhere in this Annual Report.

Item 6. Directors, Senior Management and Employees

A. Directors and Senior Management

The following table sets forth the name and position of each of our executive officers and directors as of Mach 15, 2025:

Name	Age	Position
Executive Officers		
Gilad Yavetz[3]	54	Chief Executive Officer and Director
Nir Yehuda	49	Chief Financial Officer
Amit Paz	58	Chief Innovation Officer
Ilan Goren	52	General Manager, Enlight US
Ayelet Cohen Israeli	57	Vice President, Operations
Gilad Peled	50	General Manager, Enlight MENA
Marko Liposcak	48	General Manager, Enlight EU
Lisa Haimovitz	59	Vice President, General Counsel
Meron Carr	52	Vice President, Strategic Projects
Ziv Shor	48	General Manager, Projects Execution & Assets Management Division
Non-Employee Directors		
Yair Seroussi[3]*	69	Chairman of the Board
Liat Benyamini[1][2][4]*	48	Director
Michal Tzuk[2][4]*	48	Director
Alla Felder[4]*	51	Director
Dr. Shai Weil[2]*	55	Director
Yitzhak Betzalel[1][2]*	59	Director
Zvi Furman[1][3][4]*	76	Director

(1) Member of the audit committee

(2) Member of the compensation committee

(3) Member of the nominating committee

(4) Member of the environmental, social and governance committee

* Qualifies as independent under Nasdaq Marketplace Rules.

Executive Officers

Gilad Yavetz is Co-founder and Chief Executive Officer, leading the Company from inception in 2008 as a small developer in Israel to the global company that it is today. Prior to the establishment of Enlight, Mr. Yavetz served as a VP Marketing and Sales of BVR Systems (1998) Ltd., a leading hi-tech company that develops and provides real-time simulation and training systems to leading armies worldwide. Mr. Yavetz holds an M.B.A. from the Executive Program at Tel Aviv University and an LL.B. from the Hebrew University of Jerusalem.

Nir Yehuda joined our executive team in 2011 as the Chief Financial Officer. Mr. Yehuda possesses extensive experience in renewable energy and vast knowledge of accounting, tax and project finance. Prior to joining us, Mr. Yehuda served as a controller at Ormat Technologies Inc. (NYSE: ORA), an international public company operating in the field of geothermal energy. Mr. Yehuda holds an M.A. in Law from Bar-Ilan University and a B.A. in Economics, specializing in accounting, from Ben Gurion University. He is a public accountant, licensed by the Institute of Certified Public Accountants in Israel.

Amit Paz is a Co-founder and Chief Innovation Officer, leading the innovation in the Company. Prior to that, Mr. Paz served as Senior Vice President of Engineering, Contracting and Procurement from 2008 until 2024, leading project design, engineering, equipment procurement and EPC contracts across our project portfolio. Mr. Paz brings decades of experience in renewable energy projects in Israel and abroad. Prior to our establishment, Mr. Paz served as VP Strategic Alliances of Baran Group Ltd. (TLV: BRAN), one of the largest engineering companies in Israel. Mr. Paz holds an M.B.A. from Reichman University and a B.Sc. in Civil Engineering from the Technion (Israel Institute of Technology).

Ilan Goren joined Enlight in 2012 and became a member of our executive team in 2018. Mr. Goren serves as General Manager of Enlight US, overseeing our investment activities and market expansion initiatives in the United States. Prior to his current position, Mr. Goren served as our Vice President of Global Project Development, Israel Business Development and Construction. Mr. Goren holds an M.B.A. from Reichman University and a B.Sc. in Industrial and Management Engineering from Tel Aviv University.

Ayelet Cohen Israeli joined our management team in 2021, serving as Vice President Operations. Prior to joining Enlight, Ms. Cohen Israeli served as the operations division manager at CAL and prior to that she managed Pelephone's headquarters. Ms. Cohen Israeli holds a B.Sc in Industrial Engineering and Management from Ben Gurion University.

Gilad Peled joined our executive team in 2023 and serves as the General Manager of Enlight MENA. Prior to joining Enlight, Mr. Peled held prominent positions in the Israeli Air Force, including commanding the Ramat David base and leading the Control and Operations Unit at the Air Force Headquarters. In addition to his military career, Mr. Peled also served as the CEO of the Jaffa Municipal Development Authority, where he managed strategic development and rehabilitation processes. Mr. Peled holds an M.A. in Political Science with a specialization in National Security from Haifa University and a B.A. in Economics from Tel Aviv University.

Marko Liposcak is serving as the General Manager of Enlight Europe. He joined Enlight's Business Development team in 2017 and has been leading the Company's business development activities in Europe since 2021. With over 15 years of experience in renewable energy, Mr. Liposcak's expertise and track record span management consulting, sales and business development. Prior to joining Enlight, Mr. Liposcak held various sales roles at GE Renewable Energy, refining his skills and knowledge in the field. Mr. Liposcak holds a degree in Power and Energy Engineering from the University of Zagreb.

Lisa Haimovitz joined our executive team in 2023 and serves as our Vice President General Counsel. Ms. Haimovitz has extensive experience in senior executive positions at leading global public companies. Prior to joining us, Ms. Haimovitz served as Vice President and Global General Counsel at Gazit Globe Ltd. and as Senior Vice President and Global General Counsel at ICL Ltd., where she led global teams and cross organizational processes and transactions. Ms. Haimovitz also served as senior officer at the Israel Securities Authority. Ms. Haimovitz holds an M.B.A. in Finance and Accounting from the Recanati School of Business Administration, Tel-Aviv University, and an LL.B. from Tel-Aviv University.

Meron Carr joined Enlight in 2011 and our executive team in 2013, serving as Vice President of Israel Project Development until April 2023. Currently, he serves as Vice President of Strategic Programs. Prior to joining Enlight, Mr. Carr served as the Director of Programs at NICE Systems. Mr. Carr holds an M.B.A. from Reichman University and a B.Sc. in Electrical and Electronics Engineering from Tel Aviv University.

Ziv Shor joined our executive team in 2024 and serves as our General Manager, Projects Execution & Assets Management Division. Prior to joining us, Mr. Shor served as Country Manager at JLL Ltd. from 2018 until 2024. In addition to his role at our Company, Mr. Shor is a lecturer for Real Estate Entrepreneurship at Adelson School of Entrepreneurship at Reichman University, Israel. Mr. Shor holds an Executive M.B.A from the Recanati School of Business Administration, Tel Aviv University, and a B.Sc. in Mechanical Engineering from Tel Aviv University.

Non-Employee Directors

Yair Seroussi has served as the chairman of the Board of Directors since May 2018. Mr. Seroussi serves as the chairman of ZIM Integrated Shipping Services Ltd. (NYSE: ZIM), a global shipping operator. He is currently on the board of directors of Mediterranean Towers Ltd. (TLV: MDTR), Stratasys Ltd. (NASDAQ: SSYS), and Prytek, a technology group in which he served as chairman until December 2024, and now as a director. He is also chairman of Tovanot B'Hinuch (a non-profit organization), and was previously on the board of directors of DSP Group, Inc. Mr. Seroussi brings immense experience to the board room, having served as chairman of Bank Hapoalim, one of Israel's largest banks, and of the Association of Banks in Israel, and having led Morgan Stanley's Israeli operations for over 15 years. In addition to his various professional roles, Mr. Seroussi sits on the Board of Governors at the Hebrew University, Weizmann Institute and the Shenkar College of Engineering, Design and Art, and he acts as chairman of the Eli Hurvitz Institute of Strategic Management at the Tel Aviv University. Mr. Seroussi holds a B.A. in Economics and Political Science from the Hebrew University in Jerusalem.

Liat Benyamini has served as a member of the Board of Directors since April 2021. Ms. Benyamini has served as a director in numerous private and public companies. Ms. Benyamini serves as a partner in Sky Private Equity, one of Israel's largest mid-market private equity funds. Her current board roles include Elspec Engineering Ltd. (TLV: ELSPC) and Fridenson Logistic Services Ltd. (TLV: FRDN). Ms. Benyamini is a Certified Public Accountant. She holds an M.A. in Contemporary Asian Studies and a B.A. degree in Accounting, Statistics and Operations Research, both from Tel Aviv University.

Michal Tzuk has served as a member of the Board of Directors since April 2021. Ms. Tzuk has served as the Chief Business Development Officer at Danel (Adir Yeoshua) Ltd. (TLV: DANE), a company that operates in human resources, nursing, special needs and medicine, since June 2019. Prior to that she served as Senior Deputy Director General and Director of Employment Regulation at (1) the Israeli Ministry of Economy and Industry (f/k/a the Ministry of Industry, Trade and Labor and the Ministry of Economy) from February 2012 to July 2016 and (2) the Israeli Ministry of Labor, Social Affairs and Social Services from August 2016 to January 2018. Ms. Tzuk was previously the Economic Assistant to the Chief Executive Officer of the Tel Aviv Sourasky Medical Center (Ichilov) and held various roles in the budget division of the Israeli Ministry of Finance. Ms. Tzuk currently serves on the board of directors of M.L. Manor Medical Group - Company for Treatment and Surgeries in Israel Ltd. and is a member of the Wexner Foundation's Israeli advisory committee and the public council and the finance committee of Sam Spiegel Jerusalem Film & Television School. She previously served on the board of directors of Future Mobility Israel Ltd. and on various boards of directors and committees of other companies and organizations. Ms. Tzuk holds an LL.B in Law and Economics and an M.B.A both from the Hebrew University of Jerusalem. Ms. Tzuk also graduated from the Wexner Senior Leadership program at the Harvard Kennedy School (Center for Public Leadership, Executive Education, Harvard University).

Alla Felder has served as a member of the Board of Directors since July 2023. Ms. Felder has been serving as the Chief Financial Officer of Weebit Nano Ltd. (ASX: WBT) since 2016. Ms. Felder serves on the boards, including the audit and compensation committees, of several publicly listed companies across several industries, including Ashtrom Properties Ltd. (TASE: ASHG), Israel Shipyards Ltd. (TASE: ISHI), Photomyne Ltd. (TASE: PHTM) and IdoMoo Ltd. (TASE: IDMO). Ms. Felder was a senior manager at PricewaterhouseCoopers and received a B.A. in Business Administration and Accounting from the College of Management Academic Studies Division in Rishon Lezion, Israel and an Executive Master's degree in the Science of Finance from the City University of New York. Ms. Felder is a Certified Public Accountant in Israel.

Dr. Shai Weil has served as a member of the Board of Directors since November 2009. Dr. Weil is an executive and a partner in various companies in the fields of industrial, technology, real estate, trade and services, including Milgam Ltd. (Group), Pango, AllCloud (Group), Minrav Group Ltd. (TLV: MNRV), Essence Partners, Har Tuv Group and Lumen Capital. Dr. Weil serves as the Chairman at Har Tuv Group, Lumen Capital, Essence Partners and Minrav Group Ltd. He is a member of the boards of the Israel Post Company, Aluma (a non-profit organization) and JGIVE (a non-profit organization dedicated to cultivating a culture of philanthropy in Israel). Dr. Weil holds a B.A. in Economics and Business Administration from Bar-Ilan University in Ramat Gan, Israel, an M.S. in Management from Boston University in Massachusetts and a D.P.S. in International Business and Management from Pace University in New York.

Yitzhak Betzalel has served as a member of the Board of Directors since August 2018. In 2014, Mr. Betzalel founded Boss Capital Ltd., an Israeli boutique Investment Banking firm that focuses on infrastructure, energy and real estate transactions in Israel and Europe, where he currently serves as director and Chief Executive Officer. Mr. Betzalel currently serves on the board of directors of Odem Deposits Ltd. and previously served on the board of directors of Odem Finance Ltd. He has also served as a member of the investment committee since 2018 and credit committee since 2019 at Amitim Pension Funds. Mr. Betzalel's prior positions include Chief Executive Officer of Migdal Underwriting and Business Initiatives Ltd., Chief Executive Officer of Odem Funding Ltd, chairman of LabOne Innovations, Deputy to the Chief Executive Officer of Clal Finance Underwriting Ltd., Chief Economist of Clal Israel Ltd., Chief Executive Officer of ByTech Communications Ltd. and Director of Business Development of Clal Tourism Ltd. Mr. Betzalel holds an M.A. in Economics and in Business Administration and a B.A. in Business Administration and Economics from the Hebrew University in Jerusalem.

Zvi Furman has served as member of the Board of Directors since September 2019. He currently serves as chairman of the credit committee of Meitav Dash Provident and Pension Funds Ltd and previously served on the board of directors of Mediterranean Towers Ltd. (TLV: MDTR). Mr. Furman has served on the board of directors of Koret Israel Economic Development Funds since 2011. He previously served as managing partner of KCPS Manof (2009) Ltd., as general manager of Bank Hapoalim in the United States and as general manager of Bank Otsar Hachayal. Mr. Furman holds a B.A. in Economics and Political Science and a M.A. in Business Administration, both from Tel Aviv University.

Board Diversity Matrix

The table below provides certain information regarding the diversity of our board of directors as of the date of this Annual Report.

Board Diversity Matrix **As of the date of this Annual Report**				
Country of Principal Executive Offices:	Israel			
Foreign Private Issuer	Yes			
Disclosure Prohibited under Home Country Law	No			
Total Number of Directors	8			
	Female	**Male**	**Non-Binary/Transgender**	**Did Not Disclose Gender**
Part I: Gender Identity				
Directors	3	5	0	0
Part II: Demographic Background				
Underrepresented Individual in Home Country Jurisdiction	0			
LGBTQ+	0			
Did Not Disclose Demographic Background	1			

B. Compensation

Unless otherwise indicated, the US Dollar exchange rate used in this section refers to the average exchange rate for 2024 reported by the Bank of Israel, which was NIS 3.70 to $1.00.

Directors. Under the Companies Law, the compensation of our directors requires the approval of our compensation committee, the subsequent approval of the board of directors and, unless exempted under the Companies Law and regulations promulgated thereunder, the approval of our shareholders at a general meeting. If the compensation of our directors is inconsistent with our compensation policy, then those provisions that must be included in the compensation policy according to the Companies Law must have been considered by the compensation committee and board of directors, and shareholders' approval will also be required, including:

- at least a majority of the shares held by all shareholders who are not controlling shareholders and do not have a personal interest in such matter, present and voting on such matter, are voted in favour of the compensation package, excluding abstentions; or
- the total number of shares of non-controlling shareholders and shareholders who do not have a personal interest in such matter voting against the compensation package does not exceed 2.0% of the aggregate voting rights in the company.

Our non-employee directors are compensated based on applicable Israeli regulations regarding external director compensation. The aggregate amount paid by the Company to its directors in the year ended December 31, 2024 was approximately NIS 1.86 million (or approximately $0.5 million).

Executive Officers other than the Chief Executive Officer. The Companies Law requires the approval of the compensation of a public company's executive officers (other than the chief executive officer) in the following order: (i) the compensation committee, (ii) the company's board of directors, and (iii) if such compensation arrangement is inconsistent with the company's stated compensation policy, the company's shareholders (by a special majority vote as discussed above with respect to the approval of director compensation that is inconsistent with the compensation policy). However, if the shareholders of the company decline to approve a compensation arrangement with an executive officer that is inconsistent with the company's stated compensation policy, the compensation committee and board of directors may override the shareholders' decision if each of the compensation committee and the board of directors provide detailed reasons for their decision.

An amendment to an existing arrangement with an executive officer requires only the approval of the compensation committee, if the compensation committee determines that the amendment is not material in comparison to the existing arrangement. However, according to regulations promulgated under the Companies Law, an amendment to an existing arrangement with an office holder (who is not a director) who is subordinate to the chief executive officer shall not require the approval of the compensation committee, if (i) the amendment is approved by the chief executive officer, (ii) the company's compensation policy provides that a non-material amendment to the terms of service of an office holder (other than the chief executive officer) may be approved by the chief executive officer and (iii) the engagement terms are consistent with the company's compensation policy.

Chief Executive Officer. Our Chief Executive Officer is responsible for our day-to-day management. Our Chief Executive Officer is appointed by, and serves at the discretion of, our board of directors, subject to the employment agreement that we have entered into with him. All other executive officers are appointed by the Chief Executive Officer, subject to applicable corporate approvals, and are subject to the terms of any applicable employment or consulting agreements that we may enter into with them.

Under the Companies Law, the compensation of a public company's chief executive officer is required to be approved in the following order: (i) the company's compensation committee; (ii) the company's board of directors, and (iii) the company's shareholders (by a special majority vote as discussed above with respect to the approval of director compensation that is inconsistent with the compensation policy). The approval of each of the compensation committee and the board of directors should be in accordance with the company's stated compensation policy; however, in special circumstances, they may approve compensation terms of a chief executive officer that are inconsistent with such policy provided that they have considered those provisions that must be included in the compensation policy according to the Companies Law and that shareholder approval was obtained (by a special majority vote as discussed above with respect to the approval of director compensation that is inconsistent with the compensation policy). However, if the shareholders of the company decline to approve the compensation arrangement with the chief executive officer, the compensation committee and board of directors may override the shareholders' decision if each of the compensation committee and the board of directors provide a detailed report for their decision. In addition, the compensation committee may waive the shareholder approval requirement with regard to the approval of the engagement terms of a candidate for the chief executive officer position if they determine that the compensation arrangement is consistent with the company's stated compensation policy, that the chief executive officer candidate did not have a prior business relationship with the company or a controlling shareholder of the company and that subjecting the approval of the engagement to a shareholder vote would impede the company's ability to employ the chief executive officer candidate. In the event that the chief executive officer candidate also serves as a member of the board of directors, his or her compensation terms as chief executive officer will also be approved in accordance with the rules applicable to approval of compensation of directors.

The aggregate compensation paid by us and our subsidiaries to our directors and executive officers, including share-based compensation expenses recorded in our financial statements, for the year ended December 31, 2024, was approximately $8.6 million. This amount includes deferred or contingent compensation accrued for such year (and excludes deferred or contingent amounts accrued for during the year ended December 31, 2023 and paid during the year ended December 31, 2024). This amount includes approximately $0.39 million set aside or accrued to provide pension, severance, retirement or similar benefits or expenses, but does not include business travel, relocation, professional and business association dues and expenses reimbursed to our directors and executive officers.

During the year ended December 31, 2024, our directors and officers were granted RSUs and options to purchase an aggregate of 528,923 ordinary shares, at a weighted average exercise price of NIS 60.04 per share under the 2010 Plan (as defined below).

The following is a summary of the salary expenses and social benefit costs of our five most highly compensated executive officers in 2024 ("Covered Executives"). All amounts reported reflect the cost to us as recognized in our financial statements for the year ended December 31, 2024:

- Mr. Gilad Yavetz, Chief Executive Officer. Compensation expenses recorded in 2024 of $0.41 million in salary expenses and $0.06 million in social benefits costs.
- Mr. Ilan Goren, General Manager Enlight US. Compensation expenses recorded in 2024 of $0.34 million in salary expenses (including expenses and costs associated with Mr. Goren's relocation to the United States in August 2024) and $0.04 million in social benefits costs.
- Mr. Nir Yehuda, Chief Financial Officer. Compensation expenses recorded in 2024 of $0.33 million in salary expenses (including expenses associated with Mr. Yehuda's relocation to the United Kingdom during 2023, and excluding relocation expenses that were paid to Mr. Yehuda in 2024 retroactively for 2023 of $0.03 million) and $0.04 million in social benefits costs.
- Ms. Lisa Haimovitz, Vice President General Counsel. Compensation expenses recorded in 2024 of $0.26 million in salary expenses and $0.04 million in social benefits costs.
- Mr. Gilad Peled, General Manager Enlight MENA. Compensation expenses recorded in 2024 of $0.24 million in salary expenses and $.0.05 million in social benefits costs.

The salary expenses summarized above include the gross salary paid to the Covered Executives, and the benefit costs include, as applicable, the social benefits paid by us on behalf of the Covered Executives, convalescence pay, contributions made by the company to an insurance policy or a pension fund, work disability insurance, severance, educational fund and payments for social security.

In accordance with our compensation policy, we also pay cash bonuses to our Covered Executives upon compliance with predetermined performance parameters as set by the compensation committee and the board of directors. The cash bonus and commissions expenses expected to be paid for the year 2024 for Mr. Gilad Yavetz, Mr. Ilan Goren, Mr. Nir Yehuda Ms. Lisa Haimovitz and Mr. Gilad Peled are $0.26 million, $0.11 million, $0.11 million, $0.10 million and $0.09 million, respectively.

We recorded share-based compensation expenses in our financial statements for the year ended December 31, 2024 for Mr. Gilad Yavetz, Mr. Ilan Goren, Mr. Nir Yehuda Ms. Lisa Haimovitz and Mr. Gilad Peled of $0.82 million, $0.50 million, $0.36 million, $0.41 million and $0.41 million, respectively.

All share-based compensation grants to our Covered Executives were made in accordance with the parameters of our compensation policy and were approved by the company's compensation committee and board of directors. Assumptions and key variables used in the calculation of such amounts are described in Note 19 to our audited consolidated financial statements included elsewhere in this Annual Report.

In April 2024, our shareholders approved in a special general meeting certain amendments to our compensation policy (the "Special General Meeting"). In addition, our shareholders approved at the Special General Meeting the following proposals related to compensation of our directors and officers:

- amended terms of engagement with and the grant of 87,023 restricted share units ("RSUs") to our Chief Executive Officer, Gilad Yavetz, with the principal terms of engagement consisting of gross monthly compensation in the amount of NIS 108,000 per month (reflecting an annual employer's cost in the amount of approximately NIS 1,664 thousand), effective as of January 1, 2024, and an annual bonus cap of up to 10 monthly salaries (excluding a discretionary bonus and a bonus for outstanding performance). The RSUs, which would be granted under the Company's 2010 Plan, would vest in four equal annual installments of 25% so long as Mr. Yavetz serves as an officer of the Company, with the first installment to vest a year from the grant date and an additional 25% to vest on each annual anniversary of the vesting date thereafter.

- the grant of 14,233 RSUs to the chairman of our board of directors, Yair Seroussi. The RSUs, which would be granted under the Company's 2010 Plan, would vest in four equal annual installments of 25%, with the first installment to vest a year from the grant date and an additional 25% to vest on each annual anniversary of the vesting date thereafter.

- the grant of 5,112 RSUs to each of the other six non-executive members of our board of directors (excluding the chairman of our board of directors). The RSUs, which would be granted under the Company's 2010 Plan, would vest in three equal annual installments of 33 1/3%, with the first installment to vest a year from the grant date and an additional 33 1/3% to vest on each annual anniversary of the vesting date thereafter.

- the issuance of an exemption letter to our Chief Executive Officer, Gilad Yavetz, and each of our directors, exempting them from liability towards the Company under certain limited circumstances.

The amended compensation policy and proposals related to compensation of our directors and officers are described in greater detail in the notice and proxy statement with respect to the Special General Meeting, which were filed with the SEC on March 1, 2024, and the Current Reports on Form 6-K filed with the SEC on March 28, 2024 and April 8, 2024, and are available at www.sec.gov.

In August 2021, our shareholders approved compensation for the chairman of our board of directors, Mr. Seroussi, which consists of (a) a cash payment of NIS 600,000 (or approximately $0.162 million) per year and (b) a grant of 142,000 options for no consideration, with an exercise price of NIS 71.89 (or approximately $19.4 based on the BOI Exchange Rate), which was equal to the average trading price of our ordinary shares on the TASE in the 30-day period prior to the grant, plus a premium as provided in our compensation policy. The options vest over a period of four years and are exercisable on a cashless basis. Mr. Seroussi is required to dedicate the equivalent of 40.0% of the time required by a full-time position to his role as chairman of our board of directors.

Additionally, we annually pay to each of our other non-employee directors (excluding the chairman of our board of directors) a cash retainer of up to NIS 99,880 (or approximately $27,000 based on the BOI Exchange Rate) with an additional payment for service on board committees of NIS 3,715 (or approximately $1,004 based on the BOI Exchange Rate) per committee meeting.

Employment agreements with executive officers and directors

We have entered into written employment agreements with each of our executive officers. These agreements generally provide for notice periods of varying duration for termination of the agreement by us or by the relevant executive officer, during which time the executive officer will continue to receive salary and benefits. These agreements also contain customary provisions regarding non-competition, non-solicitation, confidentiality of information and assignment of inventions. However, the enforceability of the non-competition provisions may be limited under applicable law.

Equity Awards. Since our inception, we have granted options to purchase our ordinary shares and, since 2024, RSUs to our executive officers and our directors. Our board of directors recently approved the cancellation of certain vested and unvested share options previously granted to employees and officers of the Company and the replacement thereof with RSUs. For more details, see Item 6.B. "Compensation."

Exculpation, Indemnification and Insurance. Our Articles of Association permit us to exculpate, indemnify and insure our office holders to the fullest extent permitted by the Companies Law. We have entered into agreements with each of our directors and executive officers, undertaking to indemnify them to the fullest extent permitted by law. This indemnification is limited to events determined as foreseeable by the board of directors based on our activities, and to an amount or according to criteria determined by the board of directors as reasonable under the circumstances.

The maximum indemnification amount set forth in such agreements is limited to an amount equal to 25% of our equity (excluding minority rights) as reflected in our most recent audited or reviewed financial statements prior to the date on which the indemnity payment is made. The indemnity will be given in the amount equal to the difference between the amount of the financial liability, in accordance with the indemnification agreements, and any amount paid (if paid) under directors and office holders insurance. In April 2024, our shareholders approved at the Special General Meeting the issuance of an exemption letter to our Chief Executive Officer, Gilad Yavetz, and each of our directors, exempting them from liability towards the Company under certain limited circumstances. See Item 6.B "Compensation."

Share option plans

2010 Plan

The 2010 Plan was adopted by our board of directors on February 4, 2010, and has been extended since then from time to time. In August 2023, the 2010 Plan was amended by the board of directors to authorize the grant of RSUs. Following such amendment, the 2010 Plan provides for the grant of options and RSUs to our employees, officers, directors, consultants and other service providers of ours and our subsidiaries in order to incentivize them to become, and to remain, employed or engaged by us, encouraging a sense of proprietorship and stimulating active interest in our success.

Authorized Shares. The maximum aggregate number of options that may be issued under the 2010 Plan and its U.S. Sub-Plan (as defined below) is 15,000,000. As of March 15, 2025, there were 5,570,352 ordinary shares available for issuance under the 2010 Plan. Ordinary shares subject to options or RSUs granted under the 2010 Plan that are not exercised by the grantee within the exercise period and in accordance with the terms of the 2010 Plan shall become available again for future grant under the 2010 Plan.

Administration. Our board of directors administers the 2010 Plan (the "Administrator"). Under the 2010 Plan, the Administrator has the sole authority, subject to applicable law, to interpret the terms of the 2010 Plan and any notices of awards granted thereunder, designate recipients of awards, designate the amount of awards and elect the Israel tax track with respect to such awards, determine and amend the terms of awards, including the exercise price of an award and the vesting schedule applicable to such award, accelerate or amend the vesting schedule applicable to an award, prescribe the forms of agreement for use under the 2010 Plan and take any other action and/or determination deemed by the Administrator to be required or advisable for the administration of the 2010 Plan.

Eligibility. The 2010 Plan provides for granting awards under the Israeli tax regime, including, without limitation, in compliance with Section 102 ("Section 102"), of the Israeli Income Tax Ordinance (New Version), 5721-1961 (the "Ordinance"), and Section 3(i) of the Ordinance.

Section 102 of the Ordinance allows employees, directors and officers who are not controlling shareholders (as such term is defined at the Ordinance) and are Israeli residents for tax purposes to receive favourable tax treatment for compensation in the form of shares or options. Our non-employee service providers and controlling shareholders (as such term is defined at the Ordinance) who are considered Israeli residents for tax purposes may only be granted options and RSUs under Section 3(i) of the Ordinance, which does not provide for similar tax benefits. Section 102 includes two alternatives for tax treatment involving the issuance of options or shares to a trustee for the benefit of the grantees and also includes an additional alternative for the issuance of options or shares directly to the grantee. Section 102(b)(2) of the Ordinance, the most favourable tax treatment for the grantee, permits the issuance to a trustee under the "capital gain track."

For non-Israeli grantees, the 2010 Plan provides for granting awards under the applicable law of the grantee's jurisdiction, including the applicable tax regime.

Grant. All awards granted pursuant to the 2010 Plan are evidenced by an agreement in a form approved by the Administrator, which shall set forth the terms and conditions of the awards, and any other documents that we require. Each option will expire, unless stated otherwise in the option agreement, at the earlier of (i) the expiration of the 2010 Plan or (ii) six months following the date of the termination of a grantee's employment or service for any reason, subject to certain conditions. RSUs will expire as shall be determined by the board of directors and set forth in the applicable agreement.

Subject to the conditions of the 2010 Plan, options vest and become exercisable under the schedule set forth in the option agreements, subject to the option holder's continued service with us or one of our subsidiaries through the applicable vesting date. RSUs, which may be allocated based on performance, operational and financial targets, will vest and become exercisable as shall be determined by the board of directors and set forth in the applicable agreement.

Exercise. An option under the 2010 Plan may be exercised by providing us with a written notice of exercise and the options are exercised, subject to the Administrator's discretion, on a "cashless exercise" basis. Cashless exercise procedures are also governed by a specific tax ruling issued to us by the ITA. The exercise price of each option grant is usually determined based on the average market price during the 30-day period prior to the grant, plus a reasonable premium determined in advance by our board of directors.

Transferability. Other than by will or the laws of descent or as otherwise provided under the 2010 Plan, neither the awards nor any right in connection with such awards are assignable or transferable, until the end of any applicable lock-up period relating to Israeli tax requirements.

Termination of employment. Upon the termination of a grantee's employment or service for any reason, the grantee will have a limited period to exercise only vested awards, and all unvested awards shall immediately expire and terminate. In the event of termination of a grantee's employment or service in the case of death or disability, all vested and exercisable awards held by such grantee as of the date of termination shall expire at the earlier of (i) the expiration date of such vested awards or (ii) 12 months following the date of such termination. In the event of termination of employment or service under certain circumstances such as certain criminal convictions, material breaches of discipline or breaches of fiduciaries such awards will expire without conferring any rights to the grantee.

Adjustments. In the event of a share split, reverse share split, share dividend, rights issue or distribution of bonus shares, we shall make a proportionate adjustment in the number of shares related to each outstanding award and to the number of shares reserved for issuance under the 2010 Plan, whose determination shall be final and binding.

Merger or acquisition. In the event of a merger with or into another corporation or a sale of all or substantially all of our assets or our ordinary shares (such merger or sale, a "Merger Transaction"), the surviving or acquiring entity, as the case may be, may either assume our rights and obligations pursuant to awards granted under the 2010 Plan or provide an award of equivalent value in the surviving or acquiring entity, as the case may be. In the event that no such assumption or substitution occurs, grantees shall have 30 days from the date provided in the Administrator's notice to such grantees to exercise vested or unvested awards, after which all such awards shall expire. Awards granted to certain of our officers, as well as awards granted under certain of our U.S. awards agreements, have acceleration rights with respect to change of control and delisting events.

U.S. Sub-Plan to the 2010 Plan

The U.S. Sub-Plan to the 2010 Plan was adopted by our board of directors on November 7, 2021 and amended on August 8, 2023 (the "U.S. Sub-Plan"). The U.S. Sub-Plan is an addendum to the 2010 Plan and provides for the grant of options and RSUs to eligible persons in the United States or who are or may be subject to U.S. taxes. Except as modified by the U.S. Sub-Plan, all provisions of the 2010 Plan are incorporated into the U.S. Sub-Plan as if fully set forth therein.

RSUs. RSUs granted pursuant to the U.S. Sub-Plan will vest at such times and upon such terms as are determined by the Administrator, which may include upon the completion of a specified period of service with the Company or subsidiary and/or be based upon the achievement of performance goals during a performance period as set out in advance in the grantee's RSU agreement.

Criteria for options granted pursuant to the U.S. Sub-Plan include the following:

Eligibility. Options shall be exempt from or comply with Section 409A of the Code. Each option shall be designated as either an incentive share option within the meaning of Section 422(b) of the Code or a nonstatutory share option. Nonstatutory share options may be granted to employees and officers. Incentive share options may only be granted to our employees, a parent or a subsidiary.

Post-termination exercises. To retain treatment as an incentive share option, such option must be exercised within three months after termination of employment, unless such termination of employment is due to death or disability (as defined in Section 22(e)(3) of the Code), in which case the option must be exercised within 12 months after termination of employment. In the event of death within three months following termination of employment, such option must be exercised within 12 months following the date of death to retain incentive share option status.

Exercise price. The exercise price of each option issued under the U.S. Sub-Plan shall be such price as is determined by the Administrator provided that, if the exercise price is less than 100% of the Fair Market Value (as defined in the U.S. Sub-Plan) of the ordinary shares on the date of grant, it shall otherwise comply with applicable laws, including Section 409A of the Code. In the case of an incentive share option granted to an employee who is also a 10% shareholder, meaning a person who owns shares representing more than 10% of the voting power of our ordinary shares, the exercise price shall be no less than 110% of the Fair Market Value of the ordinary shares on the date of grant; in the case of any other employee, shall be no less than 100% of such Fair Market Value.

Exercise. The exercise of options will generally be executed on a "cashless exercise" basis, as set out in the U.S. Sub-Plan.

Term. The term of each option shall be no more than 10 years from the date of grant or such shorter term as may be provided in the option agreement and, in the case of an incentive share option granted to a person who is a 10% shareholder, the term of the option shall be five years from the date of grant or such shorter term as may be provided in the option agreement. In practice, we have provided a term of seven years for all options granted to date.

Option exchange plan

On February 12, 2025, our board of directors approved the cancellation of certain vested and unvested share options previously granted to employees and officers of the Company, including our chairman of the board and CEO, who agree to the cancellation of such options, and the replacement thereof with RSUs (the "Option Exchange Plan"). The fair value of RSUs received will approximately equal 70% of the fair value of the options cancelled (as determined by an independent valuation firm) based on the fair value of the Company's ordinary shares at the time of the award of the RSUs. The RSUs will vest over a three-year period, with one third vesting on each of the first, second and third anniversary dates of each grant.

Although all employees and officers of the Company may apply for participation, the Option Exchange Plan will be limited to the grant of a total of 400,000 RSUs to employees who are not also officers of the Company. Participation in the Option Exchange Plan by officers is subject to approval by the compensation committee and board of directors and, with respect to our chairman of the board and CEO, to the additional approval by a special general meeting of shareholders.

The board of directors approved the Option Exchange Plan in order to further motivate employees and officers to deliver the important strategic and operational initiatives of our Company and to reduce dilutive overhang on the Company's stock. There are not expected to be any incremental compensation expenses associated with the Option Exchange Plan.

C. Board Practices

Corporate Governance Practices

As an Israeli company, we are subject to various corporate governance requirements under the Companies Law. However, pursuant to regulations promulgated under the Companies Law, companies with shares traded on certain U.S. stock exchanges, including Nasdaq, may, subject to certain conditions, "opt out" from the Companies Law requirements to appoint external directors and related rules concerning the composition of the audit committee and compensation committee of the board of directors (other than the gender diversification rule under the Companies Law, which requires the appointment of a director from the other gender if, at the time a director is appointed, all members of the board of directors are of the same gender). In accordance with these regulations, we have elected to "opt out" from such requirements of the Companies Law. Under these regulations, the exemptions from such Companies Law's requirements will continue to be available to us so long as we comply with the following: (i) we do not have a "controlling shareholder" (as such term is defined under the Companies Law), (ii) our shares are traded on certain U.S. stock exchanges, including Nasdaq, and (iii) we comply with the director independence requirements and the requirements regarding the composition of the audit committee and the compensation committee under U.S. laws (including applicable Nasdaq rules) applicable to U.S. domestic issuers.

We are a "foreign private issuer" (as such term is defined in Rule 3b-4 under the Exchange Act). As a foreign private issuer, we are permitted to comply with Israeli corporate governance practices instead of the corporate governance rules of Nasdaq, provided that we disclose which requirements we are not following and the equivalent Israeli requirement. As a foreign private issuer, we are exempt under the Exchange Act from, among other things, the rules prescribing the furnishing and content of proxy statements, and our officers, directors and principal shareholders are exempt from the reporting and short-swing profit recovery provisions contained in Section 16 of the Exchange Act. In addition, we are not required under the Exchange Act to file periodic reports and financial statements with the SEC as frequently or as promptly as U.S. companies whose securities are registered under the Exchange Act. For more information regarding our corporate governance practices and foreign private issuer status, see Item 16.G. "Corporate Governance."

Board of Directors

Under the Companies Law and our Articles of Association, our business and affairs are managed under the direction of our board of directors. Our board of directors may exercise all powers and may take all actions that are not specifically granted to our shareholders or to executive management.

Under our Articles of Association, our board of directors must consist of not less than five and no more than 13 directors. Our Articles of Association do not contain provisions relating to retirement of directors upon reaching any age limit. Our board of directors currently consists of eight directors.

Under our Articles of Association, a vote of the holders of at least 65% of our outstanding shares entitled to vote at a general meeting of shareholders is generally required to remove a director from office, except that a simple majority will be required if a single shareholder holds more than 50% of the voting rights in the Company. Vacancies on our board of directors, including a vacancy due to the number of directors being less than the maximum number of directors stated in our Articles of Association, may be filled by a unanimous resolution of the directors then in office. A director so appointed will hold office until the next annual general meeting of our shareholders.

Chairperson of the Board

Our Articles of Association provide that the chairperson of our board of directors is appointed by our board of directors from among its members. Under the Companies Law, the chief executive officer of a public company, or a relative of the chief executive officer, may not serve as the chairperson of the board of directors of such public company, and the chairperson of the board of directors, or a relative of the chairperson, may not be vested with authorities of the chief executive officer of such public company without shareholders' approval consisting of a majority vote of the shares present and voting at a shareholders meeting, and in addition, either:

- at least a majority of the shares of non-controlling shareholders and shareholders that do not have a personal interest in the approval voted on the proposal are voted in favour (disregarding abstentions); or
- the total number of shares of non-controlling shareholders and shareholders who do not have a personal interest in such appointment that are voted against such appointment does not exceed 2% of the aggregate voting rights in the company.

The shareholders' approval can be provided for a period of up to three years.

In addition, a person who is subordinate, directly or indirectly, to the chief executive officer may not serve as the chairperson of the board of directors; the chairperson of the board of directors may not be vested with authorities that are granted to persons who are subordinated to the chief executive officer; and the chairperson of the board of directors may not serve in any other position in the company or in a controlled subsidiary but may serve as a director or chairperson of a controlled subsidiary.

Director Independence

Our board of directors has undertaken a review of the independence of each director. Based on information provided by each director concerning his or her background, employment, and affiliations, our board of directors has determined that none of our current directors have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director and that each of these directors is "independent" as that term is defined in the rules of Nasdaq, except Gilad Yavetz who is not independent by virtue of being our chief executive officer. In making these determinations, our board of directors considered the current and prior relationships that each non-employee director has with our company and all other facts and circumstances our board of directors deemed relevant in determining their independence, including the beneficial ownership of our share capital by each non-employee director, and the transactions involving them described in Item 6. "Directors, Senior Management and Employees" and in Item 7 "Major Shareholders and Related Party Transactions."

Committees of our Board of Directors

Our board of directors has established the following committees. Each committee operates in accordance with a written charter that sets forth the committee's structure, operations, membership requirements, responsibilities and authority to engage advisors, among other duties, as required by Nasdaq listing standards applicable to U.S. domestic listed companies. Members serve on these committees until their resignation or until otherwise determined by our board of directors. Our board of directors may establish other committees as it deems necessary or appropriate from time to time. We have elected to opt out from the Companies Law rules concerning the composition of the audit committee and compensation committee, and have instead elected to comply the audit committee and compensation committee composition requirements of Nasdaq applicable to U.S. domestic listed companies.

Audit Committee

Companies Law Requirements

Under the Companies Law, the board of directors of a public company must establish an audit committee. The audit committee must consist of at least three directors. The responsibilities of an audit committee under the Companies Law include identifying and addressing flaws in the business management of the company, reviewing and approving related party transactions, establishing whistleblower procedures, overseeing the company's internal audit system and the performance of its internal auditor and assessing the scope of the work and recommending the fees of the company's independent accounting firm. In addition, the audit committee is required to determine whether certain related party actions and transactions are "material" or "extraordinary" for the purpose of the requisite approval procedures under the Companies Law and to establish procedures for considering proposed transactions with a controlling shareholder. The audit committee also establishes an annual and multi-year work plan for the internal auditor and is responsible for monitoring our risk management system, with the assistance of the internal auditor.

Listing Requirements

In accordance with U.S. law and Nasdaq requirements, our audit committee is also responsible for the appointment, compensation and oversight of the work of our independent auditors and for assisting our board of directors in monitoring our financial statements, the effectiveness of our internal controls and our compliance with legal and regulatory requirements.

Our audit committee consists of Liat Benyamini, Yitzhak Betzalel and Zvi Furman, with Liat Benyamini acting as the chairperson. All of the members of our audit committee are independent as such term is defined under the Nasdaq corporate governance rules and under Rule 10A-3(b)(1) under the Exchange Act, which is different from the general test for independence of board and committee members. Our board of directors has determined that all members of our audit committee are financially literate as determined in accordance with Nasdaq rules and that Liat Benyamini qualifies as "audit committee financial expert" as defined by SEC rules. Liat Benyamini, Yitzhak Betzalel and Zvi Furman were determined by our board of directors to have financial and accounting expertise, as provided in the Companies Law. Our board of directors has determined that each member of our audit committee is "independent".

Audit Committee Role

Our board of directors has adopted an audit committee charter setting forth the responsibilities of the audit committee consistent with the Companies Law, the SEC rules and Nasdaq corporate governance rules, which include, among others:

- overseeing the accounting and financial reporting processes of the Company and audits of our financial statements and the effectiveness of our internal control over financial reporting, and making such reports as may be required of an audit committee under the rules and regulations promulgated under the Exchange Act; appointing, compensating, retaining and overseeing the work of our independent auditors, subject to ratification by the board of directors, and in the case of appointment, to ratification by the shareholders;
- pre-approving audit and non-audit services to be provided by the independent auditors and related fees and terms;
- reviewing with management and our independent auditor our annual and interim financial statements prior to publication or filing (or submission, as the case may be) to the SEC;
- recommending to the board of directors the retention and termination of the internal auditor and the internal auditor's engagement fees and terms, in accordance with the Companies Law, approving the yearly or periodic work plan proposed by the internal auditor and examining whether the internal auditor was afforded all required resources to perform its role;
- reviewing with our general counsel and/or external counsel, as deemed necessary, legal and regulatory matters that could have a material impact on the financial statements;
- identifying irregularities in our business administration by, among other things, consulting with the internal auditor or with the independent auditor, and suggesting corrective measures to the board of directors;
- reviewing policies and procedures with respect to transactions between the Company and officers and directors (other than transactions related to the compensation or terms of service of the officers and directors), or affiliates of officers or directors, or transactions that are not in the ordinary course of the Company's business and deciding whether to approve such acts and transactions if so required under the Companies Law; and
- establishing procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters, and for the submission by Company employees of concerns regarding questionable accounting or auditing matters.

Compensation Committee

Companies Law Requirements

Under the Companies Law, the board of directors of a public company must appoint a compensation committee. The Companies Law provides that a compensation committee must consist of at least three directors. The responsibilities of a compensation committee under the Companies Law include, among other things, recommending to the board of directors, for ultimate shareholder approval by a special majority once every three years, a policy governing the compensation of directors and officers based on specified criteria, reviewing modifications to and implementing such compensation policy from time to time, approving the actual compensation terms of directors and officers prior to approval by the board of directors and exempting, under certain circumstances, transactions with our chief executive officer from the approval of the annual general meeting of our shareholders.

Listing Requirements

Under the Nasdaq corporate governance rules, we are required to maintain a compensation committee consisting of at least two independent directors. In accordance with Nasdaq requirements, our compensation committee is also responsible for, among other things, retaining compensation consultants considering the independence of any compensation adviser before selecting or receiving advice from such adviser.

Our compensation committee consists of Liat Benyamini, Dr. Shai Weil, Michal Tzuk and Yitzhak Betzalel, with Liat Benyamini acting as the chairperson. Our board of directors has determined that each member of our compensation committee is independent under Nasdaq corporate governance rules, including the additional independence requirements applicable to the members of a compensation committee.

Compensation Committee Role

In accordance with the Companies Law, the roles of the compensation committee are, among others, as follows:

- recommending to the board of directors the approval of the compensation policy for office holders and, once every three years, regarding any extensions to a compensation policy that was adopted for a period of more than three years;
- monitoring the implementation of the compensation policy and periodically making recommendations to the board of directors with respect to any amendments or updates of the compensation policy;
- resolving whether or not to approve arrangements with respect to the terms of office and employment of office holders; and
- exempting, under certain circumstances, transactions with our chief executive officer from the approval of our shareholders.

Our board of directors has adopted a compensation committee charter setting forth the responsibilities of the committee, consistent with the Companies Law and the corporate governance rules of Nasdaq, which include among others:

- from time to time, reviewing the implementation of our compensation policy in accordance with the requirements of the Companies Law as well as other compensation policies, incentive-based compensation plans and equity-based compensation plans (insofar as these relate to office holders in the Company), and overseeing the development and implementation of such policies and recommending to our board of directors any amendments or modifications the committee deems appropriate, including as required under the Companies Law;
- reviewing and approving the employment terms of our office holders, including granting of options and other incentive awards and reviewing and approving corporate goals and objectives relevant to the compensation of our executive officers, including evaluating their performance in light of such goals and objectives; and approving transactions regarding office holders' compensation pursuant to the Companies Law and exempting certain transactions with our Chief Executive Officer from the approval of the general meeting of our shareholders pursuant to the Companies Law.

An "office holder" is defined in the Companies Law as a general manager, chief business manager, deputy general manager, vice general manager, any other person assuming the responsibilities of any of these positions regardless of such person's title, a director and any other manager directly subordinate to the general manager. Certain of the persons listed in the table under the section titled "Management-Executive Officers and Directors" are office holders under the Companies Law.

Our board of directors has adopted a compensation committee charter setting forth the responsibilities of the committee, which are consistent with Nasdaq corporate governance rules and the Companies Law, and include among others:

- recommending to our board of directors for its approval a compensation policy in accordance with the requirements of the Companies Law as well as other compensation policies, incentive-based compensation plans and equity-based compensation plans, and overseeing the development and implementation of such policies and recommending to our board of directors any amendments or modifications the committee deems appropriate, including as required under the Companies Law;
- establishing annual goals and objectives for the Company's Chief Executive Officer and the other executive officers, and assisting the Board in discharging its responsibilities relating to the compensation of the Company's Chief Executive Officer and other executive officers and the overall compensation;
- reviewing and making recommendations to the Board regarding director compensation;
- approving and exempting certain transactions regarding office holders' compensation pursuant to the Companies Law; and
- administering our equity-based compensation plans, including without limitation, approving the adoption of such plans, amending and interpreting such plans and the awards and agreements issued pursuant thereto, and making awards to eligible persons under the plans and determining the terms of such awards.

Compensation Policy under the Companies Law

Under the Companies Law, a public company must have a compensation policy approved by the board of directors after receiving and considering the recommendations of the compensation committee. Our compensation policy must be approved at least once every three years, first, by our board of directors, upon recommendation of our compensation committee, and second, by a simple majority of the ordinary shares present, in person or by proxy, and voting at a shareholders meeting, provided that either:

- at least a majority of the shares of non-controlling shareholders and shareholders that do not have a personal interest in the approval, which are voted at the meeting, are voted in favour (disregarding abstentions); or

- the total number of shares of non-controlling shareholders and shareholders who do not have a personal interest in the approval, which are voted against such approval, does not exceed 2% of the aggregate voting rights in the company.

Under special circumstances, the board of directors, after receipt of the recommendation of the compensation committee, may approve the compensation policy despite the objection of the shareholders provided that the compensation committee, and then the board of directors, decide, on the basis of detailed grounds and after further discussion of the compensation policy, that approval of the compensation policy, despite the objection of the meeting of shareholders, is for the benefit of the company.

The compensation policy must be based on certain considerations, include certain provisions and reference certain matters as set forth in the Companies Law.

The compensation policy must serve as the basis for decisions concerning the financial terms of employment or engagement of our "office holders," including exculpation, insurance, indemnification or any monetary payment or obligation of payment in respect of employment or engagement. The compensation policy must be determined and later reevaluated according to certain factors, including: the advancement of the company's objectives, business plan and long-term strategy; the creation of appropriate incentives for office holders, while considering, among other things, the company's risk management policy; the size and the nature of its operations; and with respect to variable compensation, the contribution of the office holders to the achievement of the company's long-term goals, and the maximization of its profits, all with long-term objectives in mind and according to the position of the office holders. An "office holder" is defined in the Companies Law as a general manager, chief business manager, deputy general manager, vice general manager, any other person assuming the responsibilities of any of these positions regardless of such person's title, a director and any other manager directly subordinate to the general manager.

The compensation policy must also be based on the following additional factors:

- the education, skills, experience, expertise and accomplishments of the relevant office holder;

- the office holder's position, responsibilities and prior compensation agreements with him or her;

- the ratio between the cost of the terms of employment of an office holder and the cost of the employment of other employees of the company, including employees employed through contractors who provide services to the company, in particular the ratio between such cost to the average and median salary of such employees of the company, as well as the impact of disparities between them on the work relationships in the company;

- if the terms of employment include variable components—the possibility of reducing variable components at the discretion of the board of directors and the possibility of setting a limit on the value of non-cash variable equity-based components; and

- if the terms of employment include severance compensation—the term of employment or office of the office holder, the terms of his or her compensation during such period, the company's performance during such period, his or her individual contribution to the achievement of the company goals and the maximization of its profits, and the circumstances under which he or she is leaving the company.

The compensation policy must also include, among other features:

- with regard to variable components:
  - with the exception of office holders who report directly to the chief executive officer, means of determining the variable components on a long-term performance basis and on measurable criteria; however, the company may determine that an immaterial part of the variable components of the compensation package of an office holder shall be awarded based on non-measurable criteria, if such amount is not higher than three months' salary per annum, while taking into account such office holder's contribution to the company; and
  - the ratio between variable and fixed components, as well as the limit of the values of variable components at the time of their payment, or in the case of equity-based compensation, at the time of grant.
- a clawback provision pursuant to which the officer will return to the company, according to conditions to be set forth in the compensation policy, any amounts paid as part of his or her terms of employment, if such amounts were paid based on information later to be discovered to be wrong, and such information was restated in the company's financial statements;
- the minimum holding or vesting period of variable equity-based components to be set in the terms of office or employment, as applicable, while taking into consideration long-term incentives; and
- a limit to retirement grants.

Our compensation policy

Our compensation policy is designed to promote retention and motivation of directors and executive officers, incentivize superior individual excellence, align the interests of our directors and executive officers with our long-term performance, and provide a risk management tool. To that end, a portion of an executive officer's compensation package is targeted to reflect our short and long-term goals, as well as the executive officer's individual performance. On the other hand, our compensation policy includes measures designed to reduce the executive officer's incentives to take excessive risks that may harm us in the long-term, such as limits on the value of cash bonuses and equity-based compensation, limitations on the ratio between the variable and the total compensation of an executive officer, and minimum vesting periods for equity-based compensation.

Our compensation policy takes into account the characteristics of our business, our business strategy and objectives, our field of activity and our desire to ensure the recruitment and retention of quality officers.

Our compensation policy also addresses our executive officers' individual characteristics (such as his or her respective position, education, scope of responsibilities and contribution to the attainment of our goals) as the basis for compensation variation among our executive officers and considers the internal ratios between compensation of our executive officers and directors and other employees. Pursuant to our compensation policy, the compensation that may be granted to an executive officer may include: base salary, annual bonuses and other cash bonuses (such as retention bonuses and special bonuses with respect to any special achievements, such as outstanding personal achievement, outstanding personal effort, or outstanding company performance), equity-based compensation, benefits, and retirement and termination of service arrangements. All cash bonuses are limited to a maximum amount linked to the executive officer's base salary.

An annual cash bonus may be awarded to executive officers other than our chief executive officer upon the attainment of pre-set periodic objectives and individual and Company targets determined annually by our compensation committee and board of directors. The annual cash bonus that may be granted to our executive officers other than our chief executive officer will be based on performance objectives and a discretionary evaluation of the executive officer's overall performance. The annual cash bonus that may be granted to executive officers other than our chief executive officer may alternatively be based entirely on a discretionary evaluation.

The measurable performance objectives of our chief executive officer will be determined annually by our compensation committee and board of directors. With respect to the chief executive officer, the pre-set periodic objectives and individual targets may be set as Company objectives and targets only. Furthermore, a non-material portion of the chief executive officer's annual cash bonus, as provided in our compensation policy, may be based on a discretionary evaluation of the chief executive officer's overall performance.

The equity-based compensation under our compensation policy for our executive officers (including members of our board of directors) is designed in a manner consistent with the underlying objectives in determining the base salary and the annual cash bonus, with its main objectives being to enhance the alignment between the executive officers' interests with our long-term interests and those of our shareholders and to strengthen the retention and the motivation of executive officers in the long-term. Our compensation policy provides for executive officer compensation in the form of share options and RSUs in accordance with our share incentive plan then in place. All equity-based incentives granted to executive officers shall be subject to vesting periods in order to promote long-term retention of the awarded executive officers.

In addition, our compensation policy contains compensation recovery, or clawback, provisions in the event of an accounting restatement, which allow us under certain conditions to recover bonuses, bonus compensation or performance-based equity compensation paid in excess, enables our chief executive officer to approve an immaterial change in the terms of employment of an executive officer who reports directly him (provided that the changes of the terms of employment are in accordance with our compensation policy) and allows us to indemnify and insure our executive officers and directors to the maximum extent permitted by Israeli law, subject to certain limitations set forth therein.

Our compensation policy also provides for compensation (including annual compensation, participation compensation, reimbursement of expenses and equity-based compensation) to the members of our board of directors, and where applicable, subject to the Israeli Companies Regulations (Rules Regarding Compensation and Expenses to an External Director), 5760-2000. In developing the compensation policy, we considered various factors as required by the Companies Law, including:

- advancing our goals, work plan and policies in the long-term;
- creating appropriate incentives for our officers, taking into account, among other things, our risk management policy;
- the high level of responsibility and complexity of the role of our officers;
- our size, our profitability and the nature of our activities; and
- the contribution of the office holder to the achievement of our goals and attaining profits, with a long-term perspective and in accordance with the position of the office holder.

In addition, when determining the terms of compensation for officers, the compensation committee and the board of directors may set additional relevant criteria beyond the detailed and mandatory guidelines required by the Companies Law, taking into account our particular situation and our plans.

Our compensation policy was amended in April 2024 by our shareholders at the Special General Meeting and is set forth in Exhibit 4.7 to this Annual Report. See Item 6.B "Compensation."

Clawback Policy

On October 2, 2023, we adopted a Policy for Recovery of Erroneously Awarded Compensation that complies with the SEC requirements for Nasdaq listed companies (the "Clawback Policy"). The Clawback Policy is set forth in Exhibit 99.7 to this Annual Report.

Nominating Committee

The Companies Law does not require us to have a nominating committee. However, our board of directors has decided to form a nominating committee, which is responsible for identifying individuals qualified to become board members consistent with criteria approved by our board of directors and recommend that the board of directors approve our director nominees.

Our nominating committee consists of Yair Seroussi, Gilad Yavetz and Zvi Furman, with Yair Seroussi acting as the chairperson.

Environmental, Social and Governance Committee

Our environmental, social and governance committee consists of Zvi Furman, Michal Tzuk, Liat Benyamini and Alla Felder, with Zvi Furman acting as the chairperson. Our board of directors has adopted an environmental, social and governance committee charter setting forth the responsibilities of the committee, which include:

- recommending to our board of directors our general strategy, including, but not limited to, environmental, health and safety, corporate social responsibility, sustainability, philanthropy, corporate governance, reputation, diversity, equity and inclusion, community issues, political contributions and lobbying and other public policy matters relevant to us (collectively, "ESG Matters");
- overseeing our policies, practices and performance with respect to ESG Matters;
- overseeing our reporting standards in relation to ESG Matters;
- reporting to our board of directors about current and emerging topics relating to ESG Matters that may affect our business, operations, performance or public image or are otherwise pertinent to us and our stakeholders and, if appropriate, detail actions taken in relation to the same; and
- advising our board of directors on shareholder proposals and other significant stakeholder concerns relating to ESG Matters.

Internal Auditor

Under the Companies Law, the board of directors of a public company must appoint an internal auditor based on the recommendation of the audit committee. The role of the internal auditor is, among other things, to examine whether a company's actions comply with applicable law and orderly business procedure. Under the Companies Law, the internal auditor cannot be an interested party or an office holder or a relative of any of the foregoing, nor may the internal auditor be the company's independent auditor or its representative. An "interested party" is defined in the Companies Law as: (i) a holder of 5% or more of the issued share capital or voting power in a company, (ii) any person or entity who has the right to designate one or more directors or to designate the chief executive officer of the company, or (iii) any person who serves as a director or as a chief executive officer of the company. As of March 15, 2025, Adi Yarimi, CPA from Chaikin Cohen Rubin & Co., is acting as our internal auditor.

Approval of Related Party Transactions under Israeli Law

Fiduciary Duties of Directors and Executive Officers

The Companies Law codifies the fiduciary duties that office holders owe to a company. An office holder's fiduciary duties consist of a duty of care and a duty of loyalty. The duty of care requires an office holder to act with the level of care with which a reasonable office holder in the same position would have acted under the same circumstances. The duty of care includes, among other things, a duty to use reasonable means, in light of the circumstances, to obtain:

- information on the advisability of a given action brought for his or her approval or performed by virtue of his or her position; and
- all other important information pertaining to these actions.

The duty of loyalty requires that an office holder act in good faith and in the company's best interests, and includes, among other things, a duty to:

- refrain from any act involving a conflict of interest between the performance of his or her duties in the company and his or her personal affairs;
- refrain from any activity that is competitive with the business of the company;
- refrain from exploiting any business opportunity of the company in order to receive a personal gain for himself or herself or others; and
- disclose to the company any information or documents relating to the company's affairs which the office holder received as a result of his or her position as an office holder.

Under the Companies Law, a company may approve an act specified above that would otherwise constitute a breach of an office holder's duty of loyalty, provided that the office holder acted in good faith, the act or its approval does not harm the company and the office holder discloses his or her personal interest a sufficient amount of time before the discussion of the approval of such act. Any such approval is subject to the terms of the Companies Law setting forth, among other things, the appropriate bodies of the company required to provide such approval and the methods of obtaining such approval.

Disclosure of Personal Interests of Director or Officer and Approval of Certain Transactions

The Companies Law requires that an office holder disclose to the board of directors any personal interest that he or she may have and all related material information known to him or her concerning any existing or proposed transaction with the company. Such disclosure must be made promptly and, in any event, no later than the first meeting of the board of directors at which the transaction is considered. A personal interest includes an interest of any person in an act or transaction of a company, including a personal interest of one's relative or of a corporate body in which such person or a relative of such person is a 5% or greater shareholder, director or general manager or in which he or she has the right to appoint at least one director or the general manager, but excluding a personal interest stemming solely from one's ownership of shares in the company.

A personal interest includes the personal interest of a person for whom the office holder holds a voting proxy or the personal interest of the office holder with respect to his or her vote on behalf of a person for whom he or she holds a proxy even if such shareholder has no personal interest in the matter.

If it is determined that an office holder has a personal interest in a non-extraordinary transaction (meaning any transaction that is in the ordinary course of business, on market terms and is not likely to have a material impact on the company's profitability, assets or liabilities), approval by the board of directors is required for the transaction, unless the company's articles of association provide for a different method of approval. Any such transaction that is not for the company's benefit may not be approved by the board of directors.

Approval first by the company's audit committee and subsequently by the board of directors is required for an extraordinary transaction (meaning, any transaction that is either not in the ordinary course of business, not on market terms or that is likely to have a material impact on the company's profitability, assets or liabilities) in which an office holder has a personal interest.

A director or any other office holder who has a personal interest in a transaction which is considered at a meeting of the board of directors or the audit committee generally (unless it is with respect to a transaction which is not an extraordinary transaction) may not be present for the discussion or vote on that matter, unless a majority of the directors or members of the audit committee, as applicable, have a personal interest in the matter. If a majority of the members of the audit committee or the board of directors have a personal interest in the approval of such a transaction, then all of the directors may participate in the discussion and vote of the audit committee or board of directors, as applicable, and shareholder approval is also required.

Certain disclosure and approval requirements apply under Israeli law to certain transactions with controlling shareholders or in which a controlling shareholder has a personal interest and certain arrangements regarding the terms of service or employment of a controlling shareholder. For these purposes, a controlling shareholder is any shareholder that has the ability to direct the company's actions, including any shareholder holding 25% or more of the voting rights if no other shareholder owns more than 50% of the voting rights in the company. Two or more shareholders with a personal interest in the approval of the same transaction are deemed to be one shareholder for these purposes.

For a description of the approvals required under Israeli law for compensation arrangements of officers and directors, see Item 6.B "—Compensation."

Shareholder Duties

Pursuant to the Companies Law, a shareholder has a duty to act in good faith and in a customary manner toward the company and other shareholders and to refrain from abusing his or her power with respect to the company, including, among other things, in voting at a general meeting and at shareholder class meetings with respect to the following matters:

- an amendment to the company's articles of association;
- an increase of the company's registered share capital;
- a merger; or
- interested party transactions that require shareholder approval.

In addition, a shareholder has a general duty to refrain from discriminating against other shareholders.

Furthermore, certain shareholders also have a duty of fairness toward the company. These shareholders include any controlling shareholder, any shareholder who knows that it has the power to determine the outcome of a shareholder vote and any shareholder who has the power to appoint or to prevent the appointment of an office holder of the company or exercise any other rights available to it under the company's articles of association with respect to the company. The Companies Law does not define the substance of this duty of fairness, except to state that the remedies generally available upon a breach of contract will also apply in the event of a breach of the duty of fairness.

Exculpation, Insurance and Indemnification of Office Holders

Under the Companies Law, a company may not exculpate an office holder from liability for a breach of the duty of loyalty. An Israeli company may exculpate an office holder in advance from liability to the company, in whole or in part, for damages caused to the company as a result of a breach of the duty of care, but only if a provision authorizing such exculpation is included in its articles of association. Our Articles of Association include such a provision. An Israeli company may not exculpate a director from liability arising from a breach of a director's duty of care in connection with a distribution.

An Israeli company may indemnify an office holder in respect of the following liabilities and expenses incurred for acts performed as an office holder, either in advance of an event or following an event, provided a provision authorizing such indemnification is contained in its articles of association:

- a financial liability imposed on him or her in favour of another person pursuant to a judgment, settlement or arbitrator's award approved by a court. However, if an undertaking to indemnify an office holder with respect to such liability is provided in advance, then such an undertaking must be limited to events which, in the opinion of the board of directors, are foreseeable based on the company's activities when the undertaking to indemnify is given, and to an amount or according to criteria determined by the board of directors as reasonable under the circumstances, and such undertaking shall detail the abovementioned events and amount or criteria;

- reasonable litigation expenses, including attorneys' fees, incurred by the office holder (1) as a result of an investigation or proceeding instituted against him or her by an authority authorized to conduct such investigation or proceeding, provided that no indictment was filed against such office holder as a result of such investigation or proceeding and no financial liability was imposed upon him or her as a substitute for the criminal proceeding as a result of such investigation or proceeding or, if such financial liability was imposed, it was imposed with respect to an offense that does not require proof of criminal intent and (2) in connection with a monetary sanction;

- reasonable litigation expenses, including attorneys' fees, incurred by the office holder or imposed by a court in proceedings instituted against him or her by the company, on its behalf or by a third party or in connection with criminal proceedings in which the office holder was acquitted or as a result of a conviction for an offense that does not require proof of criminal intent; and

- expenses, including reasonable litigation expenses and legal fees, incurred by an office holder in relation to an administrative proceeding instituted against such office holder, or certain compensation payments made to an injured party imposed on an office holder by an administrative proceeding, pursuant to certain provisions of the Israeli Securities Law of 1968 (the "Israeli Securities Law").

An Israeli company may insure an office holder against the following liabilities incurred for acts performed as an office holder if and to the extent provided in the company's articles of association:

- a breach of the duty of loyalty to the company, to the extent that the office holder acted in good faith and had a reasonable basis to believe that the act would not prejudice the company;

- a breach of the duty of care to the company or to a third party, including a breach arising out of the negligent conduct of the office holder;

- a financial liability imposed on the office holder in favour of a third party;

- a financial liability imposed on the office holder in favour of a third party harmed by a breach in an administrative proceeding; and

- expenses, including reasonable litigation expenses and legal fees, incurred by the office holder as a result of an administrative proceeding instituted against him or her pursuant to certain provisions of the Israeli Securities Law.

An Israeli company may not indemnify or insure an office holder against any of the following:

- a breach of the duty of loyalty, except to the extent that the office holder acted in good faith and had a reasonable basis to believe that the act would not prejudice the company;
- a breach of the duty of care committed intentionally or recklessly, excluding a breach arising out of the negligent conduct of the office holder;
- an act or omission committed with intent to derive illegal personal benefit; or
- a fine, monetary sanction or forfeit levied against the office holder.

Under the Companies Law, exculpation, indemnification and insurance of office holders must be approved by the compensation committee and the board of directors (and, with respect to directors and the Chief Executive Officer, by shareholders). However, under regulations promulgated under the Companies Law, the insurance of office holders will not require shareholder approval and may be approved by only the compensation committee, if the engagement terms are determined in accordance with the company's compensation policy, the compensation policy was approved by the shareholders by the same special majority required to approve a compensation policy, and the insurance policy is on market terms and is not likely to materially impact the company's profitability, assets or obligations.

Our Articles of Association allow us to exculpate, indemnify and insure our office holders for any liability imposed on them as a consequence of an act (including any omission) which was performed by virtue of being an office holder to the fullest extent permitted by law. Our directors and officers are currently covered by a directors and officers' liability insurance policy.

We have entered into indemnification agreements with each of our directors and executive officers undertaking to indemnify them, including as a result of a breach of duty of care. This indemnification is limited to events determined as foreseeable by the board of directors based on our activities, and to an amount or according to criteria determined by the board of directors as reasonable under the circumstances.

The maximum indemnification amount set forth in such agreements is limited to an amount equal to 25% of the Company's equity (excluding minority rights), measured by the Company's last audited or reviewed financial statements prior to the time that the indemnity payment is made. The indemnity will be given in the amount equal to the difference between the amount of the financial liability, in accordance with the indemnification agreements, and any amount paid (if paid) under any directors and office holders insurance.

In the opinion of the SEC, indemnification of office holders for liabilities arising under the Securities Act, however, is against public policy and therefore unenforceable.

D. Employees

As of March 15, 2025, we had approximately 360 full-time employees, with approximately 160 of those employees being based in the United States and with approximately 175 of those employees being based in Israel. Employee turnover has not had a material impact on our operations to date. None of our employees are represented by a trade or labor union. In certain countries in which we operate, we are subject to local labor law requirements, which may automatically make our employees subject to industry-wide collective bargaining agreements. We have not experienced any work stoppages and we consider our relationship with our employees to be good.

We focus on attracting, developing and retaining a team of highly talented and motivated employees. We regularly conduct assessments of our compensation and benefit practices and pay levels to help ensure that staff members are compensated fairly and competitively. Employee performance is measured in part based on goals that are aligned with our annual objectives, and we recognize that our success is based on the talents and dedication of those we employ. To help our employees succeed in their roles, we emphasize continuous training and development opportunities.

We are committed to maintaining a workplace that acknowledges, encourages, and values diversity and inclusion. We believe that individual differences, experiences, and strengths enrich the culture and fabric of our organization. Having employees with backgrounds and orientations that reflect a variety of viewpoints and experiences also helps us to better understand the needs of our customers and the communities in which we operate. By leveraging the multitude of backgrounds and perspectives of our team and developing ongoing relationships with diverse vendors, we achieve a collective strength that enhances the workplace and makes us a better business partner for our customers and others with a stake in our success.

E. Share Ownership

For information regarding the share ownership of directors and officers, see Item 7.A "Major Shareholders." For information as to our equity incentive plans, see Item 6.B "Compensation-Share option plans."

F. Disclosure of a Registrant's Action to Recover Erroneously Awarded Compensation

None.

Item 7. Major Shareholders and Related Party Transactions

A. Major Shareholders

The beneficial ownership of ordinary shares is determined in accordance with the SEC rules and generally includes any ordinary shares over which a person exercises sole or shared voting or investment power. For purposes of the table below, we deem shares subject to options or other rights that are currently exercisable or exercisable within 60 days of March 15, 2025, to be outstanding and to be beneficially owned by the person holding the options or warrants for the purposes of computing the percentage ownership of that person but we do not treat them as outstanding for the purpose of computing the percentage ownership of any other person. The percentage of shares beneficially owned is based on 119,095,640 ordinary shares outstanding as of March 15, 2025.

All of our shareholders, including the shareholders listed below, have the same voting rights attached to their ordinary shares. Neither our principal shareholders nor our directors and executive officers will have different or special voting rights with respect to their ordinary shares. Unless otherwise noted, the address of each shareholder listed below is 13 Amal St., Afek Industrial Park, Rosh Ha'ayin 4809249, Israel.

Principal shareholders	**Number of Ordinary Shares**	**% of Outstanding Ordinary Shares**
Greater than 5% shareholders		
Migdal Insurance & Financial Holdings Ltd. (1)	7,255,590	6.09%
Harel Insurance Investments & Financial Services Ltd. (2)	11,550,672	9.70%
Phoenix Financial Ltd. (3)	11,438,885	9.60%
Meitav Investment House Ltd. (4)	12,617,928	10.59%
Clal Insurance Enterprises Holdings Ltd. (5)	8,789,561	7.38%
Menora Mivtachim Holdings Ltd. (6)	8,476,563	7.12%
Yelin Lapidot Holdings Management Ltd. (7)	6,018,721	5.05%
Directors and executive officers		
Gilad Yavetz (8)	2,102,226	1.75%
Nir Yehuda (9)	290,672	*
Amit Paz (10)	1,188,088	*
Ilan Goren (11)	352,973	*
Ayelet Cohen Israeli (12)	88,257	*
Gilad Peled (13)	51,314	*
Marko Liposcak (14)	51,402	*
Lisa Haimovitz (15)	78,257	*
Meron Carr (16)	313,472	*
Ziv Shor (17)	0	*
Yair Seroussi (18)	240,115	*
Liat Benyamini (19)	1,704	*
Michal Tzuk (20)	1,704	*
Alla Felder (21)	1,704	*
Dr. Shai Weil (22)	42,256	*
Yitzhak Betzalel (23)	1,704	*
Zvi Furman (24)	1,704	*
All executive officers and directors as a group (17 persons)	122,301,225	2.62%

* Indicates ownership of less than 1%.

(1) Pursuant to a Schedule 13G filed by Migdal Insurance & Financial Holdings Ltd. ("Migdal") with the SEC on February 13, 2025, consists of 7,255,590 ordinary shares as of December 31,2024 beneficially owned by Migdal and entities under its control. The address of Migdal is 4 Efal Street, P.O. Box 3063, Petach Tikva, Israel

(2) To the Company's knowledge, consists of 11,550,672 ordinary shares as of December 31,2024, beneficially owned by Harel Insurance Investments & Financial Services Ltd. and entities under its control ("Harel"). In addition, to the Company's knowledge, Harel holds 7,060,651 units of Series C Debentures. To the Company's knowledge, the ultimate controlling shareholders of Harel are Mr. Yair Hamburger, Mr. Gideon Hamburger and Ms. Nurit Manor. The address of Harel is Abba Hillel 3, Ramat Gan, Israel.

(3) To the Company's knowledge, consists of 11,550,672 ordinary shares as of December 31,2024 beneficially owned by the Phoenix Financial Ltd. and entitles under its control ("Phoenix"). In addition, to the Company's knowledge, Phoenix holds 70,375,443 units of Series C Debentures. The address of Phoenix is Derech Hashalom 53, Givataim, 53454, Israel.

(4) Pursuant to a Schedule 13G filed by Meitav Investment House Ltd. ("Meitav") with the SEC on February 18, 2025, consists of 12,617,928 ordinary shares, as of February 16, 2025, beneficially owned by Meitav and entitles under its control. The address for Meitav is 1 Jabotinski, Bene-Beraq, Israel.

(5) To the Company's knowledge, consists of 8,789,561 ordinary shares as of December 31,2024 beneficially owned by Clal Insurance Enterprises Holdings Ltd. and entities under its control ("Clal"). In addition, to the Company's knowledge, Clal holds 22,651,517 units of Series C Debentures. The address for Clal is 36 Raul Walenberg St., Tel Aviv, Israel.

(6) Pursuant to a Schedule 13G filed by Menora Mivtachim Holdings Ltd. ("Menora") with the SEC on November 14, 2024, consists of 8,476,563 ordinary shares as of September 30, 2024 beneficially owned by Menora and entitles under its control. The address of Menora is Menora House, 23 Jabotinsky St., Ramat Gan 5251102, Israel.

(7) Pursuant to a Schedule 13G filed by Yelin Lapidot Holdings Management Ltd. ("Yelin Lapidot Holdings") with the SEC on July 31, 2024, consists of 6,018,721 ordinary shares as of July 25, 2025 beneficially owned by Yelin Lapidot Holdings and entitles under its control as of July 25, 2024. The address of Yelin Lapidot Holdings is 50 Dizengoff St., Dizengoff Center, Gate 3, Top Tower, 13th floor, Tel Aviv 64332, Israel.

(8) Consists of (i) 796,198 ordinary shares beneficially owned directly by Mr. Yavetz, (ii) 21,756 RSUs held by Mr. Yavetz that vest within 60 days from March 15, 2025, and (iii) 1,284,272 ordinary shares subject to options held by Mr. Yavetz that are exercisable within 60 days of March 15, 2025.

(9) Consists of (i) 6,945 RSUs held by Mr. Yehuda that vest within 60 days from March 15, 2025, and (ii) 283,727 ordinary shares subject to options held by Mr. Yehuda that are exercisable within 60 days of March 15, 2025.

(10) Consists of (i) 765,468 ordinary shares beneficially owned directly by Mr. Paz, (ii) 6,314 RSUs held by Mr. Paz that vest within 60 days from March 15, 2025, and (iii) 416,306 ordinary shares subject to options held by Mr. Paz that are exercisable within 60 days of March 15, 2025.

(11) Consists of (i) 7,042 RSUs held by Mr. Goren that vest within 60 days from March 15, 2025 and (ii) 345,931 ordinary shares subject to options held by Mr. Goren that are exercisable within 60 days of March 15, 2025.

(12) Consists of (i) 3,257 RSUs held by Ms. Cohen Israeli that vest within 60 days from March 15, 2025 and (ii) 85,000 ordinary shares subject to options held by Ms. Cohen Israeli that are exercisable within 60 days of March 15, 2025.

(13) Consists of (i) 6,314 RSUs held by Mr. Peled that vest within 60 days from March 15, 2025 and (ii) 45,000 ordinary shares subject to options held by Mr. Peled that are exercisable within 60 days of March 15, 2025.

(14) Consists of (i) 6,402 RSUs held by Mr. Liposcak that vest within 60 days from March 15, 2025 and (ii) 45,000 ordinary shares subject to options held by Mr. Liposcak that are exercisable within 60 days of March 15, 2025.

(15) Consists of (i) 3,257 RSUs held by Ms. Haimovitz that vest within 60 days from March 15, 2025 and (ii) 75,000 ordinary shares subject to options held by Ms. Haimovitz that are exercisable within 60 days of March 15, 2025.

(16) Consists of (i) 5,682 RSUs held by Mr. Carr that vest within 60 days from March 15, 2025 and (ii) 307,790 ordinary shares subject to options held by Mr. Carr that are exercisable within 60 days of March 15, 2025.

(17) Consists of (i) 3,558 RSUs held by Mr. Seroussi that vest within 60 days from March 15, 2025 and (ii) 236,557 ordinary shares subject to options held by Mr. Seroussi that are exercisable within 60 days of March 15, 2025.

(18) Consists of 1,704 RSUs held by Ms. Benyamini that vest within 60 days from March 15, 2025.

(19) Consists of 1,704 RSUs held by Ms. Tzuk that vest within 60 days from March 15, 2025.

(20) Consists of 1,704 RSUs held by Ms. Felder that vest within 60 days from March 15, 2025.

(21) Consists of (i) 40,552 ordinary shares beneficially owned directly by Dr. Weil and (ii) 1,704 RSUs held by Dr. Weil that vest within 60 days from March 15, 2025. Not included as beneficially owned by Dr. Weil are 801,304 ordinary shares owned directly by Givon Investments Partnership (GAAS), which is controlled by the Weil family of which Dr. Weil is a part.

(22) Consists of 1,704 RSUs held by Mr. Betzalel that vest within 60 days from March 15, 2025.

(23) Consists of 1,704 RSUs held by Mr. Furman that vest within 60 days from March 15, 2025.

Significant Changes in Ownership

To our knowledge, other than as disclosed in the table above, our other filings with the SEC and this Annual Report there has been no significant change in the percentage ownership held by any major shareholder during the past three years.

Voting Rights

The major shareholders listed above do not have voting rights with respect to their ordinary shares that are different from the voting rights of other holders of our ordinary shares.

Registered Holders

Based on the information provided to us by our transfer agent as of March 15, 2025, Cede & Co. was the one registered holder of our ordinary shares, holding approximately 13.52% of our outstanding ordinary shares. These numbers are not representative of the number of beneficial holders of our ordinary shares nor are they representative of where such beneficial holders reside.

Change in Control Arrangements

We are not aware of any arrangement that may, at a subsequent date, result in a change of control of the Company.

B. Related Party Transactions

The following is a description of our related party transactions as defined under Item 7.B of Form 20-F, since January 1, 2022.

Agreements with Directors and Officers

Employment Agreements. We have entered into written employment agreements with each of our executive officers. See Item 6. “Directors, Senior Management and Employees.”

Awards. Since our inception, we have granted options to purchase our ordinary shares and, since 2023, RSUs to our executive officers and certain of our directors. Our board of directors recently approved the cancellation of certain vested and unvested share options previously granted to employees and officers of the Company and the replacement thereof with RSUs. We describe our option plans under Item 6.B “Compensation.”

Exculpation, Indemnification and Insurance. Our Articles of Association permit us to exculpate, indemnify and insure our directors and office holders to the fullest extent permitted by the Companies Law. In addition, our compensation policy permits us to indemnify and insure our directors and office holders to the fullest extent permitted by the Companies Law. We have entered into agreements with our directors and office holders undertaking to indemnify them to the fullest extent permitted by law, subject to certain exceptions, including with respect to liabilities that are covered by insurance. In addition, we have also issued an exemption letter to our Chief Executive Officer and each of our directors, exempting them from liability towards the Company under certain limited circumstances. See Item 6.B “Compensation-Employment agreements with executive officers and directors” and Item 6.C “Board Practices-Exculpation, Insurance and Indemnification of Office Holders.”

Related Party Transaction Policy

We have adopted guidelines and criteria which set forth the policies and procedures for the review and approval or ratification of related party transactions. This policy also classifies certain transactions between us (or a company whose financial statements are consolidated with our financial statements) and either an interested party or controlling shareholder, if any, as “negligible transactions” or “immaterial/material transactions” and the method of approval required in relation to each type of transaction. This policy covers, among others, interested party transactions under the Companies Law, interested party transactions as defined in Part I, Item 7.B of Form 20-F and transactions between the Company and an interested party, which are material to the Company or the interested party, and any such transactions between the Company and an interested party that are unusual in their nature or conditions.

C. Interests of Experts and Counsel

Not applicable.

Item 8. Financial Information

A. Consolidated Statements and Other Financial Information

Consolidated Financial Statements

See Item 18. “Financial Statements.”

Legal and Arbitration Proceedings

We may, from time to time, be involved in litigation and claims arising out of our operations in the ordinary course of business.

In November 2024, one of our subsidiaries commenced two actions in the U.S. against a supplier of battery storage products and its guarantor, based on a breach of contract. These claims, for an amount of approximately $35.8 million, are now being arbitrated by the American Arbitration Association. The supplier filed counter claims for an amount of approximately $67.3 million. These actions are pending, and although we cannot assess their results with certainty, we believe that our claim against the supplier will be decided in our favour and the supplier’s counterclaim will be dismissed.

Currently, we are not a party to any litigation or governmental or other proceeding that we believe will have a material adverse impact on our financial position, results of operations or liquidity. However, the results of any current or future litigation cannot be predicted with certainty, and regardless of the outcome, we may incur significant costs and experience a diversion of management resources as a result of any litigation.

Dividend Policy

We have never declared nor paid any dividends on our ordinary shares. We do not anticipate paying any dividends in the foreseeable future. We currently intend to retain future earnings, if any, to finance operations and expand our business. Our board of directors has sole discretion in whether to pay dividends. If our board of directors decides to pay dividends, the form, frequency and amount will depend upon our future operations and earnings, capital requirements and surplus, general financial condition, contractual restrictions and other factors that our board of directors may deem relevant. The Companies Law imposes restrictions on our ability to declare and pay dividends.

Payment of dividends may be subject to Israeli withholding taxes. See Item 10.E. “Taxation-Israeli Tax Considerations” for additional information.

B. Significant Changes

No significant changes have occurred since December 31, 2024, except as otherwise disclosed in this Annual Report.

Item 9. The Offer and Listing

A. Offer and Listing Details

Our ordinary shares commenced trading on the Nasdaq Global Select Market on February 10, 2023, under the symbol "ENLT." Prior to this, no public market in the United States existed for our ordinary shares. Our ordinary shares were registered for trading on the TASE in 2010 under the symbol "ENLT."

B. Plan of Distribution

Not applicable.

C. Markets

Our ordinary shares commenced trading on the Nasdaq Global Select Market in February 2023 and on the TASE in February 2010.

D. Selling Shareholders

Not applicable.

E. Dilution

Not applicable.

F. Expenses of the Issue

Not applicable.

Item 10. Additional Information

A. Share Capital

Not applicable.

B. Memorandum and Articles of Association

The information called for by this Item is set forth in Exhibit 2.1 to this Annual Report and is incorporated by reference into this Annual Report.

C. Material Contracts

Except as otherwise disclosed in this Annual Report (including the Exhibits), we are not currently, nor have we been for the two years immediately preceding the date of this Annual Report, party to any material contract, other than contracts entered into in the ordinary course of business.

D. Exchange Controls

There are currently no Israeli currency control restrictions on remittances of dividends on our ordinary shares, proceeds from the sale of the ordinary shares or interest or other payments to non-residents of Israel, except that such restrictions may exist with respect to shareholders who are deemed enemies of the State of Israel under Israeli law.

E. Taxation

Israeli Tax Considerations

The following is a brief summary of the material Israeli tax laws applicable to us. This section also contains a discussion of material Israeli tax consequences concerning the ownership and disposition of our ordinary shares. This summary does not discuss all the aspects of Israeli tax law that may be relevant to a particular investor in light of his or her personal investment circumstances or to some types of investors subject to special treatment under Israeli law. Examples of such investors include residents of Israel or traders in securities who are subject to special tax regimes not covered in this discussion. To the extent that the discussion is based on tax legislation that has not yet been subject to judicial or administrative interpretation, we cannot assure you that the appropriate tax authorities or the courts will accept the views expressed in this discussion. The discussion below is subject to change, including due to amendments under Israeli law or changes to the applicable judicial or administrative interpretations of Israeli law, which change could affect the tax consequences described below. The discussion should not be construed as legal or professional tax advice and does not cover all possible tax considerations.

SHAREHOLDERS ARE URGED TO CONSULT THEIR OWN TAX ADVISORS AS TO THE ISRAELI OR OTHER TAX CONSEQUENCES INCLUDING, IN PARTICULAR, THE EFFECT OF ANY FOREIGN, STATE OR LOCAL TAXES, OF THE PURCHASE, OWNERSHIP AND DISPOSITION OF OUR ORDINARY SHARES.

General corporate tax structure in Israel

Israeli companies are generally subject to corporate income tax. The current corporate income tax rate is 23.0%. However, the effective tax rate payable by an Israeli company that derives income from a “Technological Enterprise” or “Preferred Enterprise” may be considerably less. Capital gains derived by an Israeli company are generally subject to the prevailing corporate tax rate. Under Israeli tax law, a corporation will be considered as an “Israeli resident” if it meets one of the following: (a) it was incorporated in Israel; or (b) the control and management of its business are operated from Israel. The Company is not claiming any such benefits at this stage.

Law for the Encouragement of Industry (Taxes), 5719-1969

The Law for the Encouragement of Industry (Taxes), 5729-1969, generally referred to as the Industry Encouragement Law, provides several tax benefits for "Industrial Companies." The Company is examining its eligibility to claim tax benefits under the Industry Encouragement Law and whether it can qualify as an Industrial Company within the meaning of the Industry Encouragement Law.

The Industry Encouragement Law defines an "Industrial Company" as an Israeli resident-company incorporated in Israel, of which 90.0% or more of its income in any tax year, other than income from certain government loans is derived from an "Industrial Enterprise" owned by it and located in Israel or in the "Area," in accordance with the definition in Section 3A of the Israeli Income Tax Ordinance (New Version) 1961 (the "Ordinance"). An "Industrial Enterprise" is defined as an enterprise owned by an Industrial Company the principal activity of which in a given tax year is industrial production.

There are several corporate tax benefits which are available to Industrial Companies, such as:

- amortization of the cost of purchased patent, rights to use a patent, and know-how, which are used for the development or advancement of the Industrial Enterprise, over an eight-year period, commencing on the year in which such rights were first exercised;
- under limited conditions, an election to file consolidated tax returns with related Israeli Industrial Companies; and
- expenses related to a public offering are deductible in equal amounts over three years commencing on the year of the offering.

There can be no assurance that the Company will qualify as an Industrial Company or that any of the benefits described above will be available to the Company.

Taxation of our shareholders

Capital gains taxes applicable to non-Israeli resident shareholders. Israeli capital gains tax is generally imposed on the disposition of capital assets by a non-Israeli resident if those assets (i) are located in Israel, (ii) are shares or a right to shares in an Israeli resident corporation, (iii) are located outside of Israel and represent mainly, directly or indirectly, rights to assets located in Israel, or (iv) a right in a foreign-resident corporation, the majority of the value of which is attributable, directly or indirectly, to assets located in Israel, unless a specific exemption is available or unless a tax treaty between Israel and the seller's country of residence provides otherwise.

Israeli tax law distinguishes between "Real Capital Gain" and "Inflationary Surplus." Inflationary Surplus is a portion of the total capital gain which is equivalent to the increase in the relevant asset's price that is attributable to the increase in the Israeli consumer price index or, in certain circumstances, a foreign currency exchange rate, between the date of purchase and the date of disposition. Inflationary Surplus is currently not subject to tax in Israel. Real Capital Gain is the excess of the total capital gain over the Inflationary Surplus. Generally, Real Capital Gain accrued by individuals on the sale of our ordinary shares will be taxed at a marginal tax rate, according to Section 121 of the Ordinance, up to a maximum rate of 25.0%. However, if the shareholder is a "substantial shareholder" at the time of sale or at any time during the preceding 12-month period, such gain will be taxed at the rate of 30.0%. A "substantial shareholder" is generally a person who alone or together with such person's relative or another person who collaborates with such person on a permanent basis, holds, directly or indirectly, at least 10.0% of any of the "means of control" of the corporation. "Means of control" generally include the right to vote, receive profits, nominate a director or an executive officer, receive assets upon liquidation, or order someone who holds any of the aforesaid rights how to act, regardless of the source of such right.

Furthermore, where an individual claims real interest expenses and linkage differentials on securities, the capital gain on the sale of the securities will be taxed at a rate of 30.0%. Real Capital Gain derived by corporations will be generally subject to a corporate tax rate as specified in Section 126 of the Ordinance, which is 23.0% in 2025. Notwithstanding the foregoing, individual and corporate shareholders dealing in securities in Israel are taxed at the tax rates applicable to business income—23% for corporations in 2025 and a marginal tax rate of up to 47% (in 2025) for individuals.

A non-Israeli resident who derives capital gains from the sale of shares of an Israeli resident company after the company was listed for trading on a stock exchange outside Israel is generally exempt from Israeli capital gains tax so long as the shares were not held through a permanent establishment that the non-Israeli resident maintains in Israel and certain other conditions are met. However, non-Israeli "body of persons" (as defined in the Ordinance, which includes corporate entities, partnerships and other entities) will not be entitled to the foregoing exemption if Israeli residents (i) have a controlling interest of more than 25.0% in any of the means of control of such non-Israeli body of persons or (ii) are the beneficiaries of, or are entitled to, 25.0% or more of the revenues or profits of such non-Israeli body of persons, whether directly or indirectly, as specified in Section 68A of the Ordinance.

In addition, such exemption is not applicable to a person whose gains from selling or disposing the shares are deemed to be business income.

Additionally, a sale of securities by a non-Israeli resident may be exempt from Israeli capital gains tax under the provisions of an applicable tax treaty. For example, under the tax treaty between the Government of the United States of America and the Government of the State of Israel with respect to Taxes on Income, as amended (the "United States-Israel Tax Treaty"), the sale, exchange or other disposition of shares by a shareholder who is a United States resident (for purposes of the treaty) holding the shares as a capital asset and is entitled to claim the benefits afforded to such a resident by the United States-Israel Tax Treaty (a "Treaty U.S. Resident") is generally exempt from Israeli capital gains tax unless: (i) the capital gain arising from such sale, exchange or disposition is attributed to real estate located in Israel; (ii) the capital gain arising from such sale, exchange or disposition is attributed to certain types of royalties; (iii) the capital gain arising from the such sale, exchange or disposition is attributed to a permanent establishment in Israel, under certain terms; (iv) such Treaty U.S. Resident holds, directly or indirectly, shares representing 10.0% or more of the voting capital during any part of the 12-month period preceding the disposition, subject to certain conditions; or (v) such Treaty U.S. Resident is an individual and was present in Israel for 183 days or more during the relevant taxable year. In any such case, the sale, exchange or disposition of such shares would be subject to Israeli tax, unless otherwise exempt under Israeli domestic law as discussed above.

Regardless of whether non-Israeli shareholders may be liable for Israeli capital gains tax on the sale of our ordinary shares, the payment of the consideration for such sale may be subject to withholding of Israeli tax at source and holders of our ordinary shares may be required to demonstrate that they are exempt from tax on their capital gains in order to avoid withholding at source at the time of sale. Specifically, shareholders who are not liable for Israeli capital gains tax on such a sale may be required to sign declarations on forms specified by the ITA, provide documents (including, for example, a certificate of residency) or obtain a specific exemption from the ITA to confirm their status as non-Israeli residents.

If the abovementioned declaration and/or exemption (as the case may be) is not provided, the purchaser, the Israeli brokers or the financial institutions through which the shares are held is obligated to withhold tax on the amount of consideration paid upon the sale of the shares (or on the Real Capital Gain on the sale, if known) at the rate of 25% in respect of an individual and 23% in respect of a corporation.

A detailed return, including a computation of the tax due, must be filed and an advance payment must be paid on January 31 and July 30 of each tax year for sales of securities traded on a stock exchange made within the previous six months in which the reporting date applies. However, if all tax due was withheld at the source according to applicable provisions of the Ordinance and the regulations promulgated thereunder, the return does not need to be filed. Capital gains are also reportable on an annual income tax return.

Taxation of non-Israeli shareholders on receipt of dividends. Non-Israeli residents (whether individuals or corporations) are generally subject to Israeli income tax on the receipt of dividends paid on our ordinary shares at the rate of 25.0%, which tax will be withheld at source, unless relief is provided in an applicable tax treaty between Israel and the shareholder's country of residence, subject to the receipt in advance of a valid tax certificate from the ITA allowing for a reduced withholding tax rate. However, if the shareholder is a "substantial shareholder" (as described above) at the time of receiving the dividend or at any time during the preceding 12-month period, the applicable tax rate will be 30.0%. Such dividends are generally subject to Israeli withholding tax at a rate of 25.0% so long as the shares are registered with a nominee company (whether the recipient is a substantial shareholder or not).

Notwithstanding the above, a reduced tax rate may be provided under an applicable tax treaty, subject to the receipt in advance of a valid tax certificate from the ITA allowing for a reduced withholding tax rate. For example, under the United States-Israel Tax Treaty, the maximum rate of tax withheld at source in Israel on dividends paid to a holder of our ordinary shares who is a Treaty U.S. Resident is 25.0%. Generally, however, the maximum rate of withholding tax on dividends that are paid to a United States corporation holding 10% or more of the outstanding voting capital throughout the tax year in which the dividend is distributed as well as during the previous tax year, is 12.5%, provided that not more than 25.0% of the gross income for such preceding year consists of certain types of dividends and interest and further provided that such income was not subject to corporate tax benefits under the Investment Law. If dividends are distributed from income that was subject to a reduced corporate tax rate under the Investment Law and the foregoing conditions are met, such dividends are subject to a withholding tax rate of 15% for a shareholder that is a United States corporation. The aforementioned rates under the United States-Israel Tax Treaty will not apply if the dividend income was derived through or attributed to a permanent establishment of the Treaty U.S. Resident in Israel. Application for this reduced tax rate requires appropriate documentation presented to and specific instruction received from the ITA. We cannot assure you that we will designate the profits that we may distribute in a way that will reduce shareholders' tax liability.

A non-Israeli resident who receives dividends from which tax was withheld is generally exempt from the obligation to file tax returns in Israel in respect of such income, provided, inter alia, that (i) such income was not derived from a business conducted in Israel by the non-Israeli resident, (ii) the non-Israeli resident has no other taxable sources of income in Israel with respect to which a tax return is required to be filed, and (iii) the non-Israeli resident is not obliged to pay additional surtax (as further explained below).

Surtax. Subject to the provisions of an applicable tax treaty, individuals who are subject to income tax in Israel (whether any such individual is an Israeli resident or non-Israeli resident) are also subject to an additional tax at a rate of 3.0% on annual income (including, but not limited to, income derived from dividends, interest and capital gains) exceeding NIS 721,560 for 2025, which amount is linked to the annual change in the Israeli consumer price index. If the individual's passive income (such as income derived from dividends, interest, and capital gains) exceeds said threshold, the individual will be subject to an additional 2% surtax on the excess amount.

Estate and Gift Tax. Israeli law presently does not impose estate or gift taxes.

Material U.S. Federal Income Tax Considerations for United States Holders

The following summary describes certain U.S. federal income tax considerations generally applicable to United States Holders (as defined below) of our ordinary shares. This summary is limited to the U.S. federal income tax consequences to United States Holders (as defined below) who hold our ordinary shares held as capital assets within the meaning of Section 1221 of the Code. This summary also does not address the tax consequences that may be relevant to holders subject to special rules including, without limitation, dealers in securities, traders that elect to use a mark-to-market method of accounting, holders that own our ordinary shares as part of a "straddle," "hedge," "conversion transaction," or other integrated investment, banks or other financial institutions, individual retirement accounts and other tax-deferred accounts, insurance companies, tax-exempt organizations, United States expatriates, holders whose functional currency is not the U.S. dollar, holders subject to any alternative minimum tax, holders that acquired our ordinary shares in a compensatory transaction, holders that are entities or arrangements treated as partnerships for U.S. federal income tax purposes or holders that actually or constructively through attribution own 10% or more of the total voting power or value of our outstanding ordinary shares.

This summary is based upon the Code, applicable U.S. Treasury regulations, administrative pronouncements and judicial decisions, in each case as in effect on the date hereof, all of which are subject to change (possibly with retroactive effect). No ruling has been or will be requested from the IRS regarding the tax consequences described herein, and there can be no assurance that the IRS will agree with the discussion set out below. This summary does not address any U.S. federal tax consequences other than U.S. federal income tax consequences (such as the estate and gift tax or the Medicare tax on net investment income).

As used herein, the term "United States Holder" means a beneficial owner of our ordinary shares that is, for U.S. federal income tax purposes, (i) an individual who is a citizen or resident of the United States, (ii) a corporation or other entity taxable as a corporation created or organized under the laws of the United States or any state thereof or therein or the District of Columbia, (iii) an estate the income of which is subject to U.S. federal income taxation regardless of its source, or (iv) a trust (a) that is subject to the supervision of a court within the United States and the control of one or more U.S. persons as described in Code Section 7701(a)(30), or (b) that has a valid election in effect under applicable U.S. Treasury regulations to be treated as a "United States person."

If an entity or arrangement treated as a partnership for U.S. federal income tax purposes acquires our ordinary shares, the tax treatment of a partner in the partnership generally will depend upon the status of the partner and the activities of the partnership. Such a partner or partnership considering an investment in our ordinary shares should consult its tax advisor as to the particular U.S. federal income tax consequences of acquiring, owning and disposing of our ordinary shares in particular circumstances.

THE SUMMARY OF U.S. FEDERAL INCOME TAX CONSEQUENCES SET OUT BELOW IS FOR GENERAL INFORMATION ONLY. UNITED STATES HOLDERS SHOULD CONSULT THEIR TAX ADVISORS AS TO THE PARTICULAR TAX CONSEQUENCES TO THEM OF OWNING AND DISPOSING OF OUR ORDINARY SHARES, INCLUDING THE APPLICABILITY AND EFFECT OF FEDERAL, STATE, LOCAL AND NON-U.S. TAX LAWS AND POSSIBLE CHANGES IN TAX LAW.

Distributions

Although we do not anticipate paying any dividends in the foreseeable future, as described in Item 8.A "Consolidated statements and Other Financial Information—Dividend Policy" above, if we do make any distributions, subject to the discussion below under "—Passive Foreign Investment Company," the amount of dividends paid to a United States Holder with respect to our ordinary shares before reduction for any Israeli taxes withheld therefrom generally will be included in the United States Holder's gross income as ordinary income from foreign sources to the extent paid out of our current or accumulated earnings and profits (as determined for U.S. federal income tax purposes). Distributions in excess of earnings and profits will be treated as a non-taxable return of capital to the extent of the United States Holder's tax basis in those ordinary shares and thereafter as capital gain. However, we do not intend to calculate our earnings and profits under U.S. federal income tax principles. Therefore, United States Holders should expect to treat a distribution as a dividend even if that distribution would otherwise be treated as a non-taxable return of capital or as capital gain under the rules described above. The amount of any distribution paid in foreign currency will be equal to the U.S. dollar value of such currency, translated at the spot rate of exchange on the date such distribution is included in the United States Holder's income, regardless of whether the payment is in fact converted into U.S. dollars at that time.

Certain Treasury regulations (the "Foreign Tax Credit Regulations") may in some circumstances prohibit a United States Holder from claiming a foreign tax credit with respect to certain non-U.S. taxes that are not creditable under applicable income tax treaties. However, the IRS has released notices (the "IRS Notices") which indicate that the Treasury Department and the IRS are considering amendments to the Foreign Tax Credit Regulations and provide temporary relief from certain of their provisions until such time as the IRS issues a subsequent notice or other guidance withdrawing or modifying the temporary relief (or any later date specified in the relevant notice or guidance). The rules governing the treatment of foreign taxes imposed on a United States Holder and foreign tax credits are complex, and United States Holders should consult their tax advisors regarding the availability of a foreign tax credit or deduction in light of their particular circumstances, including their eligibility for benefits under an applicable income tax treaty and the potential impact of the Foreign Tax Credit Regulations and IRS Notices.

Dividends received by certain non-corporate United States Holders (including individuals) may be "qualified dividend income," which is taxed at the lower capital gains rate, provided that (i) either our ordinary shares are readily tradable on an established securities market in the United States or we are eligible for benefits under a comprehensive U.S. income tax treaty that includes an exchange of information program and which the U.S. Treasury Department has determined is satisfactory for these purposes, (ii) we are neither a PFIC (as discussed below) nor treated as such with respect to the United States Holder for either the taxable year in which the dividend is paid or the preceding taxable year and (iii) the United States Holder satisfies certain holding period and other requirements. In this regard, shares generally are considered to be readily tradable on an established securities market in the United States if they are listed on Nasdaq, where our ordinary shares are listed. United States Holders should consult their tax advisors regarding the availability of the reduced tax rate on dividends paid with respect to our ordinary shares. Corporate United States Holders will not be eligible for the dividends received deduction with respect to dividends paid on our ordinary shares.

Sale, Exchange or Other Disposition of Ordinary Shares

Subject to the discussion below under "—Passive Foreign Investment Company," a United States Holder generally will recognize capital gain or loss for United States federal income tax purposes on the sale, exchange or other taxable disposition of our ordinary shares equal to the difference, if any, between the amount realized and the United States Holder's tax basis in those ordinary shares. A United States Holder's initial tax basis in our ordinary shares generally will equal the cost of such ordinary shares. If any Israeli tax is imposed on the sale, exchange or other disposition of our ordinary shares, a United States Holder's amount realized will include the gross amount of the proceeds of the disposition before deduction of the Israeli tax.

In general, capital gains recognized by a non-corporate United States Holder, including an individual, are subject to a lower rate of tax under current law if such United States Holder's holding period in our ordinary shares exceeds one year. The deductibility of capital losses is subject to limitations. Any such gain or loss generally will be treated as United States source income or loss for purposes of the foreign tax credit. Because gain on the sale or other taxable disposition of our ordinary shares will be treated as U.S. source income, and United States Holders may use foreign tax credits against only the portion of U.S. federal income tax liability that is attributed to foreign source income in the same category, United States Holders' ability to utilize a foreign tax credit with respect to the Israeli tax imposed on any such sale or other taxable disposition, if any, may be significantly limited.

In addition, if a United States Holder is eligible for the benefit of the income tax convention between the United States and the State of Israel and pays Israeli tax in excess of the amount applicable to the United States Holder under such convention or if the Israeli tax paid is reasonably certain to be refundable, the United States Holder will not be able to claim any foreign tax credit or deduction with respect to such excess portion of the Israeli tax paid or the amount of Israeli tax refunded. In addition, pursuant to applicable U.S. Treasury regulations (subject to temporary relief potentially available under applicable IRS Notices until further IRS guidance), if a United States Holder is not eligible for the benefits of an applicable income tax treaty or does not elect to apply such treaty, then such holder may not be able to claim a foreign tax credit arising from any foreign tax imposed on the disposition of our ordinary shares, depending on the nature of such foreign tax. The rules governing the treatment of foreign taxes imposed on a United States Holder and foreign tax credits are complex, and United States Holders should consult their tax advisors regarding the availability of a foreign tax credit or deduction in light of their particular circumstances, including their eligibility for benefits under an applicable income tax treaty and the potential impact of the applicable U.S. Treasury regulations and IRS Notices.

Passive Foreign Investment Company Considerations

We would be classified as a PFIC for any taxable year if, after the application of certain look-through rules, either: (i) 75% or more of our gross income for such year is "passive income" (as defined in the relevant provisions of the Code), or (ii) 50% or more of the value of our assets (generally determined on the basis of a quarterly average) during such year is attributable to assets that produce or are held for the production of passive income. For these purposes, cash and other assets readily convertible into cash or that generate passive income are categorized as passive assets, and the value of goodwill and other intangible assets is generally taken into account. Goodwill is treated as an active asset under the PFIC rules to the extent attributable to activities that produce active income. Passive income generally includes, among other things, rents, dividends, interest, royalties, gains from the disposition of passive assets and gains from commodities and securities transactions. For purposes of this test, we will be treated as owning a proportionate share of the assets and earning a proportionate share of the income of any other corporation of which we own, directly or indirectly, at least 25% (by value) of the stock.

Based on our market capitalization and the current and anticipated composition of our income, assets and operations, we believe that we were not a PFIC for the year ended December 31, 2024 and do not expect to be a PFIC for United States federal income tax purposes for the current taxable year or in the foreseeable future. However, our PFIC status for the year ended December 31, 2024 or the current or any other taxable year is subject to considerable uncertainties. For example, it is expected that our annual PFIC status for any taxable year will depend in large part on the extent to which our gross income from sales of energy is considered to be non-passive income under the Code. Based on the manner in which we operated in the year ended December 31, 2024, currently operate and intend to operate, we believe it reasonable for United States Holders to take the position that our gross income from energy sales is non-passive income.

However, because we outsource to independent contractors certain operation and maintenance functions that may be treated as significant with respect to our projects, there can be no assurance that the IRS or a court will agree with this position. If our income from sales of energy is not treated as derived from an active business, we will likely be a PFIC. Moreover, whether we are a PFIC is a factual determination that must be made annually after the close of each taxable year. This determination will depend on, among other things, the composition of our income and assets, as well as the value of our ordinary shares and assets. The aggregate value of our assets for purposes of the PFIC determination may be determined by reference to the public offering price of our ordinary shares, which could fluctuate significantly. In addition, the extent to which our goodwill will be characterized as an active asset is not entirely clear and we cannot give assurance that the entire amount of our goodwill will be treated as an active asset. It is possible that the IRS may take a contrary position with respect to our PFIC determination in any particular year, and therefore, there can be no assurance that we were not a PFIC for the year ended December 31, 2024 or will not be classified as a PFIC in the current taxable year or in the future.

Certain adverse U.S. federal income tax consequences (described below) could apply to a United States Holder if we are treated as a PFIC for any taxable year during which such United States Holder holds our ordinary shares. Under the PFIC rules, if we were considered a PFIC at any time that a United States Holder holds our ordinary shares, we would continue to be treated as a PFIC with respect to such holder's investment unless (i) we cease to be a PFIC, and (ii) the United States Holder has made a "deemed sale" election under the PFIC rules. If such election is made, a United States Holder will be deemed to have sold our ordinary shares at their fair market value on the last day of the taxable year in which we were a PFIC, and any gain from the deemed sale would be subject to the rules described in the following paragraph. After the "deemed sale" election, so long as we do not become a PFIC in a subsequent taxable year, the ordinary shares with respect to which such election was made will not be treated as shares in a PFIC. United States Holders should consult their tax advisors as to the possibility and consequences of making a deemed sale election if we are (or were to become) and then cease to be a PFIC, and such election becomes available.

If we were a PFIC for any taxable year that a United States Holder holds our ordinary shares, unless the United States Holder makes certain elections, any gain recognized by the United States Holder on a sale or other disposition of our ordinary shares would be allocated pro-rata over the United States Holder's holding period for the ordinary shares. The amounts allocated to the taxable year of the sale or other disposition and to any year before we became a PFIC would be taxed as ordinary income. The amount allocated to each other taxable year would be subject to tax at the highest rate in effect for individuals or the highest rate in effect for corporations, as appropriate, for that taxable year, and an interest charge would be imposed. Further, to the extent that any distribution received by a United States Holder on our ordinary shares exceeds 125% of the average of the annual distributions on the ordinary shares received during the preceding three years or the United States Holder's holding period, whichever is shorter, that distribution would be subject to taxation in the same manner as gain on the sale or other disposition of our ordinary shares if we were a PFIC, described above. If we are treated as a PFIC with respect to a United States Holder for any taxable year, the United States Holder will be deemed to own equity in any of the entities in which we hold equity that also are PFICs. Certain elections may be available that would result in alternative treatments (such as mark-to-market treatment or treatment as a qualified electing fund ("QEF")) of our ordinary shares if we are considered a PFIC. However, we do not intend to prepare or provide United States Holders the information that would enable United States Holders to make a QEF election. In addition, an election for mark-to-market treatment is unlikely to be available to mitigate any adverse tax consequences with respect to entities in which we hold equity that are PFICs. If we are considered a PFIC, a United States Holder also will be subject to annual information reporting requirements. United States Holders should consult their tax advisors about the potential application of the PFIC rules to an investment in our ordinary shares and the potential consequences thereof.

Information reporting and backup withholding

Dividends on and proceeds from the sale or other taxable disposition of our ordinary shares may be subject to information reporting to the IRS. In addition, a United States Holder (other than an exempt holder who establishes its exempt status if required) may be subject to backup withholding on dividend payments and proceeds from the sale or other taxable disposition of our ordinary shares paid within the United States or through certain U.S.- related financial intermediaries.

Backup withholding will not apply, however, to a United States Holder who furnishes a correct taxpayer identification number, makes other required certification and otherwise complies with the applicable requirements of the backup withholding rules. Backup withholding is not an additional tax. Rather, any amount withheld under the backup withholding rules will be creditable or refundable against the United States Holder's U.S. federal income tax liability, provided the required information is timely furnished to the IRS.

Foreign financial asset reporting

Certain United States Holders are required to report their holdings of certain foreign financial assets, including equity of foreign entities, if the aggregate value of all of these assets exceeds certain threshold amounts, subject to certain exceptions. Our ordinary shares are expected to constitute foreign financial assets subject to these requirements unless the ordinary shares are held in an account at certain financial institutions. Penalties may apply if United States Holders fail to satisfy such reporting requirements on the ownership of our ordinary shares. United States Holders should consult their tax advisors regarding the application of these reporting requirements.

F. Dividends and Paying Agents

Not applicable.

G. Statement by Experts

Not applicable.

H. Documents on Display

We are subject to the informational requirements of the Exchange Act. Accordingly, we are required to file reports and other information with the SEC, including annual reports on Form 20-F and current reports on Form 6-K. The SEC maintains an internet website that contains reports and other information about issuers, like us, that file electronically with the SEC. The address of that website is www.sec.gov.

We maintain a corporate website at http://www.enlightenergy.co.il. Information contained on, or that can be accessed through, our website does not constitute a part of this Annual Report. We also make available on our website's investor relations page at http://www.enlightenergy.co.il/info/investors, free of charge, our Annual Report and the text of our reports on Form 6-K, including any amendments to these reports, as well as certain other SEC filings, as soon as reasonably practicable after they are electronically filed with or furnished to the SEC. The information contained on our website is not incorporated by reference in this Annual Report.

As a foreign private issuer, we are exempt under the Exchange Act from, among other things, the rules prescribing the furnishing and content of proxy statements, and our officers, directors and principal shareholders are exempt from the reporting and short-swing profit recovery provisions contained in Section 16 of the Exchange Act. In addition, we are not required under the Exchange Act to file periodic reports and financial statements with the SEC as frequently or as promptly as U.S. companies whose securities are registered under the Exchange Act. However, we will file with the SEC, within four months after the end of each fiscal year, or such applicable time as required by the SEC, an annual report on Form 20-F containing financial statements audited by an independent registered public accounting firm. We also intend to furnish certain other material information to the SEC under cover of Form 6-K.

I. Subsidiary Information

Not applicable.

J. Annual Report to Security Holders

Not applicable.

Item 11. Quantitative and Qualitative Disclosures about Market Risk

We are exposed to market risks in the ordinary course of our business. Market risk is the potential loss that may result from market changes associated with our business. Types of market risks include interest rate and counterparty credit risks, among other forms of market risks.

Interest Rate Risk

As of December 31, 2024, we had $387 million of cash and cash equivalents. Interest-earning instruments carry a degree of interest rate risk. We have long-term debt instruments that subject us to the risk of loss associated with movements in market interest rates. A hypothetical 5% change in interest rates would not have had a material impact on our financial results for the years ended December 30, 2023 and 2024.

We use interest rate swaps to manage our exposure to fluctuations in interest rates, primarily in the context of our indebtedness. We generally match the tenor and amount of these instruments to the tenor and amount, respectively, of the related debt financing. We also will have exposure to changes in interest rates with respect to the Credit Agreements to the extent that we make draws under the Credit Facilities. See Item 5.B. “Liquidity and Capital Resources—Credit Facilities” and Item 5.B. “Liquidity and Capital Resources—Debentures” for a further description of the terms of our existing financings.

Foreign Currency Exchange Risk

Although our functional currency is NIS, we present our consolidated financial statements in U.S. dollars as permitted under IFRS.

Our Operational Projects in Europe generate significant EUR cash flow, which can then be used to fund additional EUR investments in future European projects. Similarly, in Israel, our Operational Projects generate considerable NIS cash flow to cover a portion of additional NIS-denominated investments in Israel. The U.S. IPO has given us significant access to USD which will cover near-term investment requirements in the United States. This creates an internal foreign exchange hedge across the group.

To reduce the impact of foreign currency exchange risks associated with forecasted future cash flows and certain existing assets and liabilities and the volatility in our consolidated statements of operations, we have established a hedging policy. We do not enter into derivative instruments for trading or speculative purposes. We account for our derivative instruments as either assets or liabilities and carry them at fair value in the consolidated balance sheets. The accounting for changes in the fair value of the derivative depends on the intended use of the derivative and the resulting designation. Our hedging activities reduce but do not eliminate the impact of currency exchange rate movements.

A decrease of 10% in the U.S. dollar/NIS exchange rate would have increased our cost of total revenues and income and operating expenses by approximately 4% for the year ended December 31, 2024 and a decrease of 10% in the U.S. dollar/EUR exchange rate would have increased our cost of total revenues and income and operating expenses by approximately 4%. If the NIS or EUR fluctuate significantly against the U.S. dollar, it may have a negative impact on our results of operations.

Credit Risk

Risks surrounding counterparty performance and credit risk could ultimately affect the amount and timing of expected cash flows. Credit risk relates to the risk of loss resulting from non-performance or non-payment by counterparties under the terms of their contractual obligations. We intend to monitor and manage credit risk through credit policies that include a credit approval process and by contracting with investment-grade counterparties. We also seek to mitigate counterparty risk by having a diversified portfolio of counterparties.

Item 12. Description of Securities Other than Equity Securities

Not applicable.

PART II

Item 13. Defaults, Dividend Arrearages and Delinquencies

None.

Item 14. Material Modifications to the Rights of Security Holders and Use of Proceeds

None.

Use of Proceeds

On February 14, 2023, we completed our U.S. IPO of 14,000,000 ordinary shares sold at an initial public offering price of $18.00 per share. The ordinary shares offered and sold in that initial public offering were registered under the Securities Act pursuant to our Registration Statement on Form F-1 (File No. 333-269311), which was declared effective by the SEC on February 9, 2023.

Our U.S. IPO generated gross proceeds of $288.8 million, and net proceeds of $267 million after deducting underwriting discounts and commissions and other issuance costs.

No offering expenses were paid directly or indirectly to any of our directors or officers (or their associates), persons owning 10% or more of our ordinary shares or any other affiliates.

As of the date of this Annual Report, we have applied all proceeds generated from our U.S. IPO.

Item 15. Controls and Procedures

Evaluation of Disclosure Controls and Procedures

We maintain disclosure controls and procedures (as such term is defined in Rules 13a-15(e) and 15d-15(e) under the Exchange Act) that are designed to ensure that information required to be disclosed in our reports under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the SEC's rules and forms and that such information is accumulated and communicated to our management, including our chief executive officer and chief financial officer, as appropriate, to allow timely decisions regarding required disclosures. Any controls and procedures, no matter how well designed and operated, can provide only reasonable assurance of achieving the desired control objectives.

Our management, with the participation of our chief executive officer and chief financial officer, has evaluated the effectiveness of the design and operation of our disclosure controls and procedures as of December 31, 2024. Based upon that evaluation, our chief executive officer and chief financial officer concluded that, as of December 31, 2024, our disclosure controls and procedures were effective to accomplish their objectives at the reasonable assurance level.

Management's Annual Report on Internal Control over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over our financial reporting (as such term is defined in Rule 13a-15(f) and 15d-15(f) under the Exchange Act). Our management conducted an assessment of the effectiveness of our internal control over financial reporting based on the criteria set forth in "Internal Control - Integrated Framework (2013)" issued by the Committee of Sponsoring Organizations of the Treadway Commission. Based on this assessment, our management concluded that, as of December 31, 2024, our internal control over financial reporting was effective.

Attestation Report of the Registered Public Accounting Firm

See report of Somekh Chaikin, a member firm of KPMG International, which is included on pages F-3-F-5 of the consolidated financial statements included elsewhere in this Annual Report.

Changes in Internal Control over Financial Reporting

There were no changes in our internal controls over financial reporting (as such term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) that occurred during the period covered by this Annual Report that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

Item 16. [Reserved]

Item 16A. Audit Committee Financial Expert

Our board of directors has determined that Liat Benyamini is an audit committee financial expert as defined by the SEC rules and has the requisite financial experience as defined by Nasdaq corporate governance rules.

Our board of directors has determined that each member of our audit committee is "independent" as such term is defined under the Nasdaq corporate governance rules and under Rule 10A-3(b)(1) under the Exchange Act, which is different from the general test for independence of board and committee members.

Item 16B. Code of Ethics

We have adopted and we annually ratify our Code of Ethics and Conduct, which applies to all our employees, officers and directors, including our principal executive, principal financial and principal accounting officers. Our Code of Ethics and Conduct addresses, among other things, competition and fair dealing, gifts and entertainment, conflicts of interest, international business laws, financial matters and external reporting, company assets, confidentiality and corporate opportunity requirements and the process for reporting violations of the Code of Ethics and Conduct. Our Code of Ethics and Conduct is intended to meet the definition of "code of ethics" under Item 16B of 20-F under the Exchange Act.

We will disclose on our website any amendment to, or waiver from, a provision of our Code of Ethics and Conduct that applies to our directors or executive officers to the extent required under the rules of the SEC or Nasdaq. Our Code of Ethics and Conduct is available on our website at https://enlightenergy.co.il/our-code-of-ethics/. The information contained on or through our website, or any other website referred to herein, is not incorporated by reference in this Annual Report.

We granted no waivers under our Code of Ethics and Conduct in fiscal year 2024.

Item 16C. Principal Accountant Fees and Services

The consolidated financial statements of Enlight Renewable Energy Ltd. at December 31, 2024, 2023 and 2022, and for each of the three years in the period ended December 31, 2024, appearing in this Annual Report have been audited by Somekh Chaikin, a member firm of KPMG International, independent registered public accounting firm, located in Tel Aviv, Israel, PCAOB ID 1057. The current address of Somekh Chaikin is 17 Ha'arba'a Street, Tel Aviv 61070, Israel.

The table below sets out the total amount of services rendered to us by Somekh Chaikin, a member firm of KPMG International and a KPMG affiliate firm, for services performed in the years ended December 31, 2024 and 2023, and breaks down these amounts by category of service:

	Year Ended December 31,	
	2024	2023
	(in thousands)	
Audit Fees	$ 861	$ 615
Tax Fees	128	91
Total	$ 989	$ 706

Audit Fees

Audit fees for the years ended December 31, 2024 and 2023 consisted of fees for professional services provided in connection with the audit of our annual consolidated financial statements and audit services that are normally provided by an independent registered public accounting firm in connection with statutory and regulatory filings or engagements for these years. For the year ending December 31, 2024, our auditors performed, for the first time, an integrated audit of our financial statement and our internal controls as required under the Sarbanes-Oxley Act.

Tax Fees

Tax fees for the years ended December 31, 2024 and 2023 refer to professional services rendered by our auditors, which include ongoing tax advisory, tax compliance and tax consulting associated with transfer pricing.

Pre-Approval Policies and Procedures

The advance approval of the audit committee or members thereof, to whom approval authority has been delegated, is required for all audit and non-audit services provided by our auditors.

All services provided by our auditors are approved in advance by either the audit committee or members thereof, to whom authority has been delegated, in accordance with the audit committee's pre-approval policy.

Item 16D. Exemptions from the Listing Standards for Audit Committees

Not applicable.

Item 16E. Purchases of Equity Securities by the Issuer and Affiliated Purchasers

None.

Item 16F. Change in Registrant's Certifying Accountant

None.

Item 16G. Corporate Governance

We are a "foreign private issuer" (as such term is defined in Rule 3b-4 under the Exchange Act) and our ordinary shares are listed on the Nasdaq Global Select Market. Under the Listing Rules of the Nasdaq Stock Market, listed companies that are foreign private issuers are permitted to follow home country practice in lieu of the corporate governance provisions specified by the Listing Rules of the Nasdaq Stock Market with limited exceptions. We follow Nasdaq corporate governance rules in lieu of Israeli requirements, except with respect to:

- the quorum requirement for shareholder meetings. As permitted under the Companies Law, pursuant to our Articles of Association, the quorum required for an ordinary meeting of shareholders generally consists of at least one shareholder present in person, by proxy or by other voting instrument in accordance with the Companies Law who holds or represents at least 25% of the outstanding voting power of our ordinary shares (and if the meeting is adjourned for a lack of quorum, in the event that a quorum as defined above is not present, the adjourned meeting will take place with any number of shareholders). This quorum standard replaces the 33 ⅓% of the issued share capital required under the corporate governance rules of Nasdaq;

- the Nasdaq Stock Market Rule 5635(c), which sets forth the circumstances under which shareholder approval is required prior to an issuance of securities in connection with equity-based compensation of officers, directors, employees or consultants. With respect to the circumstances described above, we expect to follow Israeli law which does not require approval of our shareholders with respect to an issuance of securities in connection with equity-based compensation of officers, directors, employees or consultants within the limit and subject to the terms of the delegation granted to our board of directors in the form (and within the limits and conditions) of our registered share capital; and

- the Nasdaq Stock Market Rule 5605(e), which requires independent director oversight of director nominations. With respect to this requirement, we intend to follow Israeli law which does not require such oversight.

We otherwise intend to comply with the corporate governance rules generally applicable to U.S. domestic companies listed on Nasdaq. We may, however, in the future decide to rely upon the "foreign private issuer exemption" for purposes of opting out of some or all of the other Nasdaq corporate governance rules. Following our home country governance practices may provide less protection than is accorded to investors under the List Rules of the Nasdaq Stock Market applicable to domestic issuers.

Because we are a foreign private issuer, our directors and senior management are not subject to short-swing profit and insider trading reporting obligations under Section 16 of the Exchange Act. They will, however, be subject to the obligations to report certain changes in share ownership under Section 13 of the Exchange Act and related SEC rules.

Item 16H. Mine Safety Disclosure

Not applicable.

Item 16I. Disclosure Regarding Foreign Jurisdictions that Prevent Inspections

Not applicable.

Item 16J. Insider Trading Policies

The Company has adopted an insider trading policy governing the purchase, sale and other dispositions of the Company's securities by directors, senior management and employees that it believes is reasonably designed to promote compliance with applicable insider trading laws, rules and regulations, and any listing standards applicable to the Company. Our insider trading policy is filed as an exhibit to this Annual Report.

Item 16K. Cybersecurity

Risk Management and Strategy

Our cybersecurity strategy emphasizes detection, analysis and recovery of cybersecurity threats, while increasing our resiliency against cybersecurity incidents and effective management of the cybersecurity risks and events. These processes apply equally to the protection of our generation projects as well as to our organizational network.

Our cybersecurity risk management processes include two policies that we have adopted: a Cybersecurity Events Response Policy and an Information Security Policy (collectively, our Cybersecurity Policy). Other elements of our cybersecurity risks management include technical security controls, policy enforcement mechanisms, monitoring systems, employee training, contractual arrangements, tools and related services from third-party providers, and management oversight to assess, identify and manage material risks from cybersecurity threats.

As part of our risk management procedures, we conduct regular risk assessments of our various information systems to identify, document and mitigate cybersecurity risks. For high-risk systems, risk surveys and penetration tests are conducted at least annually and following a major system change or data breach event. Other systems are tested at different time periods according to their sensitivity. These regular risk assessments are conducted either internally or by qualified third party service providers. In addition, from time to time, the Israeli Ministry of Energy reviews our network vulnerability to cybersecurity risks and provides us with comments on how to improve such network.

Exposure of external parties to Company data and systems is minimized and made on a "need to know" basis. Any communication with an external party involving exposure to sensitive Company information is based on an appropriate preliminary risk assessment process.

Employees receive information security training upon hiring and at least twice a year, with additional dedicated training for employees with access to sensitive Company systems and information. Employees are required to complete the training through education software and we monitor completion. In addition, employees and third-party contractors sign non-disclosure agreements to protect the confidentiality of our information.

We also leverage partnerships, industry and government associations, third-party benchmarking, the results from regular internal and third-party audits, threat intelligence feeds, and other similar resources to inform our cybersecurity processes and allocate resources.

We entered into an agreement with Astoria Cyber Ltd., which specializes in the protection of critical infrastructure, to assess cybersecurity risks at the Company's renewable energy facilities worldwide and to make recommendations regarding, implement and manage our ongoing defensive measures against cybersecurity threats.

The cybersecurity risk management methodology we employ to protect our renewable energy facilities was developed and implemented in accordance with guidelines from the Israeli Ministry of Energy, while at the same time considering international standards. We believe that we are in substantial compliance with the NIS2 Directive, an EU-wide legislation on cybersecurity that came into effect in 2023, and our defensive measures we take are compliant with the specific requirements of each country in which we operate.

We maintain security programs that include physical, administrative and technical safeguards, and we maintain plans and procedures whose objective is to help us prevent and timely and effectively respond to cybersecurity threats or incidents. Through our cybersecurity risk management process, we regularly monitor cybersecurity vulnerabilities and potential attack vectors to Company systems as well as our projects and services, and we evaluate the potential operational and financial effects of any threat and of cybersecurity countermeasures made to defend against such threats.

Our Cybersecurity Policy is overseen by our board of directors and provides central, standardized frameworks for identifying, mitigating and reporting cyber-related business and compliance risks across the Company. Risks from cybersecurity threats to our projects are also overseen by management. In addition, we periodically engage third-party consultants to assist in assessing, enhancing, implementing and monitoring our cybersecurity risk management programs and responding to any incidents.

We have implemented a requirement from our suppliers to adopt security-control principles based on industry-recognized standards, and we believe that our suppliers are materially meeting our cyber requirements as well as regulatory requirements.

As our portfolio of projects increased in size over the last few years, the scope of our technology has similarly increased, and we have had to improve and expand our IT defensive infrastructure. For example, in 2024 we enhanced the security of our corporate servers, added Multi-Factor Authentication to our Virtual Private Networks, implemented a Network Access Control solution and connected our office network to a specified SIEM/SOC service.

Cybersecurity Incidents

As of the date of this Annual Report, cybersecurity incidents we have experienced have not materially affected our business strategy, results of operations or financial condition.

In 2024 we have experienced a cyber incident, which was classified by us as immaterial, because it carried no damage to the Company or its data or infrastructure. In 2022, several of our corporate email accounts were compromised, which resulted in a payment being made to a fraudulent third-party actor. In addition, in 2021, cybercriminals launched an attack on an IT System in one of our smaller sites in Israel, which system is operated by a third party, and managed to gain control over the system. The attackers were not able to disrupt the production of electricity or cause any material damage. While to date no incidents have had a material impact on our operations or financial results, we cannot guarantee that material incidents will not occur in the future. Cyberattacks are expected to accelerate on a global basis in frequency and magnitude and global threat actors and terrorists have targeted and will continue to target entities and projects like ours that operate in the energy and infrastructure sectors, including through disruptive attacks, such as those involving ransomware.

Governance

Our board of directors has overall responsibility for risk oversight, with its committees assisting the board in performing this function based on their respective areas of expertise. Our board of directors has delegated oversight of risks related to cybersecurity to our audit committee.

With the assistance of the audit committee, our board of directors oversees our cybersecurity and ensures that we adequately address and mitigate the evolving cybersecurity threats we face. The board's responsibilities include setting the overall cybersecurity strategy, assessing risks and providing oversight to ensure our resiliency against cybersecurity threats. The key aspect of the board's role is to remain updated and make determinations on the following topics:

- Cybersecurity Policy development and approval,
- Risk management,
- Budgetary approval,
- Leadership and culture,
- Compliance oversight,
- Crisis management and
- Continuous improvement.

Mrs. Michal Ma'aravi, our Chief Information Systems Officer, or CISO, is responsible for overseeing the implementation of our Cybersecurity Policy. Ms. Ma'aravi has served as our CISO since 2022 and has completed a 300-hour training program for CISOS.

Our CISO provides presentations to the audit committee on cybersecurity risks on an annual basis. These briefings include assessments of cybersecurity risks, the threat landscape, updates on incidents and reports on our investments in cybersecurity risk mitigation and governance. In addition, in cases of cybersecurity events, the CISO will report to our chief operating officer who will update our chief executive officer. In each such case the IT team will review the incident and suggest a remediation plan.

In addition, in the event of a potentially material cybersecurity event, the chair of the audit committee is notified and briefed, and meetings of the audit committee and/or full board of directors would be held, as appropriate.

The audit committee and/or the Chief Executive Officer brief the full board on cybersecurity matters discussed during audit committee meetings, and the CISO provides periodic briefings to the board on information technology and data analytics related matters, including cybersecurity.

PART III

Item 17. Financial Statements

We have provided financial statements pursuant to Item 18.

Item 18. Financial Statements

The audited consolidated financial statements as required under Item 18 are attached hereto starting on page F-1 of this Annual Report. The audit report of Somekh Chaikin (a member firm of KPMG International), an independent registered public accounting firm, is included herein preceding the audited consolidated financial statements.

Item 19. Exhibits

		Incorporation by Reference				
Exhibit No.	**Description**	**Form**	**File No.**	**Exhibit No.**	**Filing Date**	**Filed / Furnished**
1.1	Amended and Restated Articles of Association of the Registrant	F-1	333-269311	3.2	1/20/2023	
2.1	Description of Securities					*
2.2	Specimen share certificate	F-1	333-269311	4.1	1/20/2023	
4.1#†	Form of Indemnification Agreement	F-1	333-269311	10.1	1/20/2023	
4.2#†	Form of Exculpation Letter					*
4.3#†	2010 Employee Option Allocation Plan	20-F	001-41613	4.2	3/30/2023	
4.4#†	Amendment 1 to the 2010 Employee Option Allocation Plan	F-1	333-269311	10.3	1/20/2023	
4.5#†	Amendment 2 to the 2010 Employee Option Allocation Plan	20-F	001-41613	4.4	3/28/2024	
4.6†	U.S. Sub-Plan to 2010 Employee Option Allocation Plan	F-1	333-269311	10.4	1/20/2023	
4.7†	First Amendment to U.S. Sub-Plan to 2010 Employee Option Allocation Plan	20-F	001-41613	4.6	3/28/2024	
4.8#†	Compensation Policy for Directors and Officers					*
4.9	Summary of Credit Agreement Framework, dated as of July 5, 2021 and amended on March 8, 2022, between Enlight Renewable Energy Ltd. and Bank Leumi Le-Israel B.M.	F-1	333-269311	10.6	1/20/2023	
4.10	Summary of Credit Agreement Framework, dated as of July 5, 2021, between Enlight Renewable Energy Ltd. and Bank Hapoalim B.M.	F-1/A	333-269311	10.7	2/6/2023	
8.1	List of subsidiaries of the Registrant					*
11.1	Insider Trading Policy					*
12.1	Principal Executive Officer Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					*
12.2	Principal Financial Officer Certification Pursuant to Section 302 of the Sarbanes-Oxley Act of 2002					*
13.1	Principal Executive Officer Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					**
13.2	Principal Financial Officer Certification Pursuant to Section 906 of the Sarbanes-Oxley Act of 2002					**
15.1	Consent of Somekh Chaikin, member firm of KPMG International					*
97.1	Policy for Recovery of Erroneously Awarded Compensation	20-F	001-41613	99.7	3/28/2024	
101.INS	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because XBRL tags are embedded within the Inline XBRL document					*
101.SCH	Inline XBRL Taxonomy Extension Schema Document					*
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document					*
101.DEF	Inline XBRL Taxonomy Definition Linkbase Document					*
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document					*
101.PRE	Inline XBRL Taxonomy Extension Presentation Linkbase Document					*
104	Inline XBRL for the cover page of this Annual Report on Form 20-F, included in the Exhibit 101 Inline XBRL Document Set					*

* Filed herewith.

** Furnished herewith.

\# Unofficial English translation from Hebrew original.

† Indicates management contract or compensatory plan or arrangement.

Certain agreements filed as exhibits to this Annual Report contain representations and warranties that the parties thereto made to each other. These representations and warranties have been made solely for the benefit of the other parties to such agreements and may have been qualified by certain information that has been disclosed to the other parties to such agreements and that may not be reflected in such agreements. In addition, these representations and warranties may be intended as a way of allocating risks among parties if the statements contained therein prove to be incorrect, rather than as actual statements of fact. Accordingly, there can be no reliance on any such representations and warranties as characterizations of the actual state of facts. Moreover, information concerning the subject matter of any such representations and warranties may have changed since the date of such agreements.

SIGNATURES

The registrant hereby certifies that it meets all of the requirements for filing on Form 20-F and that it has duly caused and authorized the undersigned to sign this annual report on its behalf.

ENLIGHT RENEWABLE ENERGY LTD.

Date: March 27, 2025

By: /s/ Gilad Yavetz
Name: Gilad Yavetz
Title: Chief Executive Officer

Enlight Renewable Energy Ltd.

Consolidated Financial Statements
For the Year Ended
December 31, 2024

Table of Contents

	Page
Report of Independent Registered Public Accounting Firm (PCAOB ID No.1057)	F-3
Financial Statements:	
Consolidated Statements of Financial Position	F-6 - F-7
Consolidated Statements of Income and Other Comprehensive Income	F-8 - F-9
Consolidated Statements of Changes in Equity	F-10 - F-12
Consolidated Statements of Cash Flows	F-13 - F-15
Notes to the Financial Statements	F-16

Somekh Chaikin
17 Ha'arba'a Street, PO Box 609
KPMG Millennium Tower
Tel Aviv 6100601, Israel
+972 3 684 8000

Report of Independent Registered Public Accounting Firm

The Board of Directors and Shareholders

Enlight Renewable Energy Ltd.

Opinions on the Consolidated Financial Statements and Internal Control over Financial Reporting

We have audited the accompanying consolidated statements of financial position of Enlight Renewable Energy Ltd. and subsidiaries (the "Company") as of December 31, 2024 and 2023, and the related consolidated statements of income, and other comprehensive income, changes in equity, and cash flows for each of the years in the three-year period ended December 31, 2024, and the related notes (collectively, the "consolidated financial statements"). We also have audited the Company's internal control over financial reporting as of December 31, 2024, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of the Company as of December 31, 2024 and 2023, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2024, in conformity with IFRS Accounting Standards as issued by the International Accounting Standards Board ("IFRS Accounting Standards"). Also in our opinion, the Company maintained, in all material respects, effective internal control over financial reporting as of December 31, 2024, based on criteria established in *Internal Control – Integrated Framework (2013)* issued by the Committee of Sponsoring Organizations of the Treadway Commission.

Basis for Opinion

The Company's management is responsible for these consolidated financial statements, for maintaining effective internal control over financial reporting, and for its assessment of the effectiveness of internal control over financial reporting included in the accompanying Management's Report on Internal Control over Financial Reporting. Our responsibility is to express an opinion on the Company's consolidated financial statements and an opinion on the Company's internal control over financial reporting based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) ("PCAOB") and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audits to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud, and whether effective internal control over financial reporting was maintained in all material respects.

KPMG Somekh Chaikin, an Israeli partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee

Our audits of the consolidated financial statements included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. Our audit of internal control over financial reporting included obtaining an understanding of internal control over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. Our audits also included performing such other procedures as we considered necessary in the circumstances. We believe that our audits provide a reasonable basis for our opinions.

Definition and Limitations of Internal Control over Financial Reporting

A company's internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Critical Audit Matter

The critical audit matter communicated below is a matter arising from the current period audit of the consolidated financial statements that was communicated or required to be communicated to the audit committee and that: (1) relates to accounts or disclosures that are material to the consolidated financial statements and (2) involved our especially challenging, subjective, or complex judgments. The communication of a critical audit matter does not alter in any way our opinion on the consolidated financial statements, taken as a whole, and we are not, by communicating the critical audit matter below, providing a separate opinion on the critical audit matter or on the accounts or disclosures to which it relates.

Capitalization of deferred costs in respect of projects

As discussed in Note 2(E) to the consolidated financial statements, deferred costs in respect of projects are costs which were accrued for the development of projects, and for which it is probable that economic benefits will derive to the Company in the future and the costs can be measured reliably. In assessing whether such expenditures can be capitalized, the Company evaluates, among other factors, the likelihood in succeeding to develop a project, the progress phase in the development, the Company's experience in similar projects, and whether there are other obstacles that might affect the probability to successfully develop. As of December 31, 2024, the Company has USD 357,358 thousands of deferred costs in respect of projects.

We identified the assessment of the capitalization of deferred costs in respect of projects as a critical audit matter. Subjective auditor judgment was required to evaluate the likelihood to succeed in developing projects and compliance with the criteria for cost capitalization due to the uncertainty associated with project completion and the nature of costs incurred.

The following are the primary procedures we performed to address this critical audit matter. We evaluated the design and tested the operating effectiveness of certain internal controls related to the Company's capitalization of deferred costs in respect of projects process. This included controls over the likelihood to succeed in developing projects and compliance with the criteria for cost capitalization. For a sample of costs that were capitalized, we examined underlying documentation, including contractual agreements and third-party invoices, and assessed whether the costs met the capitalization criteria in accordance with International Financial Reporting Standards. We inquired of management to understand the nature of projects that were selected for testing to determine if they were likely to be completed and continued to meet the capitalization criteria. For a selection of projects, we assessed project progress by inspecting relevant supporting documents, including board meeting minutes.

Somekh Chaikin
Member Firm of KPMG International

We have served as the Company's auditor since 2019.
Tel Aviv, Israel

March 27, 2025

KPMG Somekh Chaikin, an Israeli partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee

Consolidated Statements of Financial Position as of December 31

	Note	2024 USD in thousands	2023 USD in thousands
Assets			
Current assets			
Cash and cash equivalents	5	**387,427**	403,805
Deposits in banks		**-**	5,308
Restricted cash		**87,539**	142,695
Trade receivables		**50,692**	43,100
Other receivables	6	**99,651**	60,691
Current maturities of contract assets	9	**-**	8,070
Other financial assets	28	**975**	976
Assets of disposal groups classified as held for sale	7	**81,661**	-
Total current assets		**707,945**	664,645
Non-current assets			
Restricted cash		**60,802**	38,891
Other long-term receivables		**61,045**	32,540
Deferred costs in respect of projects		**357,358**	271,424
Deferred borrowing costs		**276**	493
Loans to investee entities		**18,112**	35,878
Contract assets	9	**-**	91,346
Fixed assets, net	10	**3,699,192**	2,947,369
Intangible assets, net	11	**291,442**	287,961
Deferred taxes assets	16	**10,744**	9,134
Right-of-use asset, net	27	**210,941**	121,348
Financial assets at fair value through profit or loss	28	**69,216**	53,466
Other financial assets	28	**59,812**	79,426
Total non-current assets		**4,838,940**	3,969,276
Total assets		**5,546,885**	4,633,921

The notes to the consolidated financial statements are an integral part thereof.

Consolidated Statements of Financial Position as of December 31 (Cont.)

	Note	2024 USD in thousands	2023 USD in thousands
Liabilities and equity			
Current liabilities			
Credit and current maturities of loans from banks and other financial institutions	13	**212,246**	324,666
Trade payables		**161,991**	105,574
Other payables	12	**107,825**	103,622
Current maturities of debentures	14	**44,962**	26,233
Current maturities of lease liability	27	**10,240**	8,113
Financial liabilities through profit or loss	28	**-**	13,860
Other financial liabilities	28	**8,141**	1,224
Liabilities of disposal groups classified as held for sale	7	**46,635**	-
Total current liabilities		**592,040**	583,292
Non-current liabilities			
Debentures	14	**433,994**	293,751
Convertible debentures	14	**133,056**	130,566
Loans from banks and other financial institutions	13	**1,996,137**	1,702,925
Loans from non-controlling interests		**75,598**	92,750
Financial liabilities through profit or loss	28	**25,844**	34,524
Other financial liabilities	28	**107,865**	62,020
Deferred taxes liabilities	16	**41,792**	44,941
Deferred income related to tax equity	31A(6)	**403,384**	60,880
Employee benefits		**1,215**	4,784
Lease liability	27	**211,941**	119,484
Asset retirement obligation		**83,085**	68,047
Total non-current liabilities		**3,513,911**	2,614,672
Total liabilities		**4,105,951**	3,197,964
Equity			
Ordinary share capital	17	**3,308**	3,293
Share premium	17	**1,028,532**	1,028,532
Capital reserves		**25,273**	57,730
Proceeds on account of convertible options		**15,494**	15,494
Accumulated profit		**107,919**	63,710
Equity attributable to shareholders of the Company		**1,180,526**	1,168,759
Non-controlling interests		**260,408**	267,198
Total equity		**1,440,934**	1,435,957
Total liabilities and equity		**5,546,885**	4,633,921

Yair Seroussi Chairman of the Board of Directors	Gilad Yavetz CEO and Board Member	Nir Yehuda CFO

Approval Date of the Financial Statements: March 27, 2025

The notes to the consolidated financial statements are an integral part thereof.

Consolidated Statements of Income and Other Comprehensive Income

	Note	2024 USD in thousands	2023(*) USD in thousands	2022(*) USD in thousands
Revenues	20	**377,935**	255,702	192,172
Tax benefits	21	**20,860**	5,440	-
Total revenues and income		**398,795**	261,142	192,172
Cost of sales(**)	22	**(80,696)**	(52,794)	(40,438)
Depreciation and amortization		**(108,889)**	(65,796)	(42,268)
General and administrative expenses	23	**(38,847)**	(31,356)	(27,034)
Development expenses	24	**(11,601)**	(6,347)	(5,587)
Total operating expenses		**(240,033)**	(156,293)	(115,327)
Gains from projects disposals		**601**	9,847	-
Other income, net	25	**16,172**	43,447	13,767
Operating profit		**175,535**	158,143	90,612
Finance income	26A	**20,439**	36,799	23,341
Finance expenses	26B	**(107,844)**	(68,143)	(62,591)
Total finance expenses, net		**(87,405)**	(31,344)	(39,250)
Profit before tax and equity loss		**88,130**	126,799	51,362
Share of losses of equity accounted investees		**(3,350)**	(330)	(306)
Profit before income taxes		**84,780**	126,469	51,056
Taxes on income	16B	**(18,275)**	(28,428)	(12,943)
Profit for the year		**66,505**	98,041	38,113
Other comprehensive income (loss):				
Amounts which will be classified in the future under profit or loss, net of tax:				
Foreign currency translation differences for foreign operations		**(40,298)**	53,663	78,177
Effective portion of changes in fair value of cash flow hedges, net	28	**(13,684)**	15,929	59,892
Other comprehensive loss item that will not be transfer to profit or loss:				
Presentation currency translation adjustment		**(7,630)**	(41,678)	(112,158)
Total other comprehensive income (loss) for the year		**(61,612)**	27,914	25,911
Total comprehensive profit for the year		**4,893**	125,955	64,024

The notes to the consolidated financial statements are an integral part thereof.

Consolidated Statements of Income and Other Comprehensive Income (Cont.)

	Note	2024 USD in thousands	2023(*) USD in thousands	2022(*) USD in thousands
Profit for the year attributed to:				
Owners of the Company		**44,209**	70,924	24,749
Non-controlling interests		**22,296**	27,117	13,364
		66,505	98,041	38,113
Comprehensive income (loss) for the year attributed to:				
Owners of the Company		**(477)**	92,183	45,859
Non-controlling interests		**5,370**	33,772	18,165
		4,893	125,955	64,024
Earnings per ordinary share (in USD) with a par value of NIS 0.1, attributable to owners of the parent Company:	18			
Basic earnings per share		**0.37**	0.61	0.25
Diluted earnings per share		**0.36**	0.57	0.25
Weighted average of share capital used in the calculation of earnings:				
Basic per share		**118,293,556**	115,721,346	97,335,870
Diluted per share		**123,312,565**	123,861,293	99,978,133

(*) The Consolidated Statements of Income have been adjusted to present comparable information for the previous years. For additional details please see Note 2R.

(**) Excluding depreciation and amortization

The notes to the consolidated financial statements are an integral part thereof.

Consolidated Statements of Changes in Equity

	For the year ended December 31, 2024												
	Owners of the parent company												
				Capital reserves									
	Share capital	Share premium	Proceeds on account of convertible	Controlling shareholders (1)	Transactions with non-controlling interests (1)	Transactions Share-based payment (1)	Hedge Reserve (1)	Translation reserve from foreign operation (1)	Translation reserve from currency Presentation (1)	Accumulated profit (loss)	Total attributable to the owners of the company	Non-controlling interests	
	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands	U tho
Balance as of January 1, 2024	**3,293**	**1,028,532**	**15,494**	**5,378**	**(22,243)**	**42,850**	**33,356**	**57,139**	**(58,750)**	**63,710**	**1,168,759**	**267,198**	**1,**
Profit for the year	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**-**	**44,209**	**44,209**	**22,296**	
Other comprehensive income:													
Fair value changes of financial instruments used for cash flow hedging, net of tax	-	-	-	-	-	-	**(7,727)**	-	-	-	**(7,727)**	**(5,957)**	
Exchange differences due to translation of foreign operations	-	-	-	-	-	-	-	**(30,757)**	-	-	**(30,757)**	**(9,541)**	
Other comprehensive income item that will not be transfer to profit or loss:													
Presentation currency translation adjustment	-	-	-	-	-	-	-	-	**(6,202)**	-	**(6,202)**	**(1,428)**	
Total other comprehensive loss for the year	**-**	**-**	**-**	**-**	**-**	**-**	**(7,727)**	**(30,757)**	**(6,202)**	**-**	**(44,686)**	**(16,926)**	
Total comprehensive income (loss) for the year	**-**	**-**	**-**	**-**	**-**	**-**	**(7,727)**	**(30,757)**	**(6,202)**	**44,209**	**(477)**	**5,370**	
Share-based payment	-	-	-	-	-	**13,840**	-	-	-	-	**13,840**	**-**	
Exercise of options into shares	**15**	-	-	-	-	-	-	-	-	-	**15**	**-**	
Increase in ownership rate interest within control	-	-	-	-	**(1,611)**	-	-	-	-	-	**(1,611)**	**355**	
Exercise of loans into equity	-	-	-	-	-	-	-	-	-	-	-	**12,373**	
Sale of consolidated subsidiaries	-	-	-	-	-	-	-	-	-	-	-	**469**	
Dividends and distributions by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	**(25,536)**	
Investment in consolidated entity	-	-	-	-	-	-	-	-	-	-	-	**179**	
	15	**-**	**-**	**-**	**(1,611)**	**13,840**	**-**	**-**	**-**	**-**	**12,244**	**(12,160)**	

Balance as of December 31, 2024	**3,308**	**1,028,532**	**15,494**	**5,378**	**(23,854)**	**56,690**	**25,629**	**26,382**	**(64,952)**	**107,919**	**1,180,526**	**260,408**	**1,**

(1) The Capital reserves as of December 31, 2024 total to USD 25,273 thousands

The notes to the consolidated financial statements are an integral part thereof.

Consolidated Statements of Changes in Equity (Cont.)

	For the year ended December 31, 2023												
	Owners of the parent company												
				Capital reserves									
	Share capital	Share premium	Proceeds on account of convertible options	Controlling shareholders (1)	Transactions with non-controlling interests (1)	Transactions Share-based payment (1)	Hedge Reserve (1)	Translation reserve from foreign operation (1)	Translation reserve from currency Presentation (1)	Accumulated loss	Total attributable to the owners of the company	Non-controlling interests	
	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands	U tho
Balance as of January 1, 2023	2,827	762,516	15,496	5,378	(19,404)	34,009	20,770	14,775	(25,059)	(7,214)	804,094	245,940	1,(
Profit for the year	-	-	-	-	-	-	-	-	-	70,924	70,924	27,117	
Other comprehensive income:													
Fair value changes of financial instruments used for cash flow hedging, net of tax	-	-	-	-	-	-	12,586	-	-	-	12,586	3,343	
Exchange differences due to translation of foreign operations	-	-	-	-	-	-	-	42,364	-	-	42,364	11,299	
Other comprehensive income item that will not be transfer to profit or loss:													
Presentation currency translation adjustment	-	-	-	-	-	-	-	-	(33,691)	-	(33,691)	(7,987)	
Total other comprehensive income (loss) for the year	-	-	-	-	-	-	12,586	42,364	(33,691)	-	21,259	6,655	
Total comprehensive income (loss) for the year	-	-	-	-	-	-	12,586	42,364	(33,691)	70,924	92,183	33,772	
Share-based payment	-	-	-	-	-	8,841	-	-	-	-	8,841	-	
Issuance of shares, net	456	265,994	-	-	-	-	-	-	-	-	266,450	-	2
Exercise of options and conversion of debentures into shares	10	22	(2)	-	-	-	-	-	-	-	30	-	
Increase in ownership rate interest within control	-	-	-	-	(2,839)	-	-	-	-	-	(2,839)	(4,557)	
Sale of consolidated subsidiaries	-	-	-	-	-	-	-	-	-	-	-	191	
Dividends and distributions by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(13,596)	
Investment in consolidated entity	-	-	-	-	-	-	-	-	-	-	-	5,448	
	466	266,016	(2)	-	(2,839)	8,841	-	-	-	-	272,482	(12,514)	2

Balance as of December 31, 2023	3,293	1,028,532	15,494	5,378	(22,243)	42,850	33,356	57,139	(58,750)	63,710	1,168,759	267,198	1,4

(1) The Capital reserves as of December 31, 2023 total to USD 30,469 thousands

The notes to the consolidated financial statements are an integral part thereof.

Consolidated Statements of Changes in Equity (Cont.)

	For the year ended December 31, 2022											
	Owners of the parent company											
				Capital reserves								
	Share capital	Share premium	Proceeds on account of convertible options	Controlling shareholders (1)	Transactions with non-controlling interests (1)	Transactions Share-based payment (1)	Hedge Reserve (1)	Translation reserve from foreign operation (1)	Translation reserve from currency Presentation (1)	Accumulated loss	Total attributable to the owners of the company	Non-controlling interests
	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands
Balance as of January 1, 2022	2,549	556,161	10,405	5,378	(19,432)	20,100	(14,548)	(54,960)	58,948	(31,963)	532,638	224,743
Profit (loss) for the year	-	-	-	-	-	-	-	-	-	24,749	24,749	13,364
Other comprehensive income (loss):												
Fair value changes of financial instruments used for cash flow hedging, net of tax	-	-	-	-	-	-	35,382	-	-	-	35,382	24,510
Exchange differences due to translation of foreign operations	-	-	-	-	-	-	-	69,735	-	-	69,735	8,442
Other comprehensive income item that will not be transfer to profit or loss:												
Presentation currency translation adjustment	-	-	-	-	-	-	-	-	(84,007)	-	(84,007)	(28,151)
Total other comprehensive income (loss) for the year	-	-	-	-	-	-	35,382	69,735	(84,007)	-	21,110	4,801
Total comprehensive income (loss) for the year	-	-	-	-	-	-	35,382	69,735	(84,007)	24,749	45,859	18,165
Share-based payment	-	-	-	-	-	13,909	-	-	-	-	13,909	-
Issuance of shares, net	270	206,355	-	-	-	-	-	-	-	-	206,625	-
Issuance of convertible debentures	-	-	5,091	-	-	-	-	-	-	-	5,091	-
Exercise of share options	8	-	-	-	-	-	-	-	-	-	8	-
Changes in ownership interest without loss of control	-	-	-	-	28	-	(64)	-	-	-	(36)	5,247
Dividends and distributions by subsidiaries to non-controlling interests	-	-	-	-	-	-	-	-	-	-	-	(3,392)
Investment in consolidated entity	-	-	-	-	-	-	-	-	-	-	-	1,177
	278	206,355	5,091	-	28	13,909	(64)	-	-	-	225,597	3,032
Balance as of December 31, 2022	2,827	762,516	15,496	5,378	(19,404)	34,009	20,770	14,775	(25,059)	(7,214)	804,094	245,940

(1) The Capital reserves as of December 31, 2022 total to USD (4,154) thousands

The notes to the consolidated financial statements are an integral part thereof.

Consolidated Statements of Cash Flows

	2024	2023	2022
	USD in thousands	USD in thousands	USD in thousands
Cash flows from operating activities			
Profit for the year	**66,505**	98,041	38,113
Income and expenses not associated with cash flows:			
Depreciation and amortization	**108,889**	65,796	42,268
Finance expenses, net	**83,560**	28,805	24,589
Share-based compensation	**8,360**	4,970	8,673
Taxes on income	**18,275**	28,428	12,943
Tax benefits	**(20,860)**	(5,440)	-
Other income, net	**(4,963)**	(46,989)	31
Company's share in losses of investee partnerships	**3,350**	330	306
	196,611	75,900	88,810
Changes in assets and liabilities items:			
Change in other receivables	**12,261**	(3,241)	(4,930)
Change in trade receivables	**(9,892)**	(2,841)	(23,355)
Change in other payables	**294**	6,382	5,738
Change in trade payables	**746**	15,474	784
	3,409	15,774	(21,763)
Interest receipts	**12,684**	12,490	4,461
Interest paid	**(74,891)**	(54,469)	(33,123)
Income Tax paid	**(11,246)**	(12,236)	(3,700)
Repayment of contract assets	**-**	14,120	17,578
Net cash flows from operating activities	**193,072**	149,620	90,376
Cash flows from investing activities			
Acquisition (sale) of consolidated companies, net (Annex A)	**1,871**	(6,975)	(56,962)
Changes in restricted cash and bank deposits, net	**29,959**	(53,131)	(86,055)
Purchase, development and construction in respect of projects	**(899,257)**	(730,976)	(656,143)
Payments on account of acquisition of consolidated Company	**(32,777)**	(5,728)	(3,988)
Loans provided and investment in investees	**(26,444)**	(28,174)	(4,147)
Proceeds from sale (purchase) of financial assets measured at fair value through profit or loss, net	**(14,719)**	26,919	(12,705)
Net cash used in investing activities	**(941,367)**	(798,065)	(820,000)

The notes to the consolidated financial statements are an integral part thereof.

Consolidated Statements of Cash Flows (Cont.)

	2024	2023	2022
	USD in thousands	USD in thousands	USD in thousands
Cash flows from financing activities			
Receipt of loans from banks and other financial institutions	**939,627**	623,927	541,024
Repayment of loans from banks and other financial institutions	**(699,584)**	(203,499)	(109,130)
Issuance of debentures	**177,914**	83,038	-
Issuance of convertible debentures	**--**	-	47,755
Repayment of debentures	**(26,016)**	(14,735)	(16,571)
Dividends and distributions by subsidiaries to non-controlling interest	**(25,536)**	(13,328)	(2,927)
Proceeds from settlement of derivatives	**-**	-	7,820
Proceeds from investments by tax-equity investors	**410,845**	198,758	-
Repayment of tax equity investment	**(839)**	(82,721)	-
Deferred borrowing costs	**(21,637)**	(1,984)	(4,957)
Receipt of loans from non-controlling interests	**-**	274	18,136
Repayment of loans from non-controlling interests	**(2,960)**	(1,485)	(2,302)
Consideration from sale (acquisition) of holding in consolidated entity, without loss of control	**(169)**	-	4,160
Prepayments on account of issuance of shares	**-**	-	(1,750)
Issuance of shares	-	266,451	206,625
Exercise of share options	**15**	9	8
Repayment of lease liability	**(5,852)**	(4,848)	(4,327)
Proceeds from investment in entities by non-controlling interest	**179**	5,448	1,177
Net cash from financing activities	**745,987**	855,305	684,741
Increase (decrease) in cash and cash equivalents	**(2,308)**	206,860	(44,883)
Balance of cash and cash equivalents at beginning of year	**403,805**	193,869	265,933
Changes in cash of disposal groups classified as held for sale	**(5,753)**	-	-
Effect of exchange rate fluctuations on cash and cash equivalents	**(8,317)**	3,076	(27,181)
Cash and cash equivalents at end of year	**387,427**	403,805	193,869

The notes to the consolidated financial statements are an integral part thereof.

Consolidated Statements of Cash Flows (Cont.)

	2024 USD in thousands	2023 USD in thousands	2022 USD in thousands
Annex A – Acquisition (sale) of Consolidated Companies, net			
Working capital (except for cash and cash equivalents)	**(10,988)**	14,086	139
Restricted cash	**-**	(822)	-
Fixed assets	**49,831**	(18,730)	1,364
Intangible assets	**4,024**	7,965	41,437
Deferred costs in respect of projects	**3,681**	2,348	15,741
Deferred taxes	**(536)**	(6)	-
Investment in investee	**105**	(98)	-
Right-of-use asset and lease liability, net	**-**	147	-
Loans from banks and other financial institutions	**-**	18,588	
Loan to investee	**(46,350)**	(17,391)	(1,719)
Loan from non-controlling interests	**(1,167)**	1,083	-
Non-controlling interests	**(471)**	(195)	-
Total consideration which was received (paid), after deducting cash in consolidated companies	**(1,871)**	6,975	56,962

Annex B - Material Non-Cash Investing and Financing Activities

During the year 2024, the Company was engaged in development and construction of projects of which a total of approximately USD 135.5 million were financed through supplier credit.

During the year 2024, loans from non-controlling interests were converted into capital notes classified as non-controlling interests, totaling USD 12.4 million.

The notes to the consolidated financial statements are an integral part thereof.

Note 1 - General

A. Enlight Renewable Energy Ltd. (hereinafter: "the Company") is a public company located in Israel, whose shares are listed on NASDAQ and Tel Aviv Stock Exchange (hereinafter: "TASE"). The Company's address is 13 Amal St., Park Afek, Rosh Ha'ayin, Israel. As of the reporting date, the Company is engaged in the renewable energy industry. Since May 2018, the Company has no controlling shareholder and/or a control core.

B. The Company is engaged in the initiation, planning, development, construction and operation of projects for the production of electricity from renewable energy sources in Israel, Europe and the United States. In its activities, the Company is engaged, inter alia, in architectural and engineering planning of the aforementioned projects for the production of electricity, in purchasing the components which are required for the construction of those projects, in building the projects, in securing the regulatory permits and licenses which are required for the construction of each project, in the production and sale of electricity to the electric corporation, and in the operation of those facilities, once completed.

C. Definitions

The Group	-	The Company and its consolidated entities (as defined below).
Consolidated Entities	-	Companies or partnerships which are directly or indirectly under the Company's control (as defined in IFRS 10), and whose financial reports are wholly consolidated with the Company's reports. The material active consolidated entities are as specified in Note 8.
Related Party	-	As defined in IAS 24 (2009), "Related Party Disclosures".

D. Statement of Compliance with International Financial Reporting Standards (IFRS)

The Group's consolidated financial statements have been prepared in accordance with IFRS® Accounting Standards (hereinafter: "IFRS") as issued by the International Accounting Standards Board (IASB).

The consolidated financial statements were authorized for issue by the Company's Board of Directors on March 25, 2025.

E. Classifications

The Company made a number of insignificant adjustments to the classification of comparative figures in order to adjust them to the manner of classification in the current financial statements. The said classifications have no effect on the total profit (loss).

F. Operating cycle period

The Group's operating cycle period is 12 months.

G. Exchange rates and linkage base

(1) Balances denominated in or linked to foreign currency are included in the financial statements according to the representative exchange rates which were published by Bank of Israel, and which applied as of the end of the reporting period.

Note 1 - General (Cont.)

G. Exchange rates and linkage base (Cont.)

(2) Balances linked to the Israeli Consumer Price Index (hereinafter: the "CPI") are presented according to the last known index on the balance sheet data (hereinafter: the "Known Index").

(3) Presented below are data regarding the EUR, HRK, HUF and NIS exchange rates, and regarding the CPI:

	Representative exchange rate			CPI(*)
	EUR	NIS	HUF	Known index
		(USD to 1)		In points
Date of the financial statements:				
As of December 31, 2024	**1.041**	**0.274**	**0.0025**	**117.6**
As of December 31, 2023	1.006	0.249	0.0029	113.7
	%	%	%	%
Rates of change:				
For the year ended:				
As of December 31, 2024	**3.5**	**10**	**(13.8)**	**3.4**
As of December 31, 2023	(5.6)	(12.3)	7.4	3.3

(*) Base: 2012 average = 100.

Note 2 - Material Accounting Policies

A. Foreign currency

(1) Functional currency and presentation currency

The financial statements of each of the Group's subsidiaries were prepared in the currency of the main economic environment in which it operates (hereinafter: the "Functional Currency"). For the purpose of consolidating the financial statements, results and financial position of each of the Group's member companies are translated into the NIS, which is the Company's functional currency. The Group's consolidated financial statements are presented in USD. For details regarding the exchange rates, and changes thereto, during the presented periods, see Note 1G.

(2) Translation of transactions in currencies other than the functional currency:

In preparing the financial statements of each of the Group's member companies, transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are translated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortized cost in the functional currency at the beginning of the year, adjusted for effective interest and payments during the year, and the amortized cost in foreign currency translated at the exchange rate at the end of the year.

Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction.

Note 2 - Material Accounting Policies (Cont.)

A. Foreign currency (Cont.)

(3) Method for recording exchange differences

Exchange differences are recognized under profit or loss during the period in when they arose, except for exchange differences in respect of monetary items receivable or payable from foreign operations, the settlement of which is not planned or expected, and which therefore constitute a part of a net investment in a foreign operation. These exchange differences are recognized under other comprehensive income, under the item for "exchange differences due to translation of foreign operations", and are carried to the statement of income upon the realization of the net investment in the foreign operation, and upon loss of control, joint control, or significant influence of the foreign operation.

Exchange differences are classified under profit and loss in the items for finance income and expenses.

When the settlement of loans which were provided to a foreign operation by the Group is not planned or expected in the foreseeable future, profit and loss from exchange differences due to these monetary items are included as part of the investment in foreign operations, net, recognized under other comprehensive income, and presented under equity as part of "exchange differences due to translation of foreign operations".

(4) Translation of financial statements of investees whose functional currency is different from the Company's functional currency

The financial statements of a foreign operation which is not directly held are translated to the NIS using the consolidation in stages method, in which the financial statements of the foreign operation are first translated to the functional currency of the direct parent company, and are then translated to the functional currency of the ultimate parent company. Therefore, upon the realization of a foreign operation which is not directly held, the Group re-classifies to the statement of income the cumulative amount in respect of which translation differences arose, according to the amount which would have been created had the foreign operation been translated directly into NIS.

(5) Hedge of net investment in foreign operation

The Group applies hedge accounting to foreign currency differences arising between the functional currency of the foreign operation and the Company's functional currency (NIS), regardless of whether the net investment is held directly or through an investee company.

Foreign currency differences arising on the translation of a financial liability designated as a hedge of a net investment in a foreign operation are recognized in other comprehensive income to the extent that the hedge is effective, and are presented within equity as part of the translation reserve. To the extent that the hedge is ineffective, such differences are recognized in profit or loss. When the hedged part of a net investment is disposed of, the relevant amount in the translation reserve is transferred to profit or loss as part of the profit or loss on disposal.

B. Basis of consolidation

(1) Business combinations

The Group implements the acquisition method to all business combinations. The acquisition date is the date when the acquirer obtains control of the acquired entity. Control exists when the Group is exposed, or holds rights, to variable returns from its involvement in the acquired entity, and when it is able to affect those returns through its power over the acquired. Substantive rights held by the Group and others are taken into account when assessing control.

Note 2 - Material Accounting Policies (Cont.)

B. Basis of consolidation (Cont.)

(1) Business combinations (Cont.)

The Group recognizes, on the acquisition date, the contingent liability which was accepted in a business combination, if there is a commitment in the present which is due to past events, and whose fair value is reliably measurable. The consideration transferred includes the fair value of the assets which were transferred to the previous owner of the acquired entity, liabilities which materialized for the acquiree towards the previous owner of the acquired entity, and equity interests which were issued by the Group. Additionally, goodwill is not updated due to the use of carryforward tax losses which existed on the date of the business combination.

The consideration transferred also includes the fair value of contingent consideration. After the acquisition date, the Group recognizes changes in the fair value of the contingent consideration which is financial liability a financial liability in the statement of income.

Acquisition-related costs which materialized for the buyer in respect of a business combination, such as agency fees, consulting fees, legal fees, valuations and other fees in respect of professional services or consulting services, except for those which are associated with the issuance of debt or equity instruments in connection with the business combination, are recognized as an expense in the period when the services are received.

(2) Goodwill

The Group recognizes goodwill as of the acquisition date according to the fair value of the consideration which was transferred, after deducting the net amount which was attributed in the acquisition to the identifiable assets which were acquired, and to the liabilities which were accepted. Goodwill is initially recognized as an asset at cost, and is measured in subsequent periods at cost after deducting accumulated impairment losses.

For the purpose of testing for impairment, goodwill is allocated to each of the Group's cash generating units which are expected to benefit from the business combination's synergy. Cash-generating units to which goodwill was allocated are tested for impairment each year, or more frequently when indicators exist of possible impairment of that unit. When the recoverable amount of a cash-generating unit is lower than that unit's carrying value, the impairment loss is first allocated to the amortization of the carrying value of any goodwill which is attributed to the cash generating unit. Subsequently, the balance of impairment loss, if any, is allocated to other assets of the cash generating unit, in proportion to their carrying value. Impairment loss of goodwill is not reversed in subsequent periods.

(3) Issuance of put option to non-controlling interests

Put options issued by the Group to non-controlling interests, which are settled in cash, is recognized as a liability at the present value of the exercise addition, against carrying to the goodwill which was created on the date of the business combination. Changes in the liability in respect of the put option to non-controlling interests are recognized in the statements of income according to the effective interest method; however, for changes in the subsequent measurement of the put option, the possibility is evaluated of capitalizing them as non-specific credit to balances of qualifying assets, in accordance with the International Accounting Standard (IAS) 23, "Borrowing Costs".

The profit attributable to the Company's owners in the statements of income include the share of non-controlling interests to whom the Company has issued a put option, in the results of the investee company, including in cases where the non-controlling interests have access to the returns arising from the interests in the investee company.

Dividends which are distributed to non-controlling interests in a subsidiary, hold a put option, is recorded as an expense in the statements of income, while investments made by non-controlling interests are recorded as income.

Note 2 - Material Accounting Policies (Cont.)

B. Basis of consolidation (Cont.)

(4) Acquisition of property company

Upon the acquisition of a property company, the Group exercises judgment in its evaluation of whether it constitutes the acquisition of a business or a property, for the purpose of determining the accounting treatment for the transaction. In its evaluation of whether a property company constitutes a business, the Group evaluates, inter alia, whether the existing process or processes in the property company, including the scope and nature of the management, security, cleaning and maintenance services. Transactions in which the acquired company is a business are treated as a business combination, as specified above. However, transactions in which the acquired company is not a business are treated as a group of assets and liabilities. In transactions of this kind, the acquisition cost, including transaction costs, is proportionately allocated to the identifiable assets and liabilities which were acquired, based on their proportional fair value as of the acquisition date. In the latter case, goodwill is not recognized, and deferred taxes are not recognized, in respect of temporary differences which exist as of the acquisition date. When the Company engages in a transaction to purchase an asset (a transaction which does not constitute a business combination), and the purchase consideration includes contingent consideration which depends on the occurrence of future events which are not under the Company's control, a contingent consideration liability is initially recognized on the date when the asset is recognized.

C. Classification of interest paid, dividends paid and interest and dividends received in the statement of cash flows

The Group classifies cash flows in respect of interest and dividends which it received, and cash flows in respect of interest paid, as cash flows which arose from, or were used in, operating activities. Cash flows in respect of income taxes are generally classified as cash flows used in operating activities, unless these are readily identifiable as cash flows used in investing or financing activities. Dividends that are paid by the Group are classified as cash flows from financing activities.

D. Fixed assets

(1) General

Fixed assets are tangible items which are held for the purpose of use in the production or provision of goods or services, which are expected to be used in more than one period.

Fixed asset items are presented in the statement of financial position at cost less accumulated depreciation, and less accumulated impairment loss. The cost includes the asset's purchase cost, and costs which are directly attributable to bringing the asset to the location and condition which are required for its operation in the manner intended by management. The cost of qualifying assets also includes borrowing costs to be capitalized, as stated in section D(4) below. For details regarding the impairment testing of fixed assets, see section H.

Fixed asset items include photovoltaic, storage and wind energy facilities for production of electricity, when those systems are not covered under IFRIC 12 and other equipment.

(2) Subsequent costs

The cost of replacing part of a fixed asset item and other subsequent costs are capitalized if it is probable that the future economic benefits associated with them will flow to the Group and their cost can be measured reliably. The carrying value of a replaced part of the fixed asset item is derecognized. Current maintenance costs are carried to profit or loss as incurred.

Note 2 - Material Accounting Policies (Cont.)

D. Fixed assets (Cont.)

(3) Depreciation of fixed assets

Components of a depreciable fixed asset item with a significant cost compared to the total cost of the item are depreciated separately. Depreciation is performed systematically, on a straight-line basis, over the expected useful lifetime of the item's components, from the date when the asset was ready for its intended use, while taking into account its expected residual value at the end of its useful lifetime.

The useful lifetimes, depreciation rates and depreciation methods used in calculating depreciation are as follows:

	Useful lifetime	Depreciation rates	Depreciation method
Wind farms	25-30 years	3.33%-4%	Straight line
Photovoltaic systems	30-35 years	2.86%-3.33%	Straight line
Battery Energy Storage systems (BESS)	25 years	4%	Straight line
Automatic cleaning systems	20 years	5%	Straight line
Others	3-14 years	7%-33.33%	Straight line

The asset's depreciation method, useful lifetime and residual value are reviewed by Company management at the end of each fiscal year. Changes are treated as prospective changes in estimate.

Profit or loss which has arisen due to the sale or expense from the use of a fixed asset item is determined according to the difference between the proceeds from its sale and its carrying value on the date of sale or removal from use, and carried to the statement of income as a "Gains from projects disposals".

(4) Borrowing costs

A qualifying asset is an asset regarding which a significant period of time is necessary in order to prepare it for its intended use, or for its sale.

(A) Borrowing costs which are directly attributable to the purchase or construction of facilities for the production of electricity, where preparing them for their intended use requires a significant period of time, are capitalized to the cost of those assets until the date when those assets are ready for their intended use.

(B) The Company determines the amount of borrowing costs which are not directly attributable, and which are capitalizable, by attributing a capitalization rate for expenses in respect of qualifying assets. This capitalization rate is the weighted average of borrowing costs which are appropriate for the Company's credit during that period, which is not directly attributable to the project. The Company capitalizes borrowing costs which are not directly attributable, in an amount which does not exceed the total sum of borrowing costs which arose for it during that period. Exchange differences in respect of loans denominated in a currency other than the functional currency are capitalized to the cost of those assets, to the extent where they are considered an adjustment of interest costs. All other borrowing costs are recognized in the statement of income on the date of their creation.

(5) Liability in respect of the costs of dismantling and removal of the facility and restoring the site where the facility is located

The cost of a fixed asset item includes, inter alia, the costs of dismantling and removal of the item and the restoration of the site on which it is located, which give rise to a liability for the entity upon acquisition of the item or as a result of the use of the item over a specific duration, other than for the creation of inventory in such period. After the initial recognition date, Changes in the foregoing liability until the end of the item's depreciation period are added to or subtracted from the asset in the current period. Changes in the aforesaid liability due to the passage of time are recognized in profit or loss as finance expenses as incurred.

Note 2 - Material Accounting Policies (Cont.)

E. Deferred costs in respect of projects

Deferred costs in respect of projects are costs which were accrued for the development of projects, and for which it is probable that economic benefits will derive to the Company in the future and the costs can be measured reliably. In assessing whether such expenditures can be capitalized, the Company evaluates, among other factors, the likelihood in succeeding to develop a project, the progress phase in the development, the Company's experience in similar projects, and whether there are other obstacles that might affect the probability to successfully develop etc. The Company assess such likelihood of success in each individual case, in case it is probable that the relevant project will be materialized, those costs are capitalized and presented under the item for "deferred costs in respect of projects" in the statement of financial position. If during the process it is no longer probable that the project can be materialized, any related amounts that were previously capitalized are written off (i.e. expensed). Once all the approvals obtained and the project is ready to be constructed on, the related development costs that have been deferred are classified to Fixed assets.

F. Service concession arrangements

The Company received from the state of Israel, through the Public Utilities Authority - Electricity (hereinafter: the "Electricity Authority"), licenses (concessions) for the construction of facilities for the production of electricity using photovoltaic technology, or through wind energy, for the purpose of providing services involving the production of electricity from renewable energy sources, and also engaged in agreements with Israel Electric Corporation (hereinafter: the "IEC") to purchase the electricity which is produced in those facilities (hereinafter: the "Purchase Agreement"), in BOO (Build, Operate, Own) agreements.

The Electricity Authority determines the tariff that will be paid for the electricity produced in the photovoltaic facilities on the date of tariff approval, and thereby controls it, and requires the operator to sign the purchase agreement as a condition for the receipt of the permanent production license.

With respect of photovoltaic facilities in Israel which commenced operation until December 31, 2016, the Company made specific economic calculations for each of the facilities which it owns, and reached the conclusion that the residual value from additional continued operation, beyond 20 years, is negligible relative to the facility's total value.

In accordance with the above, the appropriate treatment of these photovoltaic facilities is in accordance with IFRIC 12, and the Company is adopted the financial asset model, as defined in that interpretation.

The treatment in the Company's books in respect of the foregoing facilities is as follows -

The total consideration which is expected to be received throughout the license period is allocated to the construction services and to the operating services based on the proportional fair value figures of those services.

- The value of the construction services is determined according to the construction costs, plus the standard construction margin, according to the Company's estimate.
- The value of the operating services is determined according to the operating costs, plus the standard margin, according to the Company's estimate.

Interest income is recognized throughout the license period according to the effective interest method, based on the rate of return which reflects the relevant risks during the construction and operation period of the project. This income is recognized in the statement of cash flows under operating activities, as activities not associated with cash flows.

Note 2 - Material Accounting Policies (Cont.)

F. Service concession arrangements (Cont.)

Proceeds attributable to the repayment of the asset are classified in the statement of cash flows Activity under operating activities, as activity in respect of concession arrangements - repayment of contract asset.

The consideration which is recognized on the date of revenue recognition, as stated above, is treated as a contract asset covered under IFRS 15 (see section M(2) below) throughout the entire period of the concession arrangement, and is not reclassified in the commercial operation stage to a financial asset (receivables) covered under IFRS 9, since the contractual right to receive payment for the services in accordance with the arrangement arises as the facilities commence operation and producing electricity in practice, and does not only depend on the passage of time.

For details regarding the timing of recognition of revenue from the provision of services, see section M(2) below.

For details regarding the impairment of financial assets, see section I(4) below.

With respect to the change in the treatment of the facilities under the service concession arrangement, see Note 9.

G. Intangible assets

Concession rights

The Company has agreements for the provision of electricity and concession agreements which are presented at cost, after deducting amortization (except as stated in section F), and are amortized according to the useful lifetime which was determined for the facility to which they are attributed.

The concession rights have definite useful lifetimes and are amortized in a straight line throughout their estimated useful lifetime, subject to an impairment test. Changes in the estimated useful lifetime of an intangible asset with a definite lifetime are treated prospectively.

Goodwill

Goodwill which was created due to the acquisition of subsidiaries is presented under intangible assets. For details regarding the measurement of goodwill upon initial recognition, see section B(2) above.

In subsequent periods, goodwill is measured at cost after deducting accumulated impairment losses.

H. Impairment of non-financial assets

At the end of each reporting period, the Group evaluates the carrying value of its tangible and intangible assets, in order to determine whether any indicators of impairment exist in respect of those assets. In case indicators of this kind exist, the recoverable amount of the asset is estimated in order to determine the amount of impairment loss which was created, if any. When it is not possible to measure the recoverable amount of an individual asset, the Group estimates the recoverable amount of the revenue-generating unit to which the asset belongs.

Intangible assets with indefinite useful lifetimes, and intangible assets which are not yet available for use, are tested for impairment once per year, or more frequently, in case of indicators of the asset’s impairment.

Note 2 - Material Accounting Policies (Cont.)

I. Financial assets

(1) General

Financial assets are recognized in the statement of financial position when the Group becomes a party to the instrument's contractual terms.

(2) Financial assets measured at fair value

Investments in financial assets are initially recognized at fair value plus transaction costs, except for financial assets which are classified at fair value through profit and loss, which are initially recognized at fair value. Transaction costs in respect of financial assets at fair value through profit or loss are charged immediately as an expense to profit or loss. After initial recognition, financial assets are measured at amortized cost or at fair value, depending on their classification.

(3) Financial assets measured at amortized cost

Debt instruments are measured at amortized cost upon the fulfillment of the following two conditions:

- The Group's business model is to hold the assets with the aim of collecting contractual cash flows, and
- The contractual terms of the asset establish precise dates when the contractual cash flows will be received which constitute principal and interest payments only.

The amortized cost of a financial asset is the amount at which the financial asset is measured upon initial recognition, after deducting principal payments, plus or less accumulated amortization, using the effective interest method, of any difference between the initial amount and the repayment amount, adjusted for any provision for credit loss.

Trade receivables, restricted cash, contract assets in respect of concession arrangements and other receivables with fixed payments, are measured at amortized cost using the effective interest method, after deducting impairment, if any. Interest income is recognized using the effective interest method, except in respect of short term receivables, when the interest amounts to be recognized are immaterial.

(4) Impairment of financial assets

In respect of trade receivables, the Group adopts the lenient approach to the measurement of a provision for impairment, according to the probability of insolvency throughout the instrument's entire lifetime. The expected credit loss in respect of these financial assets is estimated using a matrix of provisions which is based on the Company's past experience regarding credit losses, and adjusted for factors which are specific to the borrower, general economic conditions, and an assessment both of the current trend of conditions, and of the projected trend of conditions, as of the reporting date, including the time value of money, as required.

For contract assets in respect of concession arrangements, the Group recognizes a provision for impairment according to the expected credit losses throughout the instrument's entire lifetime, when there has been a significant increase in the credit risk since their date of initial recognition. If, however, the asset's credit risk has not significantly increased since the date of its initial recognition, the Group measures the provision for impairment according to the probability of insolvency in the coming 12 months.

Note 2 - Material Accounting Policies (Cont.)

J. Financial liabilities and equity instruments which were issued by the Group

(1) Classification as a financial liability or as an equity instrument

Liabilities and equity instruments which were issued by the Group are classified as financial liabilities or as equity instruments in accordance with the nature of the contractual arrangements, and the definition of a financial liability and equity instrument.

(2) Financial liabilities

Financial liabilities are presented and measured according to the following classification:

- Financial liabilities at fair value through profit or loss (derivatives not designated in hedge accounting relationship).
- Financial liabilities at amortized cost.

Financial liabilities at amortized cost:

The Group has loans from banks and others which were initially recognized at fair value less transaction costs. After the initial recognition date, these loans are measured at amortized cost using the effective interest method.

(3) Debentures convertible into Company shares

Debentures which are convertible to a fixed number of Company shares, where the principal and/or interest payments for them are not linked to a currency other than the Company's functional currency, or to the consumer price index, constitute compound financial instruments. On the issuance date of the debentures, the components of the convertible debentures are separated, whereby the liability component is presented under long term liabilities (after deducting current maturities), and the equity component is presented under equity. The fair value of the liability component is determined according to the standard market interest rate for financial instruments with similar characteristics, which do not include a conversion option. The balance of consideration in respect of the convertible debentures is attributed to the conversion option implicit therein, and is presented in equity, under the item for "proceeds on account of convertible options". This component is recognized and included under equity after deducting the income tax impact, and is not remeasured in subsequent periods. The issuance costs are allocated on a proportionate basis to the components of the hybrid financial instrument, in accordance with the allocation of the consideration.

(4) Capital notes

Consolidated companies have interest bearing capital notes which are repayable upon the liquidation of the companies, after the settlement of all of their liabilities. Notwithstanding the foregoing, the companies are entitled, in their exclusive discretion, and subject to the terms of the financing agreements, to perform full or partial repayment of the capital notes and of the interest which has accrued in respect thereof.

Due to the fact that, according to the terms of the capital notes, the companies do not have a contractual obligation to deliver cash / other financial assets to the other party, the entire contract does not meet the definition of a financial liability, and is therefore classified as an equity instrument. In light of the foregoing, the Group does not recognize interest expenses in respect of the share of non-controlling interests in the capital notes, in the statement of income. On the date when the consolidated company performs a full or partial repayment of the capital notes, the Group recognizes the payment which is attributed to the interest that has accrued in respect of the capital notes, by amortizing the balance of non-controlling interests.

Note 2 - Material Accounting Policies (Cont.)

J. Financial liabilities and equity instruments which were issued by the Group (Cont.)

(5) Deferred borrowing costs

Costs which the Company pays in respect of the receipt of credit from banks and other financial institutions, whereby, as of the balance sheet date, borrowing costs which have not been used in practice (all or part) are carried to the asset "deferred borrowing costs". Upon the receipt of credit in practice, the proportional part of the costs is carried to the loan, and is taken into account in the effective interest rate.

K. Derivative financial instruments and hedge accounting

The Group holds derivative financial instruments for the purpose of hedging against foreign currency risks, interest rate risks, and electricity price change risk, as well as derivatives which are not used for hedging purposes. For additional details on the derivatives which the Group uses, see Note 28.

Derivative financial instruments are initially recognized on the date of the engagement and at the end of each subsequent reporting period, according to their fair value. Derivative which was designated for hedging purposes and fulfills all of the conditions for the determination of a hedge relationship, the effective portion of the changes in fair value of the derivative is recognized in other comprehensive income, directly to a hedging reserve. The effective portion of changes in fair value of a derivative, recognized in other comprehensive income, is limited to the cumulative change in the fair value of the hedged item (based on present value), from inception of the hedge. The change in fair value in respect of the ineffective portion is recognized immediately in the statement of income in finance income or finance expenses.

When the result of the expected transaction is the recognition of a non-financial item, the amounts which accrued in the hedging reserve are included in the initial cost of the non-financial item, on the realization date of the hedge transaction.

Hedge accounting is not applied to derivative instruments which are used for economic hedging of financial assets and liabilities denominated in foreign currency. Changes in the fair value of such derivatives are included in finance income or expenses in the statement of income.

L. Tax equity partnership

The Company entered into agreements with parties that have a federal tax liability in the US (hereinafter - the "Tax Equity Partners") for the purpose of financing the construction and operation of renewable energy projects in the US (hereinafter- the "Projects"). According to the terms of the arrangements, the Tax Equity Partners invested a certain amount in projects immediately prior to their commercial operation date in exchange for the issuance of units which confer upon them a pro rata share of the project's free distributable cash flow until reaching a predetermined rate of return. as well as the right to receive tax benefits arising from the project.

The projects' tax benefits include an ITC (Investment Tax Credit) or PTC (Production Tax Credit) as well as a proportionate share in the taxable income of the projects (hereinafter - the "Tax Benefits"). Future amounts that will be paid to the Tax Equity Partners out of the free cash flow for distribution constitute a financial liability, which is measured using an amortized cost model in accordance with the effective interest method. The tax benefits are accounted for as an analogy of revenue in accordance with IFRS 15.

The amounts attributed to the Tax Equity Partner's right to receive a proportionate share of the taxable income of the Partnership are recognized as a non-financial liability, which is carried to profit and loss over the arrangement period, with the tax equity partners. In addition, once the tax equity partners reach the predetermined rates of return set in the agreement, the "flip point", the share of the tax equity partners decreases.

In addition, the Company has utilized another tax equity structure for its solar projects in the form of a sale and leaseback transaction. This structure is treated in the same manner as the accounting treatment mentioned above.

Note 2 - Material Accounting Policies (Cont.)

M. Revenue recognition

Revenue from contracts with customers is recognized in the statement of income when (or insofar as) the control of the asset is transferred to the customer.

Presented below are the specific criteria regarding revenue recognition, which must be fulfilled in order to recognize revenue:

(1) Revenues from the sale of electricity

Revenues from the sale of electricity are carried to the income statement when the performance obligation to transfer the electricity is satisfied upon the actual delivery of electricity to the customer. The Group's revenue from its business activities mostly arises from its Power Purchase Agreements (PPA) to provide electricity to local electricity authorities in its operating countries. The agreements are for a predetermined period and at a fixed tariff. The remaining produced electricity which is sold out of these agreements is sold at market conditions.

(2) Revenues from operation of facilities (service concession arrangements)

Revenues from operation of facilities in concession arrangements are recognized in the period when the Group provides the services throughout the service period. The agreements are for a predetermined period and at a fixed tariff. When the Group provides more than one type of services as part of a concession arrangement, the received consideration is allocated proportionally, according to the fair value of the provided services, if these amounts can be identified separately.

Distinction between "contract assets" and "receivables"

When the Group provides construction services to a customer before the date of payment from a customer in accordance with the agreement, the Company presents the receivable consideration as a "contract asset", except for any amounts which are presented under "receivables". "Contract assets" represent the Group's right to consideration in respect of services which it has performed for the customer. "Receivables" represent the Group's right to non-contingent consideration. The right to consideration is not conditional if only the passage of time is required before the repayment date of that consideration. The Group presents, in the consolidated statement of financial position, "contract assets" in respect of contracts with customers separately from receivables. Contract assets are presented under the item for "contract assets in respect of service concession arrangements" (for additional details, see section F above), while receivables are presented under the item for "trade receivables".

(3) Revenues from construction services

In the field of EPC contracting, the Company is engaged in a long-term agreement of providing construction services for a fixed price. Revenues attributed to the construction services are recognized when the performance obligation is satisfied which is based on the completion rate of the work which was performed. The completion rate is determined based on the estimate of total costs required to fulfill the performance obligation. Revenues from the provision of construction services, are recognized in the period when the Group provides the services. The Group recognizes, in the consolidated statement of income, revenues and costs from construction services to an entity held as an associate, and therefore, the total income and costs in these consolidated reports represents the partners' share in the aforementioned associate entity.

(4) Revenues from management or development fees

The Company, through a subsidiary, has entered into a long-term agreements of providing development and operational management services to projects under development and operational projects owned by third parties for a fixed price. Revenues are recognized on a straight line basis when the performance obligation to provide the service is satisfied throughout the service period.

Note 2 - Material Accounting Policies (Cont.)

N. Share-based payment transactions

Share-based payments to employees and others who provide similar services are settled with the Group's equity instruments which are measured at fair value on the grant date. The Group measures, on the grant date, the fair value of the granted equity instruments, using the binomial model (for details regarding the method used to measure the fair value of share-based payments, see Note 19).

In transactions when a subsidiary grants to its employees' rights in the parent Company's equity instruments, the Group treats the grant as an equity-settled share-based payment transaction.

O. Income taxes

(1) General

Expenses (income) from income taxes include the total current taxes, prior year taxes, and the total change in deferred tax balances, except for deferred taxes due to transactions carried directly to equity. In the calculation of tax expenses, the Company is required to use discretion when determining the tax liability, and its timing. Differences, if any, between the Company's estimate regarding the tax provision and the actual tax results are carried as prior year tax expenses (income) in the period when the final tax liability is determined.

(2) Current taxes

Current tax expenses are calculated based on the taxable income of the Company and of consolidated companies during the reporting period. Taxable income is different from profit before income taxes due to the inclusion or non-inclusion of income and expense items which are taxable or deductible in different reporting periods, or which are non-taxable or non-deductible. Assets and liabilities in respect of current taxes were calculated based on the tax rates and tax laws which were enacted, or substantially enacted, until the date of the statement of financial position.

Current tax assets and liabilities are presented after offsetting when the entity has a legally enforceable right to offset the amounts which were recognized, and the intention to settle the asset on a net basis, and to settle the liability simultaneously.

(3) Deferred taxes

The Group's consolidated entities create deferred taxes in respect of temporary differences between the values for tax purposes of assets and liabilities, and their values in the financial statements. Deferred tax balances (asset or liability) are calculated according to the tax rates which are expected to apply at the time of their realization, based on the tax rates and tax laws which were enacted, or substantially enacted, until the date of the statement of financial position. Deferred tax liabilities are generally recognized in respect of all of the temporary differences between the values for tax purposes of assets and liabilities, and their values in the financial statements. Deferred tax assets are recognized in respect of all of the deductible temporary differences, up to the amount in which taxable income is expected to arise against which it will be possible to use the deductible temporary difference.

The Group does not create deferred taxes in respect of temporary differences due to the initial recognition of an asset or liability in a transaction which is not a business combination, when, on the transaction date, the initial recognition of the asset or liability does not affect the accounting gains or taxable income (loss for tax purposes).

The calculation of deferred taxes does not include taking into account the taxes which would have applied in case of the realization of the investments in investee companies, since the Group intends to hold and develop the investments. Additionally, deferred taxes are not taken into account in respect of profit distributions from Israeli companies, due to the fact that dividends from Israeli companies are not taxable, while on the other hand, in respect of profit from foreign companies, the Company created deferred taxes in respect of distributable accumulated profits, if any, in accordance with the Company's expectation that these profits will be distributed in the foreseeable future.

Note 2 - Material Accounting Policies (Cont.)

O. Income taxes (Cont.)

(3) Deferred taxes (Cont.)

Deferred tax assets and liabilities are presented after offsetting if the entity has a legally enforceable right to offset current tax assets against current tax liabilities, and if they pertain to income taxes which are levied by the same tax authority, and the Group intends to settle the deferred tax assets and liabilities on a net basis.

(4) Uncertain tax positions

A provision in respect of uncertain tax positions, including additional tax expenses and interest, is recognized when it is more likely than not that the Group will require economic resources to settle the liability.

P. Employee benefits

Post-employment benefits

Post-employment benefits include severance pay. The Company's employees have signed section 14 of the Severance Pay Law, 5723-1963, which prescribes that its routine contributions to pension funds and/or policies in insurance companies release it from any additional liability towards the employees, for which the foregoing amounts have been contributed, and therefore, those benefits classified as a defined contribution plan. Expenses in respect of the Group's undertaking to contribute funds as part of a defined contribution plan are carried to the statement of income on the date of provision of the work services, for which the Company is obligated to make the contribution. The difference between amount of the payable contribution and the total sum of paid contributions is presented as a liability.

Contingent consideration as part of a business combination for services to be provided by employees to the company are measured in accordance with IAS19 employee benefits.

Q. Disposal group held for sale

Groups of assets and liabilities for disposal are classified as held for sale if it is highly probable that they will be recovered primarily through a sale transaction and not through continuing use. This applies also to when the Company is obligated to a sale plan that involves losing control over a subsidiary, whether or not the Company will retain any post-sale non-controlling interests in the subsidiary. Immediately before classification as held for sale, the assets (or components of a disposal group) are re-measured in accordance with the Group's accounting policies. Thereafter, the assets (or components of a disposal group) are measured at the lower of their carrying amount and fair value less cost to sell.

Any impairment loss on a disposal group is initially allocated to goodwill, and then to remaining assets and liabilities on pro rata basis, except that no loss is allocated to assets not in the scope of the measurement requirements of IFRS 5 such as: inventories, financial assets, deferred tax assets, employee benefit assets, investment property measured at fair value and biological assets, which continue to be measured in accordance with the Group's accounting policies. Impairment losses recognized on initial classification as held for sale, and subsequent gains or losses on re-measurement, are recognized in profit or loss. Gains are not recognized in excess of any cumulative impairment loss.

In subsequent periods, depreciable assets classified as held for sale are not periodically depreciated, and investments in associates classified as held for sale are not accounted for by the equity method.

R. Structural changes to the Consolidated Statements of Income

The Company has changed its presentation of its Income Statement, which includes the presentation of specified items that have been previously included within other income (i.e. tax equity). In addition, the Company has decided to remove the Gross Profit line item.

The Company believes that such presentation provides a more relevant information and better reflects the measurement of its financial performance. The Company applied such change retrospectively.

Note 3 - New Financial Reporting Standards, Published Interpretations, and Amendments to Standards

a) Initial application of new standards, amendments to standards and interpretations

Standard / interpretation / amendment	Publication requirements	Application and transitional provisions	Expected impact
Amendment to IAS 1, Presentation of Financial Statements: Classification of Liabilities as Current or Non-Current and subsequent amendment: Non-Current Liabilities with Covenants	The Amendment replaces certain requirements for classifying liabilities as current or non-current. According to the Amendment, a liability will be classified as non-current when the entity has the right to defer settlement for at least 12 months after the reporting period, and it "has substance" and is in existence at the end of the reporting period. According to the Amendment, as published in October 2022, covenants with which the entity must comply after the reporting date, do not affect classification of the liability as current or non-current. Additionally, the Amendment adds disclosure requirements for liabilities subject to covenants within 12 months after the reporting date, such as disclosure regarding the nature of the covenants, the date they need to be complied with and facts and circumstances that indicate the entity may have difficulty complying with the covenants. Furthermore, the Amendment clarifies that the conversion option of a liability will affect its classification as current or non-current, other than when the conversion option is recognized as equity.	The Amendment is effective for reporting periods beginning on or after January 1, 2024. The Amendment is applicable retrospectively, including an amendment to comparative data.	Application of the Amendment did not have a material effect on the financial statements.

Note 3 - New Financial Reporting Standards, Published Interpretations, and Amendments to Standards (Cont.)

b) New standards, amendments to standards and interpretations not yet been adopted

Standard / interpretation / amendment	Publication requirements	Application and transitional provisions	Expected impact
Amendments to IFRS 9, Financial Instruments, and IFRS 7, Financial Instruments: Disclosures, Amendments to the Classification and Measurement of Financial Instruments	The amendments address the following matters: • Clarifications are added as to the date of recognition and derecognition of financial instruments, and an exception is added with respect to the timing of derecognizing financial liabilities settled by electronic transfers of cash; • Classification of financial assets – o Updated application guidance for assessing whether contractual cash flows of a financial asset are solely payments of principal and interest (SPPI) when the contractual terms of the asset include contingent features (such as linkage to ESG measures) and examples on the matter. o Clarification as to when financial instruments are contractually linked and when they are non-recourse, for the purpose of determining whether they are solely payments of principal and interest (SPPI). • Updated disclosure requirements for financial instruments having contingent features that are not directly related to changes in the basic risks/cost of the instrument; and • Updated disclosure requirements for investments in equity instruments measured at fair value through other comprehensive income (FVOCI).	The amendments are effective for annual reporting periods beginning on or after January 1, 2026. Earlier application is permitted. An entity may choose to early apply all the amendments or only the amendments regarding the classification of financial assets (including the amendment to IFRS 7 that includes the related disclosure requirements). The amendment to IFRS 9 is to be applied retrospectively and there is no requirement to restate comparative data. In the application of the amendment to IFRS 7 an entity is not required to provide disclosures with respect to periods before the initial date of application of the amendments.	The Group is examining the effects of the amendments on the financial statements with no plans for early adoption.
(2) IFRS 18, *Presentation and Disclosure in Financial Statements*	This standard replaces IAS 1, *Presentation of Financial Statements*. The standard provides guidance for improving the structure and content of the financial statements, particularly the income statement. The standard includes new disclosure and presentation requirements as well as requirements that were taken from IAS 1, *Presentation of Financial Statements*. As part of the new disclosure requirements, it is required to present two subtotals in the income statement: operating profit and profit before financing and taxes. Furthermore, the results in the income statement will be classified into three new categories: an operating category, an investing category and a financing category. In addition to the changes in the structure of the income statements, the standard also includes a requirement to provide separate disclosure in the financial statements regarding the use of management-defined performance measures (MPM). Furthermore, the standard adds specific guidance for aggregation and disaggregation of items in the financial statements and in the notes.	The standard's initial date of application is for annual reporting periods beginning on or after January 1, 2027 with earlier application being permitted. In accordance with the decision of the Securities Authority plenum, reporting corporations may early adopt the standard from reporting periods beginning on January 1, 2025.	The Group is examining the effects of the standard on its financial statements with no plans for early adoption.

Note 4 - Considerations Concerning the Adoption of the Accounting Policy and Key Factors of Uncertainty in Estimation

A. General

In the implementation of the Group's accounting policy, as described in Note 2 above, Company management is required, in certain cases, to use extensive accounting judgment regarding estimates and assumptions in connection with the carrying values of assets and liabilities which are not necessarily available from other sources. These estimates and assumptions are based on past experience and on other factors considered relevant. Actual results may differ from these estimates.

The underlying estimates and assumptions are evaluated by management on an ongoing basis. Changes in accounting estimates are recognized only in the period when the change in estimate was made, if the change only affects that period, or are recognized in that period, and in future periods, when the change affects both the current period and the future periods.

B. Use of estimates and judgment

The preparation of financial statements in conformity with IFRS's requires Company management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. It is hereby clarified that actual results may differ from these estimates.

In formulating the accounting estimates that are used in the preparation of the Group's financial statements, Company management is required to make assumptions as to circumstances and events involving significant uncertainty. Company management prepares the estimates on the basis of past experience, various facts, external circumstances, and reasonable assumptions according to the pertinent circumstances of each estimate. The underlying estimates and assumptions are routinely reviewed. Changes in accounting estimates are recognized in the period in which the estimates were amended and in every affected future period.

The following pertains to critical considerations, except for those associated with estimates, which were made by management in the process of applying the Group's accounting policy, and which have a significant effect on the amounts which were recognized in the financial statements.

Estimate	Main assumptions	Possible implications	Reference
Recognition of project costs as assets	For the purpose of determining whether project costs can be classified as an asset, Group management conducts an assessment in which it evaluates whether the series of statutory permits, land ties, possibility for electricity connection, etc., in the project, lead to the conclusion that the project will produce economic benefits for the Company (in other words, whether the project is expected to reach completion of construction and commercial operation). When regulatory approvals are not expected to be obtained, the Company amortizes the development costs to the statement of income.	Amortization of development costs to the statement of income.	See Note 2E regarding deferred project costs.
Recoverable amount of a cash generating unit which includes goodwill	The determination of this estimate is based on discounted cash flow forecasts. The determination of cash flows is based on various assumptions regarding the results of the future operation of the cash generating unit.	Changes in estimates due to changes in these assumptions, or in the discount rate, could affect profit.	See Note 2H for details regarding the impairment of intangible assets

Note 5 - Cash and Cash Equivalents

	December 31 2024	December 31 2023
	USD in thousands	USD in thousands
Cash in banks	**251,586**	387,891
Short term deposits	**135,841**	15,914
	387,427	403,805

Note 6 - Other Receivables

	December 31 2024	December 31 2023
	USD in thousands	USD in thousands
Government institutions	**11,881**	**8,665**
Other receivables	**7,444**	**19,594**
Prepaid expenses	**80,326**	**32,432**
	99,651	**60,691**

Note 7 - Assets and liabilities of disposal group held for sale

Cluster of operational and pre-construction PV project partnerships in Israel are presented as a disposal group held for sale following the intention of the Company's management, to sell partial holding in these entities. The sale has been completed during the first quarter of 2025, for additional information please see Note 32(a). The disposal group of sale is represented in the consolidated statements of financial position at their carrying amount as the fair value less the costs of sell is higher. As of December 31, 2024 the disposal group comprised assets of USD 81,661 thousand less liabilities of USD 46,635 thousand.

Assets of disposal group classified as held for sale

	December 31 2024
	USD in thousands
Cash and cash equivalents	**5,753**
Trade receivables	**298**
Other receivables	**604**
Restricted cash	**1,826**
Fixed assets, net	**70,186**
Right-of-use asset, net	**2,994**
	81,661

Note 7 - Assets and liabilities of disposal group held for sale (Cont.)

Liabilities of disposal group classified as held for sale

	December 31 2024
	USD in thousands
Trade payables	**18**
Other payables	**6,015**
Loans from banks and other financial institutions	**36,975**
Loans from non-controlling interests	**141**
Lease liability	**2,789**
Excess of liabilities over assets in investees	**697**
	46,635

Note 8 - Investments in Investee Entities

A. Consolidated entities:

1) Business combinations

Signing of an agreement to acquire a company in the solar energy and energy storage segment in the United States - Clēnera LLC

On August 2, 2021, the Company acquired 90.1% of the holdings in Clēnera LLC (hereinafter: "Clēnera"), for a total value of up to USD 433 million.

Transaction structure

1. The Company, through a wholly controlled American subsidiary, acquired the seller's holdings, while the two founders will maintain a minority stake of 9.9%.

2. The consideration for the transaction is comprised of upfront payments and future performance-dependent payments that will be determined in accordance with a gradual, performance-based ("Earn Out") payment mechanism, which will gradually decrease according to the projects' respective years of commercial operation, until 2025.

3. 5 years after the closing of the transaction, the founders will be given the opportunity to exercise a put option in respect of their holdings in Clēnera, in accordance with an agreed-upon mechanism.

Update of the liabilities in respect of Earn Out consideration and put option in connection with the transaction to acquire Clēnera LLC

According to changes in the Company's estimations regarding the projected operation date of a limited number of projects and according to an update to the agreement signed on December 2022, the Company reduced the estimations for the value of the Earn Out consideration in the amount of approximately USD 8.8 million in 2024 (USD 28.8 million in 2023), and reduced the value in respect of the put option in the amount of approximately USD 0.3 million in 2024 (USD 5.9 million in 2023).

The total impact amounted to approximately USD 9.1 million (USD 34.7 million in 2023) and included in "Other income net" in the Consolidated statements of income.

As of December 31, 2024, the Company no longer has Earn Out consideration liability in the Consolidated Statements of Financial Position.

Note 8 - Investments in Investee Entities

A. Consolidated entities: (Cont.):

2) Details of material consolidated entities which are held by the Company:

Entity name	Country of incorporation	Effective stake in equity interests consolidated entity	
		As of December 31	
		2024	2023
		%	%
Eshkol Havatzelet - Halutziot - Enlight L.P. (hereinafter: “Halutziot”)	Israel	90	90
Mivtachim Green Energies Ltd. (hereinafter: “Mivtachim”)	Israel	100	100
Talmei Bilu Green Energies Ltd. (hereinafter: “Talmei Bilu”)	Israel	100	100
Eshkol Ela - Kramim - Enlight L.P. (hereinafter: “Kramim”)	Israel	100	100
Eshkol Brosh - Idan - Enlight L.P. (hereinafter: “Idan”)	Israel	100	100
Eshkol Zayit - Zayit Yarok - Enlight L.P. (hereinafter: “Zayit Yarok”)	Israel	100	100
Peirot HaGolan - Enlight L.P., Eshkol Gefen - Barbur - Enlight L.P., Sde Nehemia - Enlight L.P. (hereinafter: “Peirot HaGolan”, “Barbur”, “Sde Nehemia”, altogether “Medium rooftops”)	Israel	51-100	51-100
Emek HaBacha Wind Energy Ltd. (hereinafter: “Emek HaBacha”)	Israel	40.85	40.85
Enlight Kramim L.P., Orsol Energy 3 (A.A.) L.P., Enlight Kidmat Zvi L.P., Enlight - Eshkol Dekel L.P., Enlight Beit Shikma L.P., Enlight Beit HaShita Solar Energy, L.P. (altogether hereinafter: “Sunlight”)	Israel	50.1-100	50.1-100
Ruach Beresheet L.P. (hereinafter: “Ruach Beresheet”)	Israel	54	54
Enlight Sde Nitzan L.P., Enlight Ein Habesor L.P., Enlight Maccabi L.P., Enlight Maccabi 2 L.P., Enlight Revivim Ein Gedi L.P., Orsan Energy 3 L.P., A.N. Faran Solar L.P., Enlight Reim Renewable Energy L.P., A.N Mahanim L.P., Enlight Lavi L.P. (altogether hereinafter: "PV+Storage ")	Israel	50.1-100	50.1-100
Mey Golan – Enlight Floating Energy 2 L.P.	Israel	100	74
Enlight Baron Floating Energy L.P.	Israel	100	-
Enlight Enterprise L.P.	Israel	100	100
Enlight Local Ltd.	Israel	80.15	-
Enlight Finance L.P.	Israel	100	100
Tullynamoyle Wind Farm 3 Limited (hereinafter: “Tullynamoyle”)	Ireland	50.1	50.1
Vjetroelektrana Lukovac d.o.o (Co-Op subsidiary, hereinafter: “Lukovac”)	Croatia	50.1	50.1
EW-K-Wind d.o.o (Co-Op subsidiary, hereinafter: “EWK”)	Serbia	50.1	50.1
Megujulohaz kft, Raaba Green kft (altogether hereinafter: “Attila”)	Hungary	50.1	50.1
Rabba ACDC KFT (hereinafter: “Raaba ACDC”)	Hungary	100	100
Rabba Flow KFT (hereinafter: " Raaba Flow")	Hungary	100	100
SOWI Kosovo LLC (hereinafter: “SOWI”)	Kosovo	60	60
Vindpark Malarberget I Norberg AB (hereinafter: “Picasso”)	Sweden	68.8	68.8
Generacion Eolica Castilla La Mancha Sl (hereinafter: “Gecama”)	Spain	71.99	71.99
Björnberget Vindkraft AB (R) (hereinafter: “Bjornberget”)	Sweden	55.18	55.18
Enlight K2-Wind doo Belgrade-Novi Belgrade (hereinafter: "Pupin")	Serbia	100	100
Clēnera LLC an American holding company that fully owns PV and storage projects entities in the US	USA	90.1	90.1

Note 8 - Investments in Investee Entities (Cont.)

B. Subsidiaries entities in which the non-controlling interests are material:

This section includes details regarding subsidiaries, as of the date of the relevant statement of financial position, whose non-controlling interests constitute at least 5% of the capital attributed to the owners of the Company and/or where the profit (loss) in the relevant year which is attributed to non-controlling interests constitutes at least 10% (in absolute values) of the profit (loss) attributed to owners in the relevant year.

Data from the financial statements of companies whose functional currency is a foreign currency - assets and liabilities were translated according to the relevant representative exchange rates as of December 31. Results and cash flow items were translated according to the average exchange rates during the year.

	As of December 31, 2024						For the year ended December 31, 2024						
Partnership / investee	**Rate of ownership rights held by non-controlling interests %**	**Balance of non-controlling interests**	**Current assets**	**Non-current assets**	**Current liabilities**	**Non-current liabilities**	**Revenues**	**Profit**	**Profit attributed to non-controlling interests**	**Cash flows from operating activities**	**Cash flows from investing activities**	**Cash flows from financing activities**	**Total change in cash and cash equivalents**
		USD in thousands											
Co-Op (holding Lukovac and EWK)	49.90	31,772	13,992	210,210	19,057	141,732	49,663	20,328	6,911	36,062	(3,075)	(39,175)	(6,188)
The Iberian Wind (holding Gecama)	28.01	64,259	39,219	379,149	21,920	159,978	65,832	26,357	6,012	41,946	(5,792)	(26,897)	9,257

Note 8 - Investments in Investee Entities (Cont.)

B. Subsidiaries entities in which the non-controlling interests are material: (Cont.)

	As of December 31, 2023						For the year ended December 31, 2023						
Partnership / investee	Rate of ownership rights held by non-controlling interests %	Balance of non-controlling interests	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Revenues	Profit	Profit attributed to non-controlling interests	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Total change in cash and cash equivalents
		USD in thousands											
Co-Op (holding Lukovac and EWK)	49.9	35,556	26,611	229,483	20,632	170,832	49,211	19,946	8,304	29,451	(130)	(28,064)	1,257

Note 8 - Investments in Investee Entities (Cont.)

B. Subsidiaries entities in which the non-controlling interests are material: (Cont.)

	As of December 31, 2022						For the year ended December 31, 2022						
Partnership / investee	Rate of ownership rights held by non-controlling interests %	Balance of non-controlling interests	Current assets	Non-current assets	Current liabilities	Non-current liabilities	Revenues	Profit	Profit attributed to non-controlling interests	Cash flows from operating activities	Cash flows from investing activities	Cash flows from financing activities	Total change in cash and cash equivalents
		USD in thousands											
Co-Op (holding Lukovac and EWK)	49.90	26,276	21,511	230,604	18,345	181,112	40,348	13,875	3,542	26,998	(911)	(20,133)	5,954
Danuba Power (holding SOWI)	52	25,792	20,362	134,658	11,252	94,168	23,718	7,323	3,808	11,857	(28,775)	19,144	2,226
The Iberian Wind (holding Gecama)	28.01	56,786	48,514	412,951	36,803	222,372	43,512	21,026	5,902	22,915	(108,038)	106,344	21,221

Note 9 - Contract Assets in respect of Concession Arrangements for the Construction and Operation of Photovoltaic Systems

Project	Total capacity in MW	Stake in the project	Tariff approval for the facility (NIS 0.01 per kWh)	Rate of return on the contract asset	Contract asset as of December 31, 2024 (USD in thousands) (*)	Contract asset as of December 31, 2023 (USD in thousands)
Peirot HaGolan	1.5	51%	53.99	5.75% linked	-	2,704
Sde Nehemia	0.63	100%	53.99	5.75% linked	-	870
Barbur	0.5	51%	53.99	5.75% linked	-	680
Talmei Bilu	10	100%	102.46	6.5% linked	-	34,062
Mivtachim	10	100%	130.39	8% linked	-	40,411
Kramim	5	100%	96.31	6% linked	-	13,170
Idan	3	100%	96.31	6% linked	-	7,519
Balance as of December 31					**-**	**99,416**

	2024	2023
	USD in thousands	
Balance as of January 1	**99,416**	**106,774**
Repayment of contract asset under concession arrangements	**-**	**(14,120)**
Finance incomes	**-**	**9,643**
Reclassification from IFRIC 12 to a fixed asset (*)	**(99,416)**	**-**
Translation differences	**-**	**(2,881)**
Balance as of December 31	**-**	**99,416**

(*) Following the significant change to the terms of the concession arrangement with the state of Israel at the beginning of 2024, the Electricity Authority in Israel approved the cancellation of licenses for electricity generation facilities with a capacity of less than 16 MW, including the aforementioned facilities. Following the license cancellation, the facilities continue to generate electricity in accordance with the technical specifications and the capacity approved in the licenses. Furthermore, the tariff approval for the facilities will remain valid until the original license expiration date prior to its cancellation.

Following the significant changes of the terms, the Company re-evaluated the application of IFRIC 12 (hereinafter: the "Interpretation"), and concluded that the facilities are no longer falls under the scope of that interpretation. As a result, since the beginning of 2024, the facilities have been accounted for as a fixed asset, at cost.

The above are in addition to the change of Halutziot facility from the second quarter of 2022, and there are no other projects that are accounted under the IFRIC 12 Interpretation.

Note 10 - Fixed Assets

Composition and changes:

	2024			
	PV + Storage (A)	Wind farms (B)	Others	Total
	USD in thousands			
Cost:				
As of January 1, 2024	**1,179,394**	**1,894,508**	**8,114**	**3,082,016**
Additions	**666,740**	**183,839**	**10,774**	**861,353**
Initial consolidation	**49,831**	**-**	**-**	**49,831**
Reclassification from contract assets according to IFRIC 12 (*)	**99,416**	**-**	**-**	**99,416**
Classification to disposal group held for sale (**)	**(77,911)**	**-**	**-**	**(77,911)**
Translation differences	**(12,298)**	**(85,831)**	**(36)**	**(98,165)**
Cost as of December 31, 2024	**1,905,172**	**1,992,516**	**18,852**	**3,916,540**
Accumulated depreciation:				
As of January 1, 2024	**25,590**	**106,179**	**2,878**	**134,647**
Depreciation expenses	**30,675**	**65,948**	**1,360**	**97,983**
Classification to disposal group held for sale (**)	**(7,725)**	**-**	**-**	**(7,725)**
Translation differences	**(1,154)**	**(6,375)**	**(28)**	**(7,557)**
Accumulated depreciation as of December 31, 2024	**47,386**	**165,752**	**4,210**	**217,348**
Carrying value as of December 31, 2024	**1,857,786**	**1,826,764**	**14,642**	**3,699,192**

	2023			
	PV + Storage (A)	Wind farms (B)	Others	Total
	USD in thousands			
Cost:				
As of January 1, 2023	529,426	1,760,859	5,639	2,295,924
Additions	694,386	82,256	2,575	779,217
Sale of consolidated companies	(21,828)	-	-	(21,828)
Translation differences	(22,590)	51,393	(100)	28,703
Cost as of December 31, 2023	1,179,394	1,894,508	8,114	3,082,016
Accumulated depreciation:				
As of January 1, 2023	17,079	56,089	2,022	75,190
Depreciation expenses	11,839	46,058	938	58,835
Sale of consolidated companies	(3,098)	-	-	(3,098)
Translation differences	(230)	4,032	(82)	3,720
Accumulated depreciation as of December 31, 2023	25,590	106,179	2,878	134,647
Carrying value as of December 31, 2023	1,153,804	1,788,329	5,236	2,947,369

(*) At the beginning of 2024, the Company reclassified cluster of PV projects in Israel from contract assets to fixed assets due to significant changes to terms of the concession agreement, for additional information please see Note 9.

(**) At the end of 2024, the Company reclassified a cluster of PV + Storage projects in Israel to disposal group held for sale according to the Company's intention of selling the projects, for additional information please see Note 7.

Note 11 - Intangible Assets

A. Composition and changes

	Electricity supply agreements and concession agreements	Goodwill	Total
		USD in thousands	
Cost			
Balance as of January 1, 2023	138,267	148,128	286,395
Initial consolidation	7,965	-	7,965
Translation differences	3,010	-	3,010
Balance as of December 31, 2023	149,242	148,128	297,370
Initial consolidation	**3,346**	**662**	**4,008**
Additions	**9,556**		**9,556**
Translation differences	**(6,896)**	**9**	**(6,887)**
Balance as of December 31, 2024	**155,248**	**148,799**	**304,047**
Amortization:			
Balance as of January 1, 2023	6,678	-	6,678
Amortization	3,024	-	3,024
Translation differences	(293)	-	(293)
Balance as of December 31, 2023	9,409	-	9,409
Amortization	**3,883**	**-**	**3,883**
Translation differences	**(687)**	**-**	**(687)**
Balance as of December 31, 2024	**12,605**	**-**	**12,605**
Depreciated cost as of December 31, 2023	139,833	148,128	287,961
Depreciated cost as of December 31, 2024	**142,643**	**148,799**	**291,442**

C. Impairment testing for cash-generating unit containing goodwill

For the purpose of impairment testing, goodwill is allocated mainly to the Company's operations in the United States, and represents the lowest level within the Group at which goodwill is monitored for internal management purposes.

The aggregate carrying amounts of goodwill:

	As of December 31	
	2024	2023
	USD thousands	USD thousands
Goodwill	**148,799**	148,128

The estimated recoverable amount of the unit was higher than its carrying amount, and therefore there was no need for an impairment.

The recoverable amount was based on its value in use and was determined by discounting its future cash flows to be generated with the assistance of independent valuers. Value in use in 2024 was determined in a similar manner as in 2023.

Key assumptions used in calculation of the recoverable amount

Key assumptions used in the calculation of recoverable amounts are discount rates, sponsor cash flows from operating and development projects.

(1) Discount rate

The after-tax discount rate was estimated based on past experience, and an industry average weighted average cost of capital. Project cash flows were discounted at a discount rate of 8.0% based on the project's development stage.

(2) Sponsor Cash Flows

Sponsor cash flows relate to the cash flows at the equity level after tax equity partner, debt, and taxes.

Note 12 - Other Payables

	December 31 2024	December 31 2023
	USD in thousands	USD in thousands
Accrued expenses	**14,214**	10,489
Provision for construction completion cost	**46,178**	42,475
Liabilities to employees and other liabilities for salaries	**15,340**	20,850
Government institutions	**13,845**	13,642
Payables in respect of purchase transaction	**11,829**	10,428
Interest payable in respect of debentures	**4,321**	3,541
Interest payable in respect of loans	**1,830**	1,949
Others	**268**	248
	107,825	103,622

Note 13 - Loans from banks and other financial institutions

	Current liabilities		Non-current liabilities		Total	
	As of December 31		As of December 31		As of December 31	
	2024	2023	2024	2023	2024	2023
	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands
Credit from banks (1)	**90,000**	-	**-**	**-**	**90,000**	-
Loans from banks and other financial institutions for project financing (2)	**122,246**	324,666	**1,879,758**	1,586,774	**2,002,004**	1,911,440
Loans from banks for corporate financing (3)	**-**	-	**116,379**	116,151	**116,379**	116,151
Total credit	**212,246**	324,666	**1,996,137**	1,702,925	**2,208,383**	2,027,591

(1) The Credit from banks as of December 31, 2024, are part of short-term credit facilities totaling USD 350 million.

As of the approval date of the Financial Statements, none of the facilities are in use.

Note 13 - Loans from banks and other financial institutions (Cont.)

(2) Loans from banks and other financial institutions for project financing

Project name	Original loan currency	Date financing provided	Balance of the loan as of December 31, 2024	Balance of the loan as of December 31, 2023	Interest rate and Indexation (*)	Maturity
			USD in million			
Medium rooftops(***)	NIS	January 2019	-	3	2.2%, CPI-linked	2034
Sunlight 1 (***)	NIS	March 2018	-	22	2.6%-3%, CPI-linked	2040
Sunlight 2 and Dekel (***)	NIS	December 2019	-	13	1.8%-2.4%, CPI-linked	2041
Halutziot	NIS	December 2020	144	152	0.88%, CPI-linked	2035
Halutziot 1 upgrade	NIS	September 2022	18	19	3.22%, CPI-linked	2035
Halutziot 2	NIS	September 2022	30	30	3.32%, CPI-linked	2045
Mivtachim and Talmei Bilu	NIS	December 2020	76	83	0.77%, CPI-linked	2033
Kramim and Idan	NIS	December 2020	24	26	0.8%, CPI-linked	2034
Emek HaBacha	NIS	November 2018	158	161	2.41%, CPI-linked	2040
Solar and Storage projects in Israel	NIS	December 2023	208	141	Base interest (**) plus a margin of 2.6%	2031
Ruach Beresheet	NIS	July 2020	303	306	2.14% ,CPI-linked	2042
Tullynamoyle	EUR	August 2020	10	12	90% of the loan - 3.47% 10% of the loan - 3M Euribor plus 2%	2032
Lukovac	EUR	December 2020	34	41	84% of the loan - 3.5%-3.75% 16% of the loan - 3M Euribor plus 3%-3.5%	2032
EWK	EUR	December 2017	78	93	60% of the loan – 2.3% 29% of the loan - 3.95% 11% of the loan – 4.65%-4.83%	2030
Picasso	EUR	January 2020	71	81	Until 2029 – 1.58% Until 2039 – 2.33%	2039
SOWI	EUR	January 2020	86	99	49% of the loan – 1.91% 32% of the loan – 4.06% 1% of the loan – 4.46% 18% of the loan – 6M Euribor plus 4%	2033
Gecama	EUR	June 2020	145	164	90% of the loan – 2.65%-3.15% 10% of the loan - 6M Euribor plus 2.5%-3%.	2039
Björnberget	EUR	May 2021	199	219	79% of the loan – 2.28% 21% of the loan - 6M Euribor plus 1.75%.	2041
Attila	HUF	January 2019	28	34	70% of the loan – 6.3%. 30% of the loan – 4.05%.	2036
Raaba Flow and Raaba ACDC (2)	EUR	March 2024	35	-	70% of the loan – 6.1% 30% of the loan - 3M Euribor plus 3.15%-3.25%.	2033
PUPIN (1)	EUR	March 2024	67	-	70% of the loan – 6.3% 30% of the loan - 3M Euribor plus 3.3%.	2040
Atrisco PV (3)	USD	December 2023	115	212	5.4%-5.9%	2049
Atrisco BESS (3)	USD	December 2023	174	-	5.6%-5.9%.	2044

(*) The interest rates in the table above include the impact of Interest Rate Swap (IRS) instruments hedging variable interest rates.

(**) Base interest rate - The interest rate of government debentures with the same average lifetime, determined on the withdrawal date.

(***) At the end of 2024, the Company reclassified a cluster of PV + Storage projects in Israel to disposal group held for sale according to the Company's intention of selling the projects, for additional information please see Note 7.

Note 13 - Loans from banks and other financial institutions (Cont.)

(2) Loans from banks and other financial institutions for project financing (Cont.)

Financial covenants:

The loan agreements include specific financial covenants and collateral requirements, such as, inter alia, charges on the project entity's assets, cash flow rights, land rights, and collateral provided by the project contractors.

As of December 31,2024, the Company is in compliance with all of the financial covenants in accordance with the facilities agreements.

(1) Pupin windfarm Financing Agreement:

In March, 2024, the Company completed financial closure for the financing of Pupin windfarm project in Serbia with The European Bank for Reconstruction and Development (EBRD), together with Erste Group Bank AG and its local bank Erste Bank a.d. Novi Sad (Erste). The total loan amounting to EURO 91.4 million (approximately USD 101 million) will be provided by EBRD and Erste in parallel loans of EURO 45.7 each, including the associated debt service reserve facilities.

The following are the main terms of the project financing agreement:

- Loan Period - Construction period + 14.5 years from operation.
- Interest - The interest on the loan includes a margin of 3.3% above the base interest rate set for the loan, which is the 3-month Euribor rate. The company hedged approximately 70% of the total base interest rate commitment through an Interest Rate Swap (IRS) contract for a period of 15.5 years. The interest rate after fixing the Euribor interest rate is (fixed base + margin) 6.3%.
- Repayment Schedule - Quarterly repayments, sculpted repayment schedule.
- Main Events for Immediate Repayment - The loan is subject to immediate repayment in cases of severe breaches that have been set, mainly: late payment; breach of material representations or commitments; insolvency; failure to obtain or cancellation of required permits for the projects; an event that materially affects the projects and the debt.
- Main Collateral - As is customary in project financing (first ranking pledge of shares, moveable assets, immovable assets (mortgages) receivables and accounts, land easements and leases (conditional).
- ADSCR for default – 1.05
- ADSCR for distribution – 1.15.

Note 13 - Loans from banks and other financial institutions (Cont.)

(2) Loans from banks and other financial institutions for project financing (Cont.)

(2) Raaba Flow and Raaba ACDC Financing Agreements:

In March , 2024, the Company completed financial closure for the financing of Raaba Flow and Raaba ACDC projects in Hungary with Raiffeisen Bank ZRT and Raiffeisen Bank International AG. The loan amount is approximately EUR 11.7 million to Raaba ACDC project ("Facility A") and EUR 25.9 million to Raaba Flow (Tapolca) project ("Facility B").

The following are the main terms of the project financing agreement:

- Loan Period - Until February 28, 2034 with balloon repayment of 27.9% Facility A and 40.9% of Facility B at the maturity date respectively.
- Interest - The interest on the loan includes a margin of 3.15% for Raaba ACDC and 3.25% for Raaba Flow above the base interest rate set for the loan, which is the 3-month EURIBOR rate. The company hedged approximately 70% of the total base interest rate commitment through an Interest Rate Swap (IRS) contract until maturity date. The interest rate after fixing the 3 months EURIBOR interest rate is 2.908% for Raaba ACDC and 2.809% for Raaba Flow.
- Repayment Schedule – Semi-annual repayments with quarterly interest payment, commencement of repayment in June, 2024 for Facility A and June, 2025 for Facility B, the repayment schedule is sculpted.
- Main Events for Immediate Repayment - The loan is subject to immediate repayment in cases of severe breaches that have been set, mainly: late payment; breach of material representations or commitments; insolvency; failure to obtain or cancellation of required permits for the projects; an event that materially affects the projects and the debt.
- Main Collateral - As is customary in project financing (pledges over accounts, receivables, real estate (mortgages), movable assets and quota, and so on). The financing of the two projects is carried out under one agreement and examined on a stand alone consolidated basis.
- The company provided cost overrun and currency exchange fluctuations guarantee the amount of approximately 5% of the project cost.
- ADSCR for default – 1.10 for combined facilities.
- ADSCR for distribution – 1.10 for Facility A and 1.20 for Facility B.

(3) Atrisco PV + Storage

During December 2023, the Company entered into a definitive construction facility agreement with a consortium of lenders led by HSBC Securities (USA) Inc. The facility totaling USD 300 million has been used to finance the construction of Atrisco Solar. The financing was comprised of USD 107 million term loan and tax equity financing of USD 198 million provided by Bank of America, N.A. Both loans have been refinanced on December 2024. The term loan is structured as a 5-year mini term with a 23-year underlying amortization profile and is subject to an interest rate range of 5.4%-5.9%.

In July 2024 the Company, through its subsidiary, Clenera Holdings LLC, entered into a loan agreement with a consortium of eight leading global banks led by HSBC, totaling USD 401 million to finance the construction of Atrisco Energy Storage. The loan will convert into a USD 185 million term loan from the same group of lenders and tax equity financing of USD 217 million provided by U.S. Bancorp Impact Finance upon the project's COD. The term loan is structured with a 20-year underlying amortization profile with a 5-year mini perm, and is subject to an all-in interest rate (fixed base + margin) of 5.6% to 5.9%.

Note 13 - Loans from banks and other financial institutions (Cont.)

(3) Loans from banks for corporate financing

The receipt of credit facilities from Israeli banks in a cumulative scope of NIS 400 million

On July 6, 2021, the Company signed agreements with Bank Hapoalim Ltd. and Bank Leumi Le-Israel Ltd. (the "Lenders"), for the provision of credit facilities to the Company for an aggregate principal amount of NIS 250 million and NIS 150 million, respectively that can be executed by NIS or USD according to the Company decision. The credit facilities are intended to finance the Company's business activities, including investments in the Company's projects.

On December 22, 2022 the Company drew upon the credit facility from Bank Leumi Le-Israel Ltd. in USD currency in the amount of approximately USD 43 million.

On January 2023, the Company drew upon the second credit facility from Bank Hapoalim Ltd. in the amount of approximately USD 74 million

The interest rate is 2.0%-2.2% above the SOFR 3 month US Dollar interest rate and is paid on a quarterly basis. The principal of the loans will be repaid in one payment after 60 months from the day of the withdrawn.

The company has undertaken several conditions and financial covenants, as defined in the loans agreement. As of December 31,2024, the Company is in compliance with all of them.

Note 14 - Debentures

	Current liabilities		Non-current liabilities		Total	
	As of December 31		As of December 31		As of December 31	
	2024	2023	2024	2023	2024	2023
	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands
Debentures (Series E) (1.)	**21,464**	2,605	**-**	21,547	**21,464**	24,152
Debentures (Series F) (2.)	**23,498**	23,628	**150,389**	173,250	**173,887**	196,878
Debentures (Series C) (3.)	**-**	-	**133,056**	130,566	**133,056**	130,566
Debentures (Series D) (4.)	**-**	-	**283,605**	98,954	**283,605**	98,954
Total Debentures	**44,962**	26,233	**567,050**	424,317	**612,012**	450,550

1. **Debentures (Series E)**

In June 2018, the Company issued NIS 135,000,000 par value of debentures (Series E) with a par value of NIS 1 each, with the following main terms:

- The debentures (Series E) were not linked to any index and were repaid in 12 semi-annual payments, each at a rate of 3.5% of the principal amount, and last payment at a rate of 58% that was paid on March 1, 2025.
- The debentures bared fixed annual interest of 4.25%, that was paid twice per year.

2. **Debentures (Series F)**

In 2019, 2022 and 2023 the Company issued par value of NIS 222,000,000, NIS 335,870,101 and NIS 335,182,000, respectively, with the following main terms:

The debentures are not linked to any index and are repayable in 7 annual payments, first six annual payments at a rate of 8% of the debentures' principal and the last payment in 2026 at a rate of 52% of the debentures' principal. The interest rate of the debentures is 3.45% and are paid twice per year.

Main financial covenants in respect of the debentures (Series F)

- The Company’s equity according to its financial statements (audited or reviewed) will be no less than NIS 375 million.
- The ratio of standalone net financial debt to net cap will not exceed 70% during two consecutive financial statements.
- The standalone net financial debt, does not exceed NIS 10 million, and the ratio of net financial debt (consolidated) to EBITDA as of the calculation date (if any) does not exceed 18 during more than two consecutive financial statements (audited or reviewed).
- The equity to total balance sheet ratio in the Company’s standalone reports will be no less than 20% during two consecutive financial statements (audited or reviewed).
- The Company will not create and/or will not agree to create, in favor of any third party whatsoever, a floating charge of any priority on all of its assets, i.e., a general floating charge, to secure any debt or obligation whatsoever.
- The Company’s undertaking to repay the debentures is not secured by any collateral, or any other security
- Insofar as the Series F have not been repaid in full, the Company will not perform any distribution except subject to the cumulative conditions specified in the trust deed of the Debentures.

As of December 31, 2024, the Company is in compliance with all of the financial covenants in accordance with the trust deed, as stated above.

Note 14 - Debentures (Cont.)

3. Debentures (Series C and D):

On July 30, 2021, the Company issued two bond series: Series C and Series D, as specified below.

Convertible Debentures (Series C)

The Company completed an issuance of debentures convertible into registered ordinary shares, with a par value of NIS 0.1 each, of the Company (hereinafter: the "Series C"), at a total scope of NIS 367,220,000 par value, at a price of 95.1 agorot per NIS 1 par value, and for a total (gross) consideration of NIS 349,226 thousand.

On March 6, 2022, the Company completed an extension of Series C, at a total scope of NIS 164,363,000 par value, for a total gross consideration of approximately NIS 155,816 thousand.

Presented below are the main terms of Series C:

- Series C is not linked to any index, has a par value of NIS 1 each, and is repayable in a single payment on September 1, 2028.
- The unpaid principal balance of the debentures will bear fixed annual interest of 0.75%, to be paid twice per year from 2021 to 2028 (inclusive).
- The unpaid principal balance of the Series C is convertible into Company's ordinary shares, with a par value of NIS 0.1 each, in the manner specified below: (1) during the period from the date of listing of the series of Series C on the TASE until December 31, 2023, each NIS 90 par value of the debentures (Series C) will be convertible into one ordinary share of the Company; and (2) during the period from January 1, 2024 to August 22, 2028, each NIS 240 par value of Series C will be convertible into one ordinary share of the Company.
- In 2021 Midroog Ltd. updated the rating of the debentures (Series C) which the Company issued, from A3.il to A2.il, stable rating outlook, and up to December 31, 2024 the rating remained consistent.
- The Company's undertaking to repay the debentures is not secured by any collateral, or any other security

During 2023 NIS 80,570 par value of Series C converted into 895 ordinary shares of the Company.

Debentures (Series D)

The Company completed an issuance of debentures (hereafter: "Series D"), at a total scope of NIS 385,970,000 par value, at a price of 90.8 agorot per NIS 1 par value, and for a total (gross) consideration of NIS 350,461 thousand.

On October 10, 2024, and November 21, 2024, the company completed two extensions of NIS 591,016,000 and NIS 200,000,000 series D, with a par value of NIS 1 each for total consideration of NIS 671 million. After the aforementioned extensions and as of December 31, 2024, the total scope of the debentures (Series D) amounts to 1,176,986,000 par value.

Presented below are the main terms of Series D:

- Series D is not linked to any index, has a par value of NIS 1 each, and is repayable in 2 equal payments which will be paid on September 1 2027 and 2029.
- The unpaid principal balance of the debentures bears fixed annual interest of 1.5%, to be paid twice per year, from 2021 to 2029 (inclusive).
- In 2021 Midroog Ltd. updated the rating of the debentures (Series D) which the Company issued, from A3.il to A2.il, stable rating outlook, and up to December 31, 2024 the rating remained consistent.
- The Company's undertaking to repay the debentures is not secured by any collateral, or any other security.

Note 14 - Debentures (Cont.)

3. Debentures (Series C and D) (Cont.)

Main financial covenants in respect of the debentures (Series C and Series D)

- The Company's equity according to its financial statements (audited or reviewed) will be no less than NIS 1,250 million.
- The ratio between standalone net financial debt and net cap will not exceed 65% during two consecutive financial statements (audited or reviewed).
- The equity to total balance sheet ratio in the Company's standalone financial statements will be no less than 25% during two consecutive financial statements (audited or reviewed).
- The ratio of net financial debt (consolidated) to EBITDA as of the calculation date (if any) will not exceed 15 during more than two consecutive financial statements (audited or reviewed). The debt attributed to the projects during the construction stage (including senior debt and mezzanine non-recourse loans) will not be included in that calculation.
- The Company will not create and/or will not agree to create, in favor of any third party whatsoever, a floating charge of any priority on all of its assets, i.e., a general floating charge, to secure any debt or obligation whatsoever.
- The Company will not perform a distribution, as this term is defined in the Companies Law, including a buyback of its shares, except subject to cumulative conditions specified in the trust deed of the debentures.
- Mechanism was determined for adjusting the interest rate due to a deviation from the financial covenants and due to a change in the rating or discontinuation of it. The total interest rate increases will not exceed more than 1.25% above the interest rate which was determined in the first offering report of the debentures.

As of December 31, 2024, the Company is in compliance with all of the financial covenants in accordance with the trust deed, as stated above.

Note 15 - Changes in Liabilities from Financing Activities

	Balance as of January 1, 2024	Cash flows from financing activities	Translation differences in respect of foreign operations	Adjustments in respect of cash flows for operating activities (3)	Non-cash activities	Balance as of December 31, 2024
	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands
Debentures (1)	323,161	151,898	2,877	4,976	-	482,912
Convertible Debentures (1)	130,931	-	(736)	3,226	-	133,421
Loans from banks and other financial institutions	2,029,539	240,043	(56,015)	47,592	(50,946)(2)	2,210,213
Loans from non-controlling interests	92,751	(2,960)	(4,683)	1,941	(11,451)	75,598
Liability in respect of tax equity arrangement	49,683	50,442	-	300	-	100,425
Lease liability	127,596	(5,852)	(4,625)	-	105,062(4)	222,181
	2,753,661	433,571	(63,182)	58,035	42,665	3,224,750

(1) Including interest payable.

(2) Mostly due to the offsetting of deferred borrowing costs which were prepaid by the project companies on the financial closing dates, capitalization of finance expenses during the construction period and classification of disposal groups classified as held for sale.

(3) Including interest accrued and interest paid.

(4) Initial creation and index linking vis-à-vis right-of-use asset and classification to liabilities of disposal groups classified as held for sale.

Note 15 - Changes in Liabilities from Financing Activities (Cont.)

	Balance as of January 1, 2023	Cash flows from financing activities	Translation differences in respect of foreign operations	Adjustments in respect of cash flows for operating activities (3)	Non-cash activities	Balance as of December 31, 2023
	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands
Debentures (1)	256,736	68,303	(4,076)	2,198	-	323,161
Convertible Debentures (1)	131,763	-	(3,763)	2,952	(21)	130,931
Loans from banks and other financial institutions	1,585,846	403,679	21,664	20,880	(2,530)	2,029,539
Loans from non-controlling interests	90,909	(1,211)	2,466	754	(167)	92,751
Liability in respect of tax equity arrangement	-	48,653	-	1,030	-	49,683
Lease liability	99,623	(4,848)	1,611	-	31,210(4)	127,596
	2,164,877	514,576	17,902	27,814	28,492	2,753,661

(1) Including interest payable.

(2) Mostly due to the offsetting of deferred borrowing costs which were prepaid by the project companies on the financial closing dates, and discounted finance expenses during the construction period.

(3) Including interest accrued and interest paid.

(4) Initial creation vis-à-vis right-of-use asset.

	Balance as of January 1, 2022	Cash flows from financing activities	Translation differences in respect of foreign operations	Adjustments in respect of cash flows for operating activities (3)	Non-cash activities	Balance as of December 31, 2022
	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands
Debentures (1)	307,481	(16,571)	(35,037)	863	-	256,736
Convertible Debentures (1)	101,291	47,755	(15,576)	3,195	(4,902)	131,763
Loans from banks and other financial institutions (1)	1,231,208	357,868	(123,423)	32,435	87,758(2)	1,585,846
Loans from non-controlling interests	78,113	15,834	(5,210)	330	1,842	90,909
Lease liability	105,645	(4,327)	(10,302)	(1,964)	10,571(4)	99,623
	1,823,738	400,559	(189,548)	34,859	95,269	2,164,877

(1) Including interest payable.

(2) Mostly due to the offsetting of deferred borrowing costs which were prepaid by the project companies on the financial closing dates, and discounted finance expenses during the construction period.

(3) Including interest accrued and interest paid.

(4) Initial creation vis-à-vis right-of-use asset.

Note 16 - Income Taxes

A. Deferred tax balances:

Tax balances presented in the statement of financial position:

	As of December 31	
	2024	2023
	USD in thousands	USD in thousands
Current tax assets (liabilities):		
Current tax assets	**4,719**	3,316
Current tax liabilities	**(12,016)**	(10,565)
Total current tax assets (liabilities)	**(7,297)**	(7,249)
Non-current tax assets (liabilities):		
Deferred tax assets	**10,744**	9,134
Deferred tax liabilities	**(41,792)**	(44,941)
Total non-current tax assets (liabilities)	**(31,048)**	(35,807)

The composition of deferred tax assets (liabilities) is specified below:

	Balance as of January 1 2024	Classification	Recognized in the statement of income	Other comprehensive income	Initial consolidation	Balance as of December 31 2024
	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands
Temporary differences:						
Fixed assets	**(15,664)**	**(13,463)**	**(5,801)**	**87**	**(534)**	**(35,375)**
IFRS 16 – Leases	**1,475**	**59**	**361**	**(2)**	-	**1,893**
Financial instruments	**(12,319)**	**-**	**226**	**4,184**	-	**(7,909)**
Contractual asset in respect of concession arrangements	**(15,173)**	**15,173**	-	-	-	-
Contingent consideration	**(10,096)**	-	**(2,323)**	**25**	-	**(12,394)**
Tax equity arrangement	**-**	-	**(9,944)**	**(129)**	-	**(10,073)**
Disposal groups classified as held for sale	**-**	**1,801**	-	-	-	**1,801**
Others	**(14,387)**	**-**	**875**	**5,600**	-	**(7,912)**
Total	**(66,164)**	**3,570**	**(16,606)**	**9,765**	**(534)**	**(69,969)**
Unused losses and tax benefits:						
Tax losses	**30,357**	**(3,570)**	**12,144**	**(10)**	**-**	**38,921**
	30,357	**(3,570)**	**12,144**	**(10)**	**-**	**38,921**
Total	**(35,807)**	-	**(4,462)**	**9,755**	**(534)**	**(31,048)**

Note 16 - Income Taxes (Cont.)

A. Deferred tax balances: (Cont.)

The composition of deferred tax assets (liabilities) is specified below: (Cont.)

	Balance as of January 1 2023	Recognized in the statement of income	Other comprehensive income	Balance as of December 31 2023
	USD in thousands	USD in thousands	USD in thousands	USD in thousands
Temporary differences:				
Fixed assets	(14,620)	(1,465)	421	(15,664)
IFRS 16 – Leases	845	649	(19)	1,475
Financial instruments	(5,556)	468	(7,231)	(12,319)
Contractual asset in respect of concession arrangements	(16,723)	1,042	508	(15,173)
Contingent consideration	(1,584)	(8,477)	(35)	(10,096)
Others	(4,211)	(3,458)	(6,718)	(14,387)
Total	(41,849)	(11,241)	(13,074)	(66,164)
Unused losses and tax benefits:				
Tax losses	32,399	(1,067)	(975)	30,357
	32,399	(1,067)	(975)	30,357
Total	(9,450)	(12,308)	(14,049)	(35,807)

Deferred tax assets and liabilities are presented offset when the Company has a legally enforceable right to offset current tax assets against current tax liabilities, and when they pertain to income taxes levied by the same tax authority and the Company intends to settle the current tax assets and liabilities on a net basis.

Note 16 - Income Taxes (Cont.)

B. Total expenses (income) from income taxes which were recognized in the statement of income:

	For the year ended December 31		
	2024	**2023**	**2022**
	USD in thousands	**USD in thousands**	**USD in thousands**
Current taxes:			
Current tax expenses	**13,747**	17,715	8,061
Prior year taxes	**66**	(1,595)	-
Total current taxes	**13,813**	16,120	8,061
Deferred taxes:			
Deferred tax expenses in respect of the creation and reversal of temporary differences	**16,606**	11,241	13,052
Prior year taxes	**(1,303)**	-	-
Expenses (income) from the creation of deferred taxes in respect of losses and unused tax benefits	**(10,841)**	1,067	(8,170)
Total deferred taxes	**4,462**	12,308	4,882
Total expenses from income taxes	**18,275**	28,428	12,943

Note 16 - Income Taxes (Cont.)

C. Reconciliation between the theoretical tax on the pre-tax profit and the tax expense

Presented below is an adjustment between the tax amount which would have applied had all of the income and expenses, profit and loss in the statement of income been taxable according to the statutory tax rate, and the amount of income tax which was carried to the statement of income:

	For the year ended December 31		
	2024	2023	2022
	USD in thousands	USD in thousands	USD in thousands
Profit before income taxes from continuing operations	84,780	126,469	51,056
Primary tax rate of the Company	23%	23%	23%
Tax calculated according to the Company's primary tax rate	19,499	29,088	11,743
Additional tax (tax saving) in respect of:			
No controlling share in the profits / losses of investee partnerships	(1,779)	(1,653)	(896)
Different tax rate of foreign subsidiaries	(2,557)	(2,080)	(1,644)
Non-deductible expenses	2,302	1,662	3,150
Exempt income	(390)	(1,282)	(1,170)
Utilization of tax losses and benefits from prior years	1,126	924	310
Temporary difference in respect of subsidiaries for which deferred taxes were not recognized	1,537	3,433	1,270
Change in taxes in respect of previous years	(1,420)	(1,847)	143
Others	(43)	183	37
Total income taxes from continuing operations as presented in profit or loss	18,275	28,428	12,943

D. Carryforward losses

The Company's balance of carryforward losses as of December 31, 2024 was approximately USD 191 million; Deferred taxes were not created in respect of a loss in the amount of USD 8 million.

E. Details regarding the Group's tax environment

(1) Presented below are the tax rates which were relevant to the Group's activity in Israel during the years 2023-2024:

2023 - 23%

2024 - 23%

(2) Taxation of subsidiaries outside of Israel:

Subsidiaries which are incorporated outside of Israel are assessed according to the tax laws in the countries where they are domiciled. The main tax rates which applied to the main subsidiaries incorporated outside of Israel are:

- **Entities incorporated in Croatia**: The corporate tax rate which applies to the Company's activity in Croatia is 18%.

Note 16 - Income Taxes (Cont.)

E. Details regarding the Group's tax environment: (Cont.)

(2) Taxation of subsidiaries outside of Israel: (Cont.)

- **Entities incorporated in Serbia**: The corporate tax rate which applies to the Company's activity in Serbia is 15%.
- **Entities incorporated in Hungary**: The corporate tax rate which applies to the Company's activity in Hungary is 9%.
- **Entities incorporated in Sweden**: The corporate tax rate which applies to the Company's activity in Sweden is 20.6%.
- **Entities incorporated in Kosovo**: The corporate tax rate which applies to the Company's activity in Kosovo is 10%.
- **Entities incorporated in Spain**: The corporate tax rate which applies to the Company's activity in Spain is 25%.
- **Entities incorporated in the United States**: The federal tax rate is 21%, and the state tax rate depends on the project's location.
- **Entities incorporated in Italy**: The corporate tax rate is 24%, and the state tax rate depends on the project's location.

Note 17 - Share Capital

In January 2023, the Company underwent a Reverse Share Split, which entailed the consolidation of its registered share capital in a 1:10 ratio. As a result, every ten pre-existing ordinary shares, which had a par value of 0.01 NIS, was merged into one ordinary share with a par value of 0.1 NIS.

The share capital presented in the Financial Statements has been duly adjusted to reflect the Reverse Share Split.

A. Registered capital

	December 31 2024	December 31 2023
	Number of shares	
Ordinary shares with par value of NIS 0.1	180,000,000	180,000,000

B. Issued capital:

	Share capital				Share premium	
	As of December 31		As of December 31		As of December 31	
	2024	2023	2024	2023	2024	2023
	Number of shares		USD in thousands	USD in thousands	USD in thousands	USD in thousands
Fully paid-up ordinary shares with par value of NIS 0.1	**118,564,895**	117,963,310	**3,308**	3,293	**1,028,532**	1,028,532

C. Changes in fully paid-up share capital

	Number of shares
Balance as of January 1, 2023	**101,582,902**
Issuance of shares (1)	16,042,935
Exercise of options by employees	337,473
Balance as of December 31, 2023	**117,963,310**
Exercise of options by employees	601,585
Balance as of December 31, 2024	**118,564,895**

(1) On February 14, 2023, the Company completed an Initial Public Offering of 14,000,000 ordinary shares at USD 18 per share, on the Nasdaq Global Select Market (the: "Nasdaq IPO").

On February 21, 2023, the Company completed an additional allocation of 2,042,935 ordinary shares at a price of USD 18 per share, in accordance with an option granted to the Nasdaq IPO's underwriters.

Accordingly, the total amount raised through the Nasdaq IPO amounts to approximately USD 290 million dollars in total.

Note 18 - Earnings Per Share

A. Basic earnings per share

	For the year ended December 31		
	2024	**2023**	**2022**
	USD in thousands	**USD in thousands**	**USD in thousands**
Profit attributable to the Company's owners for the purpose of calculating basic earnings per share	**44,209**	70,924	24,749

	For the year ended December 31		
	2024	**2023**	**2022**
Weighted average of the number of ordinary shares used for the purpose of calculating basic earnings per share (*)	**118,293,556**	115,721,346	97,335,870

B. Diluted earnings per share:

	For the year ended December 31		
	2024	**2023**	**2022**
	USD in thousands	**USD in thousands**	**USD in thousands**
Profit which was used to calculate diluted earnings per share	**44,209**	70,924	24,749

	For the year ended December 31		
	2024	**2023**	**2022**
Weighted average of the number of ordinary shares used to calculate diluted earnings per share (*)	**123,312,565**	123,861,293	99,978,133

(*) The number of ordinary shares is after giving effect to the Reverse Share Split. See also Note 17.

Note 19 - Share-Based Payment

Details of the plan to allocate options to Company employees:

Grant date	Number of offerees	Total number of options	Exercise price in NIS	Exercise price in USD	Value of option in NIS	Value of option in USD	Number of options which were exercised as of the date of the financial report	Number of options which expired / were forfeited as of the date of the financial report	Expiration date of the options	Number of options remaining as of the date of the financial report
2/5/2018	6	310,000	18.40	5.35	7.70	2.24	228,564	36,250	2/5/2025	0
7/26/2018	2	80,000	19.08	5.24	8.35	2.30	40,000	-	7/26/2025	0
8/26/2018	5	200,000	18.75	5.15	8.63	2.37	114,069	30,000	8/26/2025	51,931
9/12/2018(A)(B)	2	1,350,000	19.61	5.47	8.55	2.38	388,131	-	9/12/2025	976,772
(B)28/10/2018	2	1,602,000	19.95	5.39	7.87	2.12	432,221	-	10/28/2025	541,596
11/1/2018	2	495,000	19.87	5.36	8.40	2.27	129,361	-	11/1/2025	265,386
3/31/2019	3	100,000	21.74	5.99	9.61	2.65	40,000	40,000	3/31/2026	0
4/4/2019	2	80,000	22.00	6.11	9.40	2.61	60,000	-	4/4/2026	0
5/27/2019	3	80,000	23.70	6.56	10.34	2.86	30,000	30,000	5/27/2026	20,000
11/28/2019	4	110,000	41.57	11.98	19.06	5.49	16,000	40,000	11/28/2026	54,000
28/11/2019(C)	1	100,000	41.97	12.09	18.00	5.19	-		11/28/2026	100,000
1/20/2020	20	271,500	44.68	12.93	19.70	5.70	49,500	59,250	1/20/2027	136,750
12/04/2020 (D)	1	70,000	41.10	11.48	15.50	4.33	19,953	-	4/12/2027	50,047
5/17/2020	6	110,000	48.50	13.69	19.70	5.56	-	22,500	5/17/2027	60,000
7/23/2020	3	45,000	54.60	15.96	19.80	5.79	17,500	16,250	7/23/2027	10,000
10/13/2020	1	103,000	62.09	18.34	27.70	8.18	-	-	10/13/2027	41,875
11/10/2020	7	115,000	64.80	19.19	24.10	7.14	7,500	42,500	11/10/2027	65,000
5/25/2021	9	141,000	65.79	20.29	24.60	7.59	10,000	49,500	5/25/2028	81,500
9/30/2021	26	674,000	69.76	21.60	25.90	8.02	-	249,000	9/30/2028	425,000
9/30/2021	1	60,000	70.90	21.96	25.90	8.02	-		9/30/2028	60,000
(E)30/09/2021	4	1,182,000	71.80	22.24	25.90	8.02	-	240,000	9/30/2028	942,000
(F)30/09/2021	5	780,000	71.80	22.24	25.90	8.02	-		9/30/2028	780,000
10/31/2021	1	10,000	72.70	23.20	30.20	9.64	-		10/31/2028	10,000
2/8/2022	9	541,400	72.30	22.43	23.93	7.42	-	54,100	2/8/2029	487,300
2/13/2022	21	282,000	72.80	22.32	22.69	6.96	-	64,000	2/13/2029	218,000
4/17/2022	72	269,250	77.20	23.86	27.92	8.63	-	82,500	4/17/2029	186,750
28/06/2022(G)	1	100,000	68.64	19.98	28.14	8.19	-		6/28/2029	100,000
6/28/2022	9	146,000	63.90	18.60	29.53	8.59	-		6/28/2029	146,000
9/1/2022	10	97,000	79.60	23.66	33.82	10.05	-	13,000	9/1/2029	84,000
9/1/2022	1	10,000	81.40	24.20	33.15	9.85	-		9/1/2029	10,000
10/30/2022	1	25,000	78.20	22.15	29.10	8.24	-		10/30/2029	25,000
12/18/2022	9	126,000	74.70	21.71	30.26	8.79	-	25,000	12/18/2029	101,000
3/14/2023	12	124,000	64.90	17.89	23.83	6.57	-	37,000	3/14/2030	87,000
3/23/2023	37	114,000	60.32	16.70	24.73	6.85	-	33,000	3/23/2030	81,000
24/04/2023(H)	2	220,000	61.52	16.80	23.63	6.45	-		4/24/2030	220,000
5/25/2023	1	24,000	62.60	16.78	30.74	8.24	-		5/25/2030	24,000
18/12/2023(I)	2	146,427	62.81	17.19	31.53	8.63	-		12/18/2030	146,427
(O)08/01/2024	31	168,892	68.04	18.30	26.41	7.10	-	16,842	1/8/2031	152,050
(O)08/01/2024	1	20,000	68.04	18.30	27.96	7.52	-		1/8/2031	20,000
08/01/2024(P)	121	444,343	-	-	67.52	18.16	-	37,107	1/8/2031	407,236
30/01/2024(P)	112	286,821	-	-	64.72	17.72	-	46,248	1/30/2031	240,573
17/04/2024(J)	8	131,928	-	-	61.54	16.30	-		4/17/2031	131,928
21/04/2024(O)	10	55,944	62.08	16.41	24.98	6.60	-		4/21/2031	55,944
21/04/2024(K)	2	89,669	62.08	16.41	26.83	7.09	-		4/21/2031	89,669
21/04/2024(P)	42	62,983	-	-	62.38	16.49	-	2,352	4/21/2031	60,631
21/04/2024(L)	14	240,129	-	-	62.38	16.49	-	14,328	4/21/2031	225,801
15/09/2024(O)	14	82,312	59.45	16.04	25.84	6.97	-		9/15/2031	82,312
15/09/2024(M)	2	208,341	59.45	16.04	27.63	7.45	-		9/15/2031	208,341
15/09/2024(P)	31	87,862	-	-	60.77	16.39	-		9/15/2031	87,862
15/09/2024(N)	3	55,673	-	-	60.77	16.39	-		9/15/2031	55,673
Total		12,228,474					1,582,798	1,280,727		8,406,355

The valuation of the options was performed using the binomial model. The calculation of the benefit value included taking into account the share price and its volatility, the exercise price, the risk-free interest rate and the expected lifetime of the option.

The options are convertible into ordinary shares of the company, NIS 0.1 par value each.

The valuation of the RSUs is at the share price as of grant date.

Note 19 - Share-Based Payment (Cont.)

Details of the plan to allocate options to Company employees: (Cont.)

General description of the Company's options:

In general, and in respect of the description of all of the allocations in this report, the options will be exercised in accordance with the cashless exercise mechanism, as specified in the options plan. Subject to the other terms of the options plan, eligibility will materialize for each of the aforementioned offerees to exercise the options in accordance with the vesting period as follows: 50% of the options will vest 24 months after the grant date, 25% of the options will vest 36 months after the grant date, and 25% of the options will vest 48 months after the grant date. In certain cases different vesting dates were determined, as specified below, and unless stated otherwise, the vesting dates are as stated in this paragraph. The options are subject to standard adjustments in accordance with the options plan, including, inter alia, in case of dividend distribution, and issuance of rights and bonus shares. All option allocations were performed based on the Company's current options plan. In case of termination of employment, the offeree is given a limited period to exercise vested options only. In cases of termination of employment / activity in circumstances which were defined as severe, the Company will have the possibility to revoke rights.

Details regarding material allocations:

(A) On September 12, 2018, the Company allocated 360,000 non-marketable and non-transferable options to the Company's Chairman of the Board, Mr. Yair Seroussi, which are exercisable on a cashless basis. The options' vesting period will be distributed over 4 years, on a quarterly basis. For details regarding the exercise price, see the table presented above.

(B) On September 12, 2018 and October 28, 2018, the Company allocated 990,000 non-marketable and non-transferable options to Gilad Yavetz, and 1,602,000 non-marketable and non-transferable options to Zafrir Yoeli and Amit Paz together.

The options are exercisable on a cashless basis. The options' vesting period will be distributed over 4 years, whereby 18% of the options will vest one year after the grant date, 25% will vest on a quarterly basis throughout the second year, 30% will vest on a quarterly basis throughout the third year, and 27% will vest on a quarterly basis throughout the fourth year. For details regarding the exercise price, see the above table.

(C) On November 28, 2019, the Company performed a private allocation of 100,000 non-marketable and non-transferable options of the Company to a VP officer. The options are exercisable on a cashless basis. The options' vesting period will be distributed over 4 years, whereby 50% of the options will vest two years after the grant date, 25% will vest three years after the grant date, and 25% will vest four years after the grant date. For details regarding the exercise price, see the above table.

(D) On April 12, 2020, the Company performed a private allocation of 70,000 non-marketable and non-transferable options of the Company to a VP officer. The options are exercisable on a cashless basis. The options' vesting period will be distributed over 4 years, whereby 50% of the options will vest two years after the grant date, 25% will vest three years after the grant date, and 25% will vest four years after the grant date. For details regarding the exercise price, see the above table.

(E) On September 30, 2021, a the Company performed a private allocation of 1,182,000 non-marketable and non-transferable options of the Company to the three founders: Gilad Yavetz, Zafrir Yoeli and Amit Paz, and to the Chairman of the Board. The options are exercisable on a cashless basis. The options' vesting period will be distributed over 4 years, whereby 25% of the options will vest one year after the grant date, 25% will vest on a quarterly basis throughout the second year, 25-40% will vest on a quarterly basis throughout the third year, and 10-25% will vest on a quarterly basis throughout the fourth year. For details regarding the exercise price, see the above table.

On September 30, 2022, Yoeli Zafarir departed the company, and therefore 240,000 options that have not yet matured expired.

Note 19 - Share-Based Payment (Cont.)

Details of the plan to allocate options to Company employees: (Cont.)

(F) On September 30, 2021, the Company performed a private allocation of 780,000 non-marketable and non-transferable options of the Company to officers who are VP's in the Company. The options are exercisable on a cashless basis. The options' vesting period will be distributed over 4 years, whereby 25% of the options will vest one year after the grant date, 25-30% will vest after the second year, 25-35% will vest after the third year, and 10-25% will vest after the fourth year. For details regarding the exercise price, see the above table.

(G) On June 28, 2022, the Company performed a private allocation of 100,000 non-marketable and non-transferable options of the Company to a VP officer. The options are exercisable on a cashless basis. The options' vesting period will be distributed over 4 years, whereby 25% of the options will vest one year after the grant date, 25% will vest two years after the grant date, 35% will vest three years after the grant date, and 15% will vest four years after the grant date. For details regarding the exercise price, see the above table.

(H) On April 24, 2023, the Company performed a private allocation of 220,000 non-marketable and non-transferable options of the Company to officers who are VP's in the Company. The options are exercisable on a cashless basis. The options' vesting period will be distributed over 4 years, whereby 25% of the options will vest one year after the grant date, 25% will vest two years after the grant date, 35% will vest three years after the grant date, and 15% will vest four years after the grant date. For details regarding the exercise price, see the above table.

(I) On December 18, 2023, the Company performed a private allocation of 146,427 non-marketable and non-transferable options of the Company to officers who are VP's in the Company. The options are exercisable on a cashless basis. The options' vesting period will be distributed over 4 years, whereby 25% of the options will vest one year after the grant date, 25% will vest two years after the grant date, 25% will vest three years after the grant date, and 25% will vest four years after the grant date. For details regarding the exercise price, see the above table.

(J) On April 17, 2024, the company granted restricted stock units (RSUs) the Company's Chairman of the Board, Mr. Yair Seroussi and to Company's CEO Gilad Yavetz, which will entitle the offerees to receive ordinary shares of the company, worth 0.1 NIS each, upon vesting dates. The vesting period of the said RSUs is distributed equally and annually over 4 years.

On April 17, 2024, the company granted restricted stock units (RSUs) to the Company's External Directors, which will entitle the offerees to receive ordinary shares of the company, worth 0.1 NIS each, upon vesting dates. The vesting period of the said RSUs is distributed equally and annually over 3 years.

(K) On April 21, 2024, the Company performed a private allocation of 40,000 non-marketable and non-transferable options of the Company to its management member. The options are exercisable on a cashless basis. The options' vesting period will be distributed over 4 years, whereby 25% of the options will be vested annually from the grant date. For details regarding the exercise price, see the above table.

(L) On April 21, 2024, the company granted restricted stock units (RSUs) to its management members, which will entitle the offerees to receive ordinary shares of the company, worth 0.1 NIS each, upon vesting dates. The vesting period of the said RSUs is distributed equally and annually over 4 years.

(M) On September 15, 2024, the Company performed a private allocation of 137,369 non-marketable and non-transferable options of the Company to its management members. The options are exercisable on a cashless basis. The options' vesting period will be distributed over 4 years, whereby 25% of the options will be vested annually from the grant date. For details regarding the exercise price, see the above table.

(N) On September 15, 2024, the company granted restricted stock units (RSUs) to its management members, which will entitle the offerees to receive ordinary shares of the company, worth 0.1 NIS each, upon vesting dates. The vesting period of the said RSUs is distributed equally and annually over 4 years.

Note 19 - Share-Based Payment (Cont.)

(O) In 2024, options were granted to employees which are exercisable on a cashless basis. Eligibility to exercise the options in accordance with the vesting period as follows: 50% of the options will vest 24 months after the grant date, 25% of the options will vest 36 months after the grant date, and 25% of the options will vest 48 months after the grant date.

(P) In 2024, restricted stock units (RSUs) were granted to employees which upon fulfillment of the conditions and vesting dates, will entitle the offerees to receive ordinary shares of the company, worth 0.1 NIS each. Vesting period will be distributed equally and annually over 4 years.

Details on options grants of the year ended December 31, 2024

Grant date	**08/01/2024**	**08/01/2024**	**21/04/2024**	**21/04/2024**	**15/09/2024**	**15/09/2024**
Number of options	168,892	20,000	55,944	89,669	82,312	208,341
Option value in NIS	26.41	27.96	24.98	26.83	25.84	27.63
Option value in USD	7.10	7.52	6.60	7.09	6.97	7.45
Exercise price in NIS	68.04	68.04	62.08	62.08	59.45	59.45
Share price in NIS	67.52	67.52	62.38	62.38	60.77	60.77
Risk-free interest rate	3.85%	3.85%	4.58%	4.58%	4.55%	4.55%
Standard deviation	33.74%	33.74%	33.42%	33.42%	36.35%	36.35%
Value of options in NIS Thousands	4,460	559	1,397	2,406	2,127	5,756
Value of options in USD Thousands	1,200	150	369	636	574	1,553
Options expiration	7 years					

The valuation of the RSUs is at the share price as of grant date.

Note 20 - Revenues

	For the year ended December 31		
	2024	**2023**	**2022**
	USD in thousands	**USD in thousands**	**USD in thousands**
Sale of electricity	**364,911**	238,968	171,614
Sales of Green certificates	**3,661**	3,840	2,378
Operation of facilities	**-**	4,634	7,066
Construction services	**3,997**	419	476
Management and development fees	**5,366**	7,841	10,638
Total	**377,935**	255,702	192,172

Note 21 - Tax benefits

	For the year ended December 31		
	2024	**2023**	**2022**
	USD in thousands	**USD in thousands**	**USD in thousands**
Income from Investment Tax Credit (ITC)	**16,087**	5,440	-
Income from Production Tax Credit (PTC)	**4,773**	-	-
Total	**20,860**	5,440	-

Note 22 - Cost of Sales

	For the year ended December 31		
	2024	**2023**	**2022**
	USD in thousands	**USD in thousands**	**USD in thousands**
Site maintenance	**54,073**	35,307	26,845
Payroll, salaries and associated expenses	**8,800**	6,646	6,408
Insurance	**9,497**	5,835	3,450
Municipal taxes	**4,431**	3,526	2,133
Lease	**1,133**	1,083	851
Expenses associated with facility construction services	**2,762**	397	751
Total	**80,696**	52,794	40,438

Note 23 - General and Administrative Expenses

	For the year ended December 31		
	2024	2023	2022
	USD in thousands	USD in thousands	USD in thousands
Payroll, salaries and associated expenses	**20,807**	16,310	16,526
Professional services	**7,714**	5,282	4,120
Office and maintenance	**2,520**	2,120	1,963
Management and director fees	**644**	955	819
Insurance	**1,808**	2,655	98
Computer services	**2,314**	1,548	1,166
Others	**3,040**	2,486	2,342
Total	**38,847**	31,356	27,034

Note 24 - Development Expenses

	For the year ended December 31		
	2024	2023	2022
	USD in thousands	USD in thousands	USD in thousands
Payroll, salaries and associated expenses	**7,121**	3,565	2,558
Other development expenses	**4,480**	2,782	3,029
Total	**11,601**	6,347	5,587

Note 25 - Other income, net

	For the year ended December 31		
	2024	2023	2022
	USD in thousands	USD in thousands	USD in thousands
Changes in contingent consideration	**9,112**	33,684	12,002
Production delay compensation	**12,503**	9,542	-
Others	**(5,443)**	221	1,765
Total	**16,172**	43,447	13,767

Note 26 - Finance Expenses, Net

A. Finance income:

	For the year ended December 31		
	2024	2023	2022
	USD in thousands	USD in thousands	USD in thousands
Finance income from contract asset in respect of concession arrangements	-	10,294	17,188
Changes in the fair value of financial instruments measured at fair value through profit or loss	**4,580**	4,425	2,953
Finance income from loans to investee entities	**2,881**	1,765	1,166
Finance income from loans to non-controlling interests	**702**	230	363
Finance income from deposits in banks	**12,272**	9,833	1,669
Exchange differences	-	10,250	-
Others	**4**	2	2
Total	**20,439**	36,799	23,341

B. Finance expenses:

	For the year ended December 31		
	2024	2023	2022
	USD in thousands	USD in thousands	USD in thousands
Interest expenses from project finance loans	**86,559**	54,646	52,416
Interest expenses from corporate loans	**14,966**	9,750	78
Interest expenses from Debentures	**18,525**	13,191	13,098
Finance expenses in respect of contingent consideration arrangement	**456**	1,900	3,978
Interest expenses from non-controlling interests loans	**2,737**	2,187	1,381
Finance expenses from hedging transactions	**869**	3,098	973
Finance expenses in respect of lease liability	**5,675**	2,503	1,964
Exchange differences	**3,639**	-	617
Finance expenses related to tax equity arrangements	**4,040**	1,511	-
Others	**3,869**	2,298	1,248
	141,335	91,084	75,753
Amounts capitalized to the cost of qualifying assets	**(33,491)**	(22,941)	(13,162)
Total	**107,844**	68,143	62,591

Note 27 - Leases

Within the framework of the lease agreements, the Group leases the following items:

1. Land;

2. Offices and vehicles.

The Group mostly leases land for the purpose of building renewable energy facilities. The total sum of the right-of-use asset which was recognized in the statement of financial position as of December 31, 2024 in respect of leases amounted to USD 210,941 thousand. The total lease liability which was recognized in the statement of financial position as of December 31, 2024 in respect of land leases amounted to USD 222,181 thousand.

Right-of-use assets

Composition

USD in thousands	**Land**	**Offices and vehicles**	**Total**
Balance as of January 1, 2024	118,280	3,068	121,348
Additions	97,075	1,078	98,153
Amortization of right-of-use assets	(6,622)	(1,380)	(8,002)
Linkage to index	5,137	53	5,190
Classification to Assets of disposal groups classified as held for sale	(2,994)	-	(2,994)
Reserve for translation differences	(2,730)	(24)	(2,754)
Balance as of December 31, 2024	208,146	2,795	210,941

USD in thousands	**Land**	**Offices and vehicles**	**Total**
Balance as of January 1, 2023	93,547	2,968	96,515
Additions	25,122	998	26,120
Amortization of right-of-use assets	(4,765)	(884)	(5,649)
Linkage to index	4,060	40	4,100
Sale of consolidated companies	(1,354)	-	(1,354)
Reserve for translation differences	1,670	(54)	1,616
Balance as of December 31, 2023	118,280	3,068	121,348

Effects on the statements of income	**For the year ended December 31**	
	2024	**2023**
	USD in thousands	**USD in thousands**
Interest expenses in respect of lease liability	**(5,675)**	(2,503)
Expenses attributed to variable lease payments which were not included in measurement of lease liability	**(1,133)**	(1,083)
Depreciation expenses	**(7,023)**	(3,819)
Total	**(13,831)**	(7,405)

Note 28 - Financial Instruments

A. Financial risk management policy

The Group's overall risk management policy focuses on activities to minimize possible negative effects on the Group's financial performance. The Group uses derivative financial instruments to hedge against certain risk exposures.

The individual responsible for the management of market risks in the Company is the Company's CFO, who reports to the board of directors and to the financial statements review committee from time to time regarding his activities, in order to reduce the Company's market risks, and the impact thereof on its operating results.

The Company's policy is to reduce the various risks to the extent feasible. The Company directs risk management towards economic exposure if there is a discrepancy between that exposure and the accounting exposure.

The CFO also reports to the required organs in the Company on an ongoing basis regarding the status of the Company's liquid balances and the balances of its liabilities, and regarding the composition thereof.

The Company's activities expose it to various financial risks, as follows:

(1) Changes in foreign currency exchange rates

Some of the Company's costs involved in project construction, finance costs, transactions and revenues are denominated in foreign currency, and the Company is therefore exposed to changes in those exchange rates, which affect the feasibility and profitability of the projects. The Company evaluates and makes use, from time to time, of derivative financial instruments, mostly forward transactions and currency options (hedging transactions"), to hedge its economic exposure to changes in foreign currency exchange rates. The derivative financial instrument below is treated under accounting hedging.

	Project	Amount receivable in transaction currency Millions	Amount payable in transaction currency Millions	Expiration date	Fair value USD millions
Foreign currency forward contracts (1)	PV+Storage	USD 3.6	NIS 13.2	January 2025	0.01

(1) Hedging transaction to hedge against the USD/NIS exchange rate, based on the schedule of payments to the main contractors of the projects.

Note 28 - Financial Instruments (Cont.)

A. Financial risk management policy (Cont.)

(1) Changes in currency exchange rates (Cont.)

Presented below is a sensitivity analysis which includes current balances of monetary items denominated in foreign currency, and which adjusts the translation thereof at the end of the period, to changes in the foreign currency exchange rate. The sensitivity analysis also includes loans to foreign operations in the Group which are denominated in a currency other than the currency of the lender or the borrower, which do not constitute a part of the net investment in the foreign operation (hereinafter: "loans to foreign operation"). The Company is also exposed to the equity in respect of its share in consolidated companies with a different functional currency from the Company's functional currency (hereinafter: the "equity of foreign operation"). This exposure is carried to other comprehensive income (hereinafter: "OCI").

	As of December 31, 2024				
	Increase 5%			Decrease 5%	
	OCI	Pre-tax profit	Value	Pre-tax profit	OCI
5% Change in the currency exchange rate	USD in thousands				
NIS vs EURO					
Loans to foreign operations	-	(626)	12,511	626	-
Equity of foreign operations					
NIS vs EURO	(41,569)	-	831,371	-	41,569
NIS vs HUF	(462)	-	9,249	-	462
Total effect OCI	(42,031)	-	840,620	-	42,031

	As of December 31, 2023				
	Increase 5%			Decrease 5%	
	OCI	Pre-tax profit	Value	Pre-tax profit	OCI
5% Change in the currency exchange rate	USD in thousands				
NIS vs EURO					
Loans to foreign operations	-	(803)	16,052	803	-
Equity of foreign operations					
NIS vs EURO	(43,583)	-	871,663	-	43,583
NIS vs HUF	(367)	-	7,345	-	367
Total effect on OCI	(43,950)	-	879,008	-	43,950

Note 28 - Financial Instruments (Cont.)

A. Financial risk management policy (Cont.)

(2) Change in index

Consolidated entities in Israel have revenues from electricity which are determined according to a tariff which is updated once per year in accordance with the consumer price index. On the other hand, loans taken out by consolidated entities were made, as much as possible, with the same linkage as the linkage to the electricity tariff. The Company also extended loans to investee entities and liability in respect of deferred consideration arrangement, which are linked to the consumer price index.

The following table presents the group's sensitivity to the index – the effect of a 3% change in the index:

	As of December 31, 2024		
	Increase 3%		Decrease 3%
3% Change in the index rate	Pre-tax profit	Carrying value	Pre-tax profit
	USD in thousands		
Loans to non-controlling interests	183	6,115	(183)
Loans from banks and other financial institutions	(22,625)	(754,163)	22,625
Loans from non-controlling interests	(35)	(1,173)	35
Other financial liabilities	(74)	(2,480)	74
	(22,551)	(751,701)	22,551

	As of December 31, 2023		
	Increase 3%		Decrease 3%
3% Change in the index rate	Pre-tax profit	Carrying value	Pre-tax profit
	USD in thousands		
Contract assets	2,982	99,416	(2,982)
Loans to investee entities	188	6,264	(188)
Loans to non-controlling interests	158	5,267	(158)
Loans from banks and other financial institutions	(24,965)	(816,087)	23,972
Other financial liabilities	(78)	(2,591)	78
	(21,715)	(707,731)	20,722

Note 28 - Financial Instruments (Cont.)

(B) Financial risk factors

(1) Interest rate risk

Change in interest rates

Interest rate risk is due to loans bearing variable interest rates, which expose the Company to cash flow risk.

The following table presents the group's values of financial instruments which are exposed to cash flow risks in respect of interest rate changes which are not hedged in interest rate swap transactions and their sensitivity to the change of interest rate – the effect of a 2% change in the interest rate:

	As of December 31, 2024		
	Increase 2% Pre-tax profit	Carrying value	Decrease 2% Pre-tax profit
2% Change in the interest rate		USD in thousands	
Euribor-linked loan from banks (*)	(510)	(142,123)	510
SOFR-linked credit and loans from banks (*)	-	(206,379)	-
Loans to investees with variable interest	219	10,951	(219)
	(291)	(337,551)	291

	As of December 31, 2023		
	Increase 2% Pre-tax profit	Carrying value	Decrease 2% Pre-tax profit
2% Change in the interest rate		USD in thousands	
Euribor-linked loan from banks	(1,805)	(90,259)	1,805
SOFR-linked loans from banks (*)	-	(116,151)	-
	(1,805)	(206,410)	1,805

(*) The company has loans which are linked to the SOFR interest rate and loans linked to the Euribor interest rate. The loans are used to finance projects under construction. Interest expenses during the construction period are capitalized to the cost of the facilities and have no impact on the Company's results.

Note 28 - Financial Instruments (Cont.)

B. Financial risk factors (Cont.)

(1) Interest rate risk (Cont.)

Interest rate swaps:

Through interest rate swaps, the Group engages in contracts to swap the differences between the amounts of fixed and variable interest rates, which are calculated in respect of agreed-upon stated principal amounts. These contracts allow the Group to reduce the cash flow exposure of debt issued at variable interest. The fair value of the interest rate swaps at the end of the reporting period is determined by discounting the future cash flows using the yield curves at the end of the reporting period, and the credit risk in the contract.

All interest rate swaps which replace variable interest rates with fixed interest rates are intended to hedge cash flows in order to reduce the Group's exposure to cash flows from variable interest rates on loans.

The following table specifies the interest rate swap contracts which were designated as hedging instruments, which exist as of the end of the reporting period:

	Interest rates		Par value	Final	Carrying value
Hedged contract	**Original**	**After hedging**	**In thousands**	**repayment date**	**USD in thousands**
Loan to finance the Lukovac project	3 month Euribor	0.75%	EUR 15,807 (USD 16,455)	31/03/2031	728
Loan to finance the Picasso project	3 month Euribor	1.08%	EUR 66,974 (USD 69,718)	31/03/2039	4,202
Loan to finance the Gecama project	6 month Euribor	0.147%	EUR 131,801 (USD 137,200)	30/06/2035	18,728
Loan to finance the Attila projects	3 month Bubor	1.445%-3.7%	HUF 11,732,624 (USD 29,782)	31/12/2030	4,152
Loan to finance the Bjorn project	6 month Euribor	0.526%	EUR 155,739 (USD 162,119)	28/12/2040	22,019
Loan to finance the Raaba ACDC project	3 month Euribor	2.908%	EUR 8,161 (USD 8,496)	30/12/2033	(334)
Loan to finance the Raaba Flow project	3 month Euribor	2.809%	EUR 18,160 (USD 18,903)	30/12/2033	(639)
Loan to finance the Pupin project	3 month Euribor	2.987%	EUR 54,726 (USD 56,968)	31/03/2040	(3,482)
Loan to finance the Atrisco project - PV	6 month SOFR	4.0712%	USD 121,444	30/09/2049	(482)
Loan to finance the Atrisco project - BESS	6 month SOFR	4.1049%	USD 177,771	30/09/2049	(1,222)

During the years 2024, 2023 and 2022, profit (loss) net of tax in the amount of USD (81) thousand, USD (23,380) thousand and USD 61,853, respectively, were recognized under other comprehensive income, in respect of the effectiveness of the cash flow hedge as a hedge against the cash flow risk in respect of interest rates.

Note 28 - Financial Instruments (Cont.)

B. Financial risk factors (Cont.)

(2) Credit risk

Credit risk refers to the risk that the counterparty will not fulfill its contractual obligations, and will cause the Group to incur financial loss. Upon the initial engagement, the Group estimates the quality of the credit which is given to the customer. The restrictions which are attributed to the Group's customers are evaluated once per year, or more frequently, based on new information which has been received, and on its fulfillment of previous debt payments.

The Group measures the credit loss provision in respect of trade receivables according to the probability of insolvency throughout the instrument's entire lifetime, and for contract assets in respect of concession arrangements (see Note 9) according to the probability of insolvency during the coming 12 months. In light of the fact that the Company's customers are large, financially strong entities, mostly with regulatory support, the probability of insolvency is low, and the Company believes that the expected credit losses in respect of them are insignificant.

The Company deposits its balance of liquid financial assets in bank deposits and in securities. All the deposits are with a diversified group of leading banks preferably with banks that provide loans to the Company.

(3) Liquidity risk

The cash flow forecast is prepared by the Company's finance department, both on the level of the various entities in the Group, and in consolidated terms. The finance department evaluates current forecasts of liquidity requirements in the Group in order to verify that sufficient cash is available for operating requirements, and while ensuring that the Company does not deviate from the credit facilities and financial covenants in respect of its credit facilities.

The Group's forecasts take into account several factors, such as financing sources for expected investments and for debt service, which include, inter alia, cash flows from operating activities and from the realization of projects which the Company owns, and raisings of equity and debt which include, inter alia, rights issues, long-term loans and debentures. The Group's forecasts also take into account the fulfillment of obligatory financial covenants, the fulfillment of certain liquidity ratio targets, and the fulfillment of external requirements such as laws or regulations, when relevant.

The cash surplus which is held by the Group's entities, which are not required in order to finance the activity as part of working capital, are invested in stable investment channels such as fixed period deposits, and other stable channels. These investment channels are chosen according to the desired repayment period, or according to their liquidity, such that the Group has sufficient cash balances, in accordance with the foregoing forecasts.

Note 28 - Financial Instruments (Cont.)

B. Financial risk factors (Cont.)

(3) Liquidity risk (Cont.)

Presented below are details regarding the Company's liabilities segmented by repayment years, except for current items in the statement of financial position, such as trade and other payables, which are expected to be repaid according to their carrying values during the coming year:

	As of December 31, 2024(**)						
	2025	2026	2027	2028	2029	After 2029	Total
	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands	USD in thousands
Liability in respect of deferred consideration arrangement	(409)	(352)	(352)	(352)	(352)	(2,148)	(3,965)
Liability in respect of put option	-	(24,961)	-	-	-	-	(24,961)
Loans from non-controlling interests	(10,573)	(11,034)	(9,683)	(10,390)	(10,084)	(35,259)	(87,023)
Debentures(*)	(57,091)	(163,601)	(166,960)	(103,867)	(163,784)	-	(655,303)
Credit and loans from banks and other financial institutions (*)	(192,606)	(193,499)	(240,784)	(262,858)	(187,570)	(1,796,531)	(2,873,848)
Liability in respect of tax equity arrangements	(10,536)	(10,234)	(10,253)	(10,194)	(9,884)	(131,960)	(183,061)
Lease liability (*)	(14,114)	(13,801)	(15,097)	(14,992)	(15,001)	(336,946)	(409,951)
	(285,329)	**(417,482)**	**(443,129)**	**(402,653)**	**(386,675)**	**(2,302,844)**	**(4,238,112)**

(*) The above figures are presented according to their par values on the repayment date, including unaccrued interest, linked to the CPI / exchange rate as of the balance sheet date.

(**) The Company has commitments in power purchase agreements which are not reflected in the Company's statement of financial position.

Note 28 - Financial Instruments (Cont.)

C. Fair value

(1) Details of assets and liabilities which are measured in the statement of financial position at fair value:

For the purpose of measuring the fair value of assets or liabilities, the Group classifies them according to a hierarchy which includes the following three levels:

- Level 1: Quoted (unadjusted) prices in active markets for identical properties or identical liabilities as those to which the entity has access on the measurement date.
- Level 2: Inputs, except for quoted prices which are included in level 1, which are observable in respect of the asset or liability, directly or indirectly.
- Level 3: Unobservable inputs in respect of the asset or liability.

The classification of assets or liabilities which are measured at fair value is based on the lowest level at which significant use was made for the purpose of measuring the fair value of the asset or liability, in their entirety.

Presented below are details regarding the Group's assets and liabilities which are measured in the Company's statement of financial position at fair value periodically, in accordance with their measurement levels.

Details regarding fair value measurement at Level 3

Financial instrument	Valuation method for determining fair value
Non-marketable shares measured at fair value through profit or loss	Fair value measured using a valuation method that includes the discounted cash flow method
Performance-based ("earn out") contingent consideration	Fair value measured using the discounted cash flow method

The tables hereunder presents the fair value of the financial instruments that are measured at fair value in accordance to the fair value hierarchy:

As of December 31, 2024:

	Level 1	Level 2	Level 3	Total
	USD in thousands	USD in thousands	USD in thousands	USD in thousands
Financial Assets at fair value:				
Non-marketable shares measured at fair value through profit or loss	-	-	69,216	**69,216**
Interest rate swaps	-	55,118	-	**55,118**
Financial liabilities at fair value:				
Contracts in respect of forward transactions	-	(10)	-	**(10)**
Transactions to peg electricity prices swap (CFD differences contract)	-	(4,123)	-	**(4,123)**
Interest rate swaps	-	(11,448)	-	**(11,448)**

Note 28 - Financial Instruments (Cont.)

C. Fair value (Cont.)

As of December 31, 2023:

	Level 1	Level 2	Level 3	Total
	USD in thousands	USD in thousands	USD in thousands	USD in thousands
Financial Assets at fair value:				
Contracts in respect of forward transactions	-	171	-	**171**
Interest rate swaps	-	63,208	-	**63,208**
Non-marketable shares measured at fair value through profit or loss	-	-	53,466	**53,466**
Transactions to peg electricity prices swap (CFD differences contract)	-	11,384	-	**11,384**
Financial liabilities at fair value:				
Interest rate swaps	-	(7,217)	-	**(7,217)**
Performance-based contingent consideration ("Earn Out"), see Note 8A(1)	-	-	(22,941)	**(22,941)**
Deal contingent hedge	-	(5,539)	-	**(5,539)**

The table hereunder presents a reconciliation from the opening balance to the closing balance of financial instruments carried at fair value level 3 of the fair value hierarchy:

	2024	2023
	Financial assets	
Non-marketable shares measured at fair value through profit or loss	USD thousands	
Balance as of January 1	53,466	42,918
Investment	14,707	5,682
Revaluation (*)	4,580	2,940
Translation differences	(3,537)	1,926
Balance as of December 31	69,216	53,466

	2024	2023
	Financial liabilities	
Performance-based ("earn out") contingent consideration	USD thousands	
Balance as of January 1	(22,941)	(52,972)
Revaluation	(403)	25,377
Repayment	23,344	4,654
Balance as of December 31	-	(22,941)

(*) Under financing income and expenses.

Note 28 - Financial Instruments (Cont.)

C. Fair value (Cont.)

(2) Fair value of items which are not measured at fair value in the statement of financial position:

Except as specified in the following table, the Company believes that the carrying value of items which are not measured at fair value, including loans from non-controlling interests, is approximately identical to their fair value.

		Carrying value As of December 31		Fair value As of December 31	
	Fair value level	**2024**	**2023**	**2024**	**2023**
		USD in thousands	**USD in thousands**	**USD in thousands**	**USD in thousands**
Debentures	Level 1	**616,334**	454,091	**601,511**	430,889
Loans from banks and other financial institutions (1)	Level 3	**1,254,996**	1,305,642	**1,018,890**	876,561
Liability in respect of deferred consideration arrangement (1)	Level 3	**2,480**	2,591	**2,562**	3,019

(1) Fair value is determined according to the present value of future cash flows, discounted by an interest rate which reflects, according to the assessment of management, the change in the credit margin and risk level which occurred during the period.

Note 28 - Financial Instruments (Cont.)

D. Other financial assets, Other financial liabilities and Financial liabilities through profit or loss

	December 31 2024 USD in thousands	December 31 2023 USD in thousands
Current assets		
Other financial assets		
Contracts in respect of forward transactions	**-**	171
Interest rate swaps	**975**	805
Loans to non-controlling interests (3)	**446**	-
Non-current assets		
Other financial assets		
Loans to non-controlling interests	**5,669**	4,834
Transactions to peg electricity prices swap (CFD differences contract)	**-**	11,384
Interest rate swaps	**54,143**	63,208
	60,787	80,402
Current liabilities		
Other financial liabilities		
Transactions to peg electricity prices swap (CFD differences contract)	**(4,122)**	-
Interest rate swaps	**(591)**	(154)
Liability in respect of tax equity arrangement	**(3,418)**	(1,070)
Contracts in respect of forward transactions	**(10)**	-
Financial liabilities through profit or loss		
Performance-based contingent consideration (“Earn Out”) (1)	-	(13,860)
Liability in respect of deferred consideration arrangement (2)	**(184)**	(180)
Non-current liabilities		
Other financial liabilities		
Interest rate swaps	**(10,857)**	(7,868)
Deal contingent hedge	**-**	(5,539)
Liability in respect of tax equity arrangement	**(97,008)**	(48,613)
Financial liabilities through profit or loss		
Liability in respect of deferred consideration arrangement (2)	**(2,296)**	(2,411)
Performance-based contingent consideration (“Earn Out”) as well as the founder’s put option (1)	**(23,548)**	(32,113)
	(142,033)	(111,808)

(1) For additional details, see Note 8A(1).

(2) The Company has liabilities in respect of deferred consideration arrangements for initiation services which were provided by some of the towns in Halutziot project. In exchange for the initiation services, those towns are entitled to a percentage of the distributable free cash flows, as defined in the agreement. The balance of the liability in respect of the deferred consideration arrangement including current maturities (see also Note 12), as of December 31, 2024 and 2023, amounted to USD 2,480 thousand and USD 2,591 thousand, respectively.

(3) The current maturities related to Loans to non-controlling interests included in Other receivables in the Consolidated Statements of Financial Position.

Note 29 - Segmental Reporting

A. General

Operating segments are identified based on the internal reports regarding the components of the Company, which are routinely reviewed by the Group's Chief Operational Decision Maker for the purpose of allocating resource and assessing the performance of operating segments. The set of reports which are submitted to the Group's Chief Operating Decision Maker, for the purpose of allocating resources and assessing the performance of operating resources, is based on an evaluation of certain solar power systems located in Israel as fixed asset items, which generate electricity revenues, and not as a contract asset under concession arrangement.

Due to the Company's organizational restructuring, the Chief Operation Decision Maker (CODM) now reviews the group's results by segmenting them into three business units: MENA (Middle East and North Africa), Europe, the US. Consequently, the Central/Eastern Europe and Western Europe segments have been consolidated into the "Europe" segment, and the Israel segment has been incorporated into the MENA segment. In addition, the company concluded that the management and construction segment doesn't meet the quantities threshold for determining reportable segment anywhere. Therefore, the segment is no longer defined as reportable segment and its results included among others, under "Other" segment. The comparative figures for the year ended December 31, 2023, and 2022 have been updated accordingly.

Presented below are details regarding the Company's operating segments, in accordance with IFRS 8:

MENA segment -	Produces its revenue from the sale of the electricity which is produced through solar energy and wind energy in the Middle East and North Africa (MENA).
Europe segment -	Produces its revenue from the sale of the electricity which is produced through wind energy and solar energy in Europe.
U.S.A segment -	Produces its revenue and income from the sale of the electricity which is produced through solar energy in the United States, mostly at fixed tariffs over extended periods and from tax benefits.
Others -	Produces its revenue mostly from management services to projects in stages of development, construction or operation, and from construction services for projects. None of the above meets the quantitative thresholds for determining reportable segment.

The results of the segments are measured based on the Company's segment adjusted EBITDA which is the Operating Profit adjusted to add the repayments of contract asset under concession agreements, depreciation and amortization, share-based compensation expenses, and non-recurring events attributed to the Company's reportable segments. For the purposes of calculating adjusted EBITDA, compensation for inadequate performance of goods and services procured by the Company are included in other income, net. Compensation for inadequate performance of goods and services reflects the profits the Company would have generated under regular operating conditions and is therefore included in adjusted EBITDA. With respect to gains or losses from asset disposals, the Company sells parts of or the entirety of selected renewable project assets from time to time, and therefore includes realized gains or losses from these asset disposals in adjusted EBITDA. In the case of partial assets disposals, adjusted EBITDA includes only the actual consideration less the book value of the assets sold.

Note 29 - Segmental Reporting (Cont.)

B. Segmental revenues and results

	For the year ended December 31, 2024						
	MENA	Europe	USA	Total reportable segments	Others	Adjustments	Total
	USD in thousands						
Revenues	155,693	197,143	15,748	368,584	9,351	-	377,935
Tax benefits	-	-	20,860	20,860	-	-	20,860
External revenues and income	155,693	197,143	36,608	389,444	9,351	-	398,795
Inter-segment revenues	-	-	-	-	5,569	(5,569)	-
Total revenues and income	155,693	197,143	36,608	389,444	14,920	(5,569)	398,795
Cost of sales (**)	29,792	35,450	4,957	70,199	9,470	1,027	80,696
Segment adjusted EBITDA	123,724	165,385	33,539	322,648	4,141	-	326,789
Reconciliations of unallocated amounts:							
Headquarter costs (*)							(37,774)
Intersegment profit							100
Depreciation and amortization and share-based compensation							(117,249)
Other incomes not attributed to segments							3,669
Operating profit							175,535
Finance income							20,439
Finance expenses							(107,844)
Share in the losses of equity accounted investees							(3,350)
Profit before income taxes							84,780

(*) Including general and administrative and development expenses (excluding depreciation and amortization and share-based compensation).

(**) Excluding depreciation and amortization.

Note 29 - Segmental Reporting (Cont.)

B. Segmental revenues and results (Cont.)

	For the year ended December 31, 2023						
	MENA	Europe	USA	Total reportable segments	Others	Adjustments	Total
	USD in thousands						
Revenues	67,687	177,471	2,274	247,432	8,270	-	255,702
Tax benefits	-	-	5,440	5,440	-	-	5,440
External revenues and income	67,687	177,471	7,714	252,872	8,270	-	261,142
Inter-segment revenues	-	-	-	-	9,074	(9,074)	-
Total revenues and income	67,687	177,471	7,714	252,872	17,344	(9,074)	261,142
Cost of sales (**)	13,204	31,670	778	45,652	12,888	(5,746)	52,794
Segment adjusted EBITDA	71,350	150,677	12,133	234,160	3,035	-	237,195

Reconciliations of unallocated amounts:	
Headquarter costs (*)	(30,434)
Intersegment profit	1,587
Repayment of contract asset under concession arrangements	(14,120)
Depreciation and amortization and share-based compensation	(70,766)
Other incomes not attributed to segments	34,681
Operating profit	158,143
Finance income	36,799
Finance expenses	(68,143)
Share in the losses of equity accounted investees	(330)
Profit before income taxes	126,469

(*) Including general and administrative and development expenses (excluding depreciation and amortization and share-based compensation).

(**) Excluding depreciation and amortization.

Note 29 - Segmental Reporting (Cont.)

B. Segmental revenues and results (Cont.)

	For the year ended December 31, 2022						
	MENA	Europe	USA	Total reportable segments	Others	Adjustments	Total
	USD in thousands						
Revenues	**51,363**	**129,696**	**-**	**181,059**	**11,113**	**-**	**192,172**
Tax benefits	-	-	-	-	-	-	-
External revenues and income	**51,363**	**129,696**	**-**	**181,059**	**11,113**	**-**	**192,172**
Inter-segment revenues	-	-	-	-	**9,111**	**(9,111)**	-
Total revenues and income	**51,363**	**129,696**	**-**	**181,059**	**20,224**	**(9,111)**	**192,172**
Cost of sales (**)	**9,697**	**23,396**	**-**	**33,093**	**13,950**	**(6,605)**	**40,438**
Segment adjusted EBITDA	**57,598**	**101,931**	**-**	**159,529**	**4,018**	**-**	**163,547**

Reconciliations of unallocated amounts:	
Headquarter costs (*)	**(18,071)**
Intersegment profit	**2,038**
Repayment of contract asset under concession arrangements	**(17,579)**
Depreciation and amortization and share-based compensation	**(50,940)**
Other incomes not attributed to segments	**11,617**
Operating profit	**90,612**
Finance income	**23,341**
Finance expenses	**(62,591)**
Share in the losses of equity accounted investees	**(306)**
Profit before income taxes	**51,056**

(*) Including general and administrative and development expenses (excluding depreciation and amortization and share-based compensation).

(**) Excluding depreciation and amortization.

Note 30 - Balances and Transactions with Related Parties

A. Compensation, benefits and transactions with related parties:

	For the year ended December 31	
	2024	2023
	USD in thousands	USD in thousands
Compensation and benefits which were given to related parties:		
Payroll and related expenses to Related parties employed in the Company	**735**	*749
Granting of equity compensation to Related parties employed in the Company	**817**	818
Number of people to whom the benefit applies	**1**	1
Compensation for directors who are not employed in the Company	**503**	552
Number of people to whom the benefit applies	**7**	8
Granting of equity compensation to directors who are not employed in the Company	**378**	216
Number of people to whom the benefit applies	**7**	1

* Including bonus for outstanding performance.

Note 30 - Balances and Transactions with Interested Parties and Related Parties (Cont.)

B. Engagements with interested parties and Related parties

Executive compensation subjects:

The terms of tenure and employment of the Company's officers are determined in accordance with the Company's compensation policy, as approved by the general meeting of the Company's shareholders.

The terms for officers are generally consistent with the standard industry practice, and in accordance with the Company's compensation policy, whereby the salary components of the Company's officers include salary, variable compensation targets signifying entitlement to annual bonuses, options, social benefits, etc.

Presented below are several main subjects pertaining to the Company's CEO and Chairman of the Board:

(1) Gilad Yavetz ("Gilad"):

In the Company's annual meeting in August 2021 (the "2021 Meeting"), a progressive salary program was approved for Gilad. Gilad's terms of tenure were amended in the Company's Special General Meeting in April 2024 (the "2024 Meeting") effective as of January 1, 2024. The following also reflects the salary during the entire reporting year):

Relevant year	Updated base salary (NIS)	Number of annual bonus salaries subject to the fulfillment of targets which will be determined according to the Company's compensation policy*
2021 - Additional special compensation in respect of the closing of the Clēnera transaction - USA	150,000 (approximately USD 46,500)	Non-recurring
2022	95,000 (approximately USD 28,300)	8
2023	105,000 (approximately USD 29,800)	9
2024	108,000 (approximately USD 29,190)	10**

* The bonus amount may reach a level of 125% (i.e., above the foregoing salaries limit), subject to excellence targets which will be defined.

** Represents the target for annual bonus, not including discretionary bonus or bonus for outstanding performance.

Gilad's salary components also include, in addition to the foregoing, vehicle components, social benefits, reimbursement of expenses, advance notice / adjustment fees, etc., according to the standard practice, and in accordance with the Company's compensation policy.

Following the approval of the 2024 Meeting Gilad received a letter of exemption, exempting him from liability towards the Company under certain limited circumstances.

Note 30 - Balances and Transactions with Interested Parties and Related Parties (Cont.)

B. Engagements with interested parties and Related parties (Cont.)

Grant of options, Gilad:

In 2018, a grant of options was approved for Gilad in the amount of 990,000 options, in accordance with the following terms. The options were allocated through the capital gains track through a trustee, in accordance with section 102 of the Income Tax Ordinance. The exercise price of the options was determined proximate to the actual grant date of the options (which was done shortly after receiving approval from the TASE), according to the Company's average share price during the 30 trading days preceding the grant date, plus a premium of 5%. The exercise price is not linked to the consumer price index. For additional details, see Note 18. The grant was performed on September 12, 2018.

The granting of options which are exercisable on a cashless basis was performed through a capital gains track, subject to the provisions of section 102 of the Ordinance, and the Income Tax Rules (Tax Expedients Upon Allocation of Shares to Employees), 5763-2003. The exercise price of the options was determined according to the Company's average share price during the 30 trading days preceding the grant date, plus a premium of 5%. The exercise price is not linked to the consumer price index.

The options will vest over a period of 4 years, as follows:

18% of the options vested one year after the grant date. Another 25% of the options will vest equally, on a quarterly basis, during the second year after the grant date. Another 30% of the options will vest equally, on a quarterly basis, during the third year after the grant date; Another 27% of the options will vest equally, on a quarterly basis, during the fourth year after the grant date. The options include an acceleration mechanism in case of a "control" event in the Company. Options may be converted to shares according to the cashless exercise mechanism.

The 2021 Meeting approved the allocation to Gilad of 500,000 options, exercisable into up to 500,000 ordinary Company shares, at an exercise price of 71.89 per share. The grant was performed on September 30, 2021. See Note 18(F).

The options will vest over a period of 4 years, as follows: 25% of the options will vest one year after the grant date; Another 25% of the options will vest equally, on a quarterly basis, during the second year after the grant date; Another 40% of the options will vest equally, on a quarterly basis, during the third year after the grant date; Another 10% of the options will vest equally, on a quarterly basis, during the fourth year after the grant date.

Options may be converted to shares according to the cashless exercise mechanism, by which the number of shares which will result from the exercise of the options will be less than the number of converted options. The number of shares on a fully diluted basis is calculated according to the B&S model and/or the binomial model.

Grant of restricted share units, Gilad:

The 2024 Meeting approved the grant of 87,023 restricted share units ("RSUs") to Gilad. The RSUs, granted under the Company's 2010 Plan, will vest in four equal annual instalments of 25%, so long as Gilad serves as an officer of the Company, with the first instalment to vest a year from the grant date and an additional 25% to vest on each annual anniversary of the vesting date thereafter.

Note 30 - Balances and Transactions with Interested Parties and Related Parties (Cont.)

B. Engagements with interested parties and Related parties (Cont.)

(2) Yair Seroussi, Chairman of the Board:

The 2021 Meeting, re-approved and updated the employment terms of Yair such that Yair's annual compensation will amount to a total of NIS 600,000 (approximately USD 178 thousand) per year, effective beginning from the date of the meeting's approval, to be paid in equal monthly payments against invoices (Mr. Seroussi is employed in a 40% position). In addition, the 2024 Meeting approved the issuance of an exemption letter to Yair, exempting him from liability towards the Company under certain limited circumstances.

Grant of options, Yair:

In accordance with the terms of the Company's options plan, equity compensation of 360,000 non-marketable Company options was approved for Yair (the "Options"). The options were allocated on September 12, 2018 without receiving payment. The grant was performed through the capital gains track through a trustee, in accordance with section 102 of the Income Tax Ordinance. The exercise price of the options was determined according to the Company's average share price during the 30 trading days preceding the grant date, plus a premium of 5%. The exercise price is not linked to the consumer price index. The options will vest on a quarterly basis over a period of 16 quarters. Options may be converted to shares according to the cashless exercise mechanism.Additionally, in the 2021 meeting, and in accordance with terms of the Company's options plan, additional equity compensation of 142,000 non-marketable Company options was approved for Yair (the "Options"). The options were allocated without receiving payment. The grant was performed through the capital gains track through a trustee, in accordance with section 102 of the Income Tax Ordinance. The options will be held by a trustee, as required in accordance with the provisions of the Income Tax Ordinance. The lock-up period pursuant to the Income Tax Ordinance is two years. The exercise shares will have the same rights, for all intents and purposes, as the rights which are available to the holders of ordinary Company shares. The exercise price of the options was determined according to the Company's average share price during the 30 trading days preceding the grant date, plus a premium of 2%. The exercise price is not linked to the consumer price index. The options will vest over a period of 4 years, where at the end of the first year after the grant, 25% of the options will vest; 25% additional options will vest on a quarterly basis during the second year after the grant; 25% additional options will vest on a quarterly basis during the third year after the grant; 5% additional options will vest on a quarterly basis during the fourth year after the grant. Options may be converted to shares according to the cashless exercise mechanism, by which the number of shares which will result from the exercise of the options will be less than the number of converted options. The number of shares on a fully diluted basis is calculated according to the B&S model and/or the binomial model.

Grant of restricted share units, Yair:

In April 2024, the 2024 Meeting approved the grant of 14,233 RSUs to Yair. The RSUs, granted under the Company's 2010 Plan, will vest in four equal annual instalments of 25%, with the first instalment to vest a year from the grant date and an additional 25% to vest on each annual anniversary of the vesting date thereafter.

(3) Board Members:

In April 2024, the 2024 Meeting approved the grant of 5,112 RSUs to each of the other six non-executive members of our board of directors (excluding Yair). The RSUs, granted under the Company's 2010 Plan, will vest in three equal annual instalments of 33 1/3%, with the first instalment to vest a year from the grant date and an additional 33 1/3% to vest on each annual anniversary of the vesting date thereafter.

The 2024 Meeting approved the issuance of an exemption letter to each of the Board Members, exempting them from liability towards the Company under certain limited circumstances.

Note 31 - Guarantees, Engagements and Charges

A. Engagements

(1) Gecama wind energy project in Spain –transactions of hedging the electricity price

Gecama wind energy project with a total capacity of approximately 329MW (hereinafter: "the Project") hedges the electricity prices in a CFD (Contract for Difference) format. For 2024 the Company hedged approximately 64% of its electricity production at a weighted average price of EUR 99.39 MWh. For 2025 the Company hedges approximately 65% of its forecasted electricity production at a weighted average price of EUR 65.25 MWh.

(2) Picasso wind energy project in Sweden – agreement of hedging the electricity price

In 2024, Picasso wind energy project in Sweden had an additional agreement in place for hedging the price of half of the electricity produced in the project which is not subject to the original PPA.

According to the agreement, for each calculation period during the year, the hedged production quantity is the lower of:

(a) 35% of the project expected production according to a monthly hedge profile as defined in the agreement; or

(b) 50% of metered output as measured at the delivery point.

The agreed hedging price is 33.75 EUR per MWh.

(3) Pupin wind energy project in Serbia – Acquiring the full rights of the project, initial commercial operation and signing on CFD agreement

During 2023, the Company acquired the full rights in Pupin, a wind energy project in Serbia with a total capacity of 94 MW. On December 10, 2024, the project started initial operation and is expected to reach full commercial operation during the first half of 2025.

On October 2, 2023, the Company announced that following a tender process, it has been awarded a 15-year inflation-linked Contract for Differences for the project. The arrangement will be structured through a CFD mechanism in which the state-owned utility Elektroprivreda Srbije will secure a base rate of EUR 68.88 per MWh for 72% of the project's output linked to Eurostat's Consumer Price Index. The remainder of the electricity produced will be sold on a merchant basis.

(4) Raaba ACDC and Tapolca PV projects in Hungary - Commercial operation

In August 2023, Raaba ACDC, a PV project with a total capacity of 26 MW has achieved commercial operation. All the energy generated by the project will be sold under a PPA linked to the consumer price index for 15 years.

On July 31, 2024, Tapolca, a PV project with a total capacity of 60MW has achieved commercial operation. The Tapolca project sells the electricity at merchant prices.

(5) Series of PV projects integrated with storage in Israel – commercial operation

During the years 2023 and 2024 the Company has commenced full commercial operation of the cluster that includes 12 facilities with a combined solar generation capacity of 254MW and energy storage capacity of 594MWh. The entire output of the cluster will be sold to customers in Israel's newly deregulated power market through Enlight's supplier division.

Note 31 - Guarantees, Engagements and Charges (Cont.)

A. Engagements (Cont.)

(6) Atrisco PV + Storage project in the United States – commercial operation and tax equity arrangements

Atrisco PV project achieved full commercial operation in October 2024, followed by the Atrisco BESS project in November 2024.

Tax equity partnerships

The Company entered into a partnership agreement for a tax equity arrangement with Bank of America, N.A. relates to the Atrisco PV project and with U.S. Bancorp Community Development Corporation relates to the Atrisco BESS project (together, "Tax Partners"). For additional information regarding the tax equity partnership, please see Note 2(L).

In the latter half of 2024, U.S. Bancorp Community Development Corporation made a capital contribution of USD 213.4 million, and Bank of America, N.A. made an initial capital contribution of USD 198 million and will make additional ("deferred" or "paygo") capital contributions based on solar energy production and whether the target internal rate of return ("Flip Rate") has been achieved. These deferred contribution payments from Bank of America, N.A. will continue until the earlier of the Deferred Contribution CAP is reached or the end of the ten-year PTC (Production Tax Credit) period.

The Company has an option to purchase all the Tax Partners' ownership interest at a specified purchase price upon reaching the Flip Point, subject to conditions as defined in the partnership agreement.

As of December 31, 2024, the Company recognized USD 355.6 million in Deferred income related to tax equity and USD 51.6 million in Other financial liabilities.

(7) Snowflake PV project in the United States - power purchase agreements

On November 7, 2024, the Company through the American subsidiary Clenera Holdings LLC has signed a new power purchase agreement ("PPA") with Arizona Public Service ("APS") for its Snowflake A Project ("Snowflake A" or "the Project"). The busbar fixed price PPA encompasses the Project's 600 MW of solar generation capacity and 1900 MWh of energy storage availability, and is for a duration of 20 years.

(8) Roadrunner PV project in the United States – financial closing

Roadrunner consists of 290 MW solar generation and 940 MWh of energy storage capacity. Construction at the 1200-acre site has begun towards the end of 2024, and all procurement contracts have been signed. The Project has a 20-year busbar power purchase agreement covering its entire output with the Arizona Electric Power Cooperative (AEPCO).

On December 23, 2024, the Company through its subsidiary Clenera Holdings LLC, has entered into a loan agreement with a consortium of four global banks including BNP Paribas Securities Corp, Crédit Agricole, Natixis Commercial and Investment Bank, and Norddeutsche Landesbank Girozentrale (Nord/LB), totaling $550 million, which are expected to convert into a $290 million term loan and $320 million of tax equity funding upon the Project's COD. The term loan is structured with an amortization tenor of 20-25 years and is to be fully repaid 5 years from the Project's COD (mini perm). The loans are subject to an all-in interest rate of 5.50%-6.0%.

Note 31 - Guarantees, Engagements and Charges (Cont.)

A. Engagements (Cont.)

(9) Selling of projects

(a) During 2023, two operated PV projects in Israel, "Dorot" and "Talmei Yafe" with a total capacity of 14MW and 11MW respectively, part of the group "Sunlight", were sold to its partner for an amount of approximately USD 5.6 million (NIS 20.9 million

(b) During 2023, PV project in the United Stated with a total capacity of 60MW which was under development, was sold to an American investment fund for a total amount of USD 12.3 million.

(c) In the second quarter of 2024, the Company sold the Lone Butte project following the execution of an asset purchase agreement with the Gila River Indian Community Utility Authority. The transaction involved the sale of 100% of its member interest in the project for USD 5.7 million.

The capital gain from the above projects sales is included in "Gains from projects disposals" in the Consolidated Statement of Income.

B. Bank and other financial institutions guarantees which were issued by the Company:

(1) For the United States projects, as of December 2024, the Company provided performance guarantees in the total amount of USD 326.2 million of which USD 161.4 million were guarantees issued during 2024. Financial guarantees were provided in the total amount of USD 15.8 million of which USD 7.9 million were guarantees issued during 2024.

(2) In the first quarter of 2025, five financial guarantees in the total amount of USD 53.2 million were provided for interconnection of the following projects in USA: Gemstone, Bear Island, Black Water, Swift Creek and Snowflake.

(3) In 2020, the company won the tender for electricity production with a total power of 48MW. As part of the tender, the company provided a performance guarantee in the amount of NIS 28.8 million, which was reduced during 2024 to NIS 5.5 million as a result of progress in the construction of the facilities.

(4) In 2020, the company won the second tender for electricity production with a total power of 82MW. As part of the tender, the company provided a performance guarantee in the amount of NIS 49.2 million, which was reduced during 2024 to NIS 1.4 million as a result of progress in the construction of the facilities.

(5) During 2021, and in accordance with covenant 220D, which was determined by the Electricity Authority, and further to the Company's winning of a competitive process for dual-use facilities, the Company provided a guarantee in the amount of NIS 4.5 million which should be expired during 2025.

(6) As part of the electricity sector reform in Israel, the provision segment was opened to competition - and the Authority published regulations allowing electricity producers to buy and sell electricity directly to consumers. In order to engage with electricity consumers, the Company is required to obtain a provider license from the Electricity Authority. To meet the license conditions, the Company provided a guarantee in the amount of NIS 2 million. Additionally, as a license holder, in 2023, the Company signed contracts with several consumers and, for that purpose, provided a financial guarantee of NIS 38 million to the System Administrator – Noga. As additional consumers joined, in 2024, another guarantee in the amount of NIS 32 million was provided to Noga.

Note 31 - Guarantees, Engagements and Charges (Cont.)

B. Bank and other financial institutions guarantees which were issued by the Company: (Cont.)

(7) For Pupin project in Serbia, the company provided in 2023, a performance bank guarantee in the amount of EUR 4.08 million which should expire during 2026, and two financial guarantees to the Transmission System Operator in the amount of approximately RSD 19.2 million which were issued in January 2024.

(8) During the second quarter of 2022, for the grid connection of the project Haro Solar 3 S.L., the Company provided guarantees in the total amount of EUR 2 million.

(9) For the grid connection of the Gecama-Hybrid project, during 2022 the Company provided guarantees in the total amount of EUR 7 million and on December 2024 the company provided an additional guarantee in the amount of EUR 1 million.

(10) During the last quarter of 2024, the company provided guarantees in the total amount of EUR 19.2 million for the grid connection of Extrema Solar, Enlight-Valparaiso and Enlight-Leon projects.

(11) The company provided in 2020, a bank guarantee in the amount of approximately SEK 17.28 million, as part of the financing agreement for Picasso project in Sweden, which was signed in December 2019.

(12) For the Crepaja project in Croatia, the Company provided two guarantees totaling approximately EUR 6 million to the Transmission System Operator during 2024.

(13) In 2024, the Company participated in the High Voltage Storage Tender and, as part of this process, submitted three bid guarantees totalling NIS 96.7 million.

At the beginning of 2025, the Company received a winning notice for the tender, and as a result, two performance guarantees totalling NIS 96.7 million were provided to the System Administrator – Noga.

(14) As part of a land transaction in Yatir Forest and for the purpose of an appeal process regarding the land appraisal, two guarantees totaling NIS 33.3 million were submitted to the Israel Land Authority.

(15) As part of Enlight Local's activities, guarantees totaling NIS 2.5 million were provided to the Israel Electric Corporation and local authorities.

C. Bank and other financial institutions guarantees which were issued by consolidated entities:

(1) As part of the receipt of a conditional license for Emek HaBacha project, in 2018, the project provided a guarantee in the amount of approximately NIS 2 million to the Electricity Authority, which was replaced with a permanent license guarantee in the total amount of 1.7 million during the second quarter of 2022. In 2021, the project provided a guarantee in the amount of NIS 3.9 million towards the Israel Land Authority, in respect of works at Elrom. The guarantee amounts are indexed to the CPI.

(2) Within the framework of the lease agreements for Emek HaBacha project, beginning in 2017 and by the end of 2020, the project provided bank guarantees for leases from the townships in the amount of approximately NIS 4.27 million, indexed to the CPI.

(3) As part of receiving a permanent license for Ruach Beresheet wind project, in 2023, the project provided a guarantee in the amount of approximately NIS 3.9 million (indexed to the CPI) to the Electricity Authority.

(4) As part of the lease agreements in respect of the projects Halutziot, Mivtahim and Talmey-Bilu bank guarantees were provided in the amount of approximately NIS 5.6 million, indexed to the CPI.

(5) For the Haluziot project, in 2021, for the receipt of a permanent license, a guarantee was provided to the Electricity Authority in the amount of approximately NIS 1 million.

Note 31 - Guarantees, Engagements and Charges (Cont.)

D. Parent company guarantees:

In the Group's ordinary course of business, the Group provides, from time to time, guarantees to back and secure various undertakings, including to secure undertakings by virtue of financing agreements in respect of projects, guarantees to secure undertakings in respect of tenders for renewable energy projects, guarantees towards statutory authorities in respect of projects, etc.

Presented below are details regarding the significant guarantees which the Company provided:

A. As part of acquiring the renewable energy company Clēnera in the United States, guarantees were given to secure the Company's undertakings towards the entrepreneurs.

B. Guarantee in connection with the purchase of an additional solar and energy storage portfolio in the United States on December 30, 2022 ("the Tranche III Projects") in favor of Parasol Renewable Energy Holdings LLC ("PREH") up to a total of USD 54 million and will be reduced by earn out paid in the future in connection with the Tranche III projects.

C. Parent guarantee in connection with Tax Equity for Apex in favor of CLI-HBAN Solar Trust. This guaranty would become effective only if (1) Clenera Holdings failed to pay the obligations under its guarantee and (2) the Apex project company failed to perform its obligations and. This guarantee covers Clenera's tax indemnity obligations, certain operational obligations, and other obligations under the tax equity arrangement.

D. The following parental guarantees were issued with respect to Atrisco project:

a. The following parental guarantees are related to tax equity and construction financing of the project:

i) Guarantee in connection with Tax Equity for Atrisco in favor of Bank of America dated November 17, 2023 (Atrisco PV). The indemnity was given to secure the obligations of the Class B Member, In accordance with Section 6.02 of the ECCA (breach of representation or warranty, among other things) and Section 9.01 of the LLCA (breach of representation or warranty, fraud, failure to maintain Reactive Power Capability, among other things) and all obligations of Class B Member under Section 12.03(b) of the LLCA (Class B deficit balance contribution obligation on liquidation).

ii) Guarantee in favor of HSBC dated December 13, 2023 in connection with debt for Atrisco PV. This guarantee was given to secure the Atrisco project Company's obligations under the Financing Agreement with respect to (1) Merchant Tail prepayment; (2) Module Testing prepayment; (3) Reactive Power indemnity; and (4) Reactive Power prepayment.

iii) Guaranty given by Enlight Renewable Energy Ltd. to U.S. Bancorp Community Development Corporation, dated July 25, 2024 (Atrisco BESS - tax equity). Guarantee (a) Investor Indemnified Costs under the LLCA, and (b) all other obligations of the Obligors (including the Class B Member) under the ECCA, LLCA, Development Services and Construction Management Agreement, and Management Services Agreement (together, the "Guaranteed Agreements")

This guaranty will expire earlier of: (1) the date upon which all indemnification obligations of the Obligors under the Guaranteed Agreements have expired and any existing Guaranteed Obligations existing as of that date have been paid in full, (2) the date upon which the Guaranteed Agreements have been terminated, except for any contingent obligations that survive terminations, and (3) delivery of a Replacement Guaranty.

Note 31 - Guarantees, Engagements and Charges (Cont.)

D. Parent company guarantees: (Cont.)

b. Two Equity Commitment Letters dated December 28, 2023 (SPA) given in favor of Tesla, Inc., (SPA & SPA 2) to secure payment obligations of Atrisco Energy Storage LLC under Sale and Purchase Agreement for purchase of batteries for the Atrisco ESS project in an aggregated amount of approximately 350,000,000 USD.

c. General Agreement of Indemnity (Demand LC) made by Enlight Renewable Energy LLC and Clenera Holdings, LLC in connection with Surety Bond issued by Euler Hermes in favor of Public Service Company of New Mexico, dated May 24, 2023. This Indemnifies Surety from and against losses pursuant to Bond issued by Surety.

d. Guaranty given by Enlight Renewable Energy Ltd. to Credit Agricole Corporate and Investment Bank, dated February 21, 2024, as amended June 7, 2024 (related to Atrisco Bill of Exchange transaction No. 1)

E. A Letter of Indemnity dated April 24, 2023, was given by the Company in favor of Israel Discount Bank Ltd., in connection with the Counter Standby L/C issued in f/o Salt River Project Agricultural Improvement and Power District. The purpose of this Letter of Indemnity is to provide financial security to backstop withdrawals under the standby LC (as related to PPA between Co Bar Solar D LLC and Salt River Project Agricultural Improvement and Power District (April 21, 2023) up to 20 million USD.

F. The Company issued several guarantees associated with the Gecama hybrid project in Spain:

a. Guaranty given by Enlight Renewable Energy Ltd. in favor of the EPC contractor in the amount of approximately USD 18.5 million.

b. Guaranty given by Enlight Renewable Energy Ltd. in favor of Axpo Iberia SLU in the amount of approximately USD 6 million.

G. As part of the signing of the financing agreement with Bank Hapoalim, for financing 11 PV & storage projects in Israel, the Company has provided on November 29, 2023 the following guarantees:

a. Guarantee in connection with all obligations and liabilities of Enlight – Finance, Limited Partnership (the Borrower) under the SFA.

b. Guarantee in connection with all obligations and liabilities of the Company's Private Supplier (Enlight Enterprise, Limited Partnership) towards each of the Project Entities under each Private Supplier Agreement.

H. As part of its activity as a power supplier in the Israeli market, the Company provides from time to time guarantees to secure the Company's Private Power Supplier (Enlight Enterprise, Limited Partnership) obligations towards commercial customers and project entities (power producers).

Note 31 - Guarantees, Engagements and Charges (Cont.)

D. Parent company guarantees: (Cont.)

I. Guarantee of up to USD 21.5 million in connection with batteries and solar modules supply agreements for PV & storage projects in Israel.

J. Parent Support Letter issued to KPMG, dated April 22, 2024 (in conjunction with KPMG's audit assessment), regarding all obligations, debt service requirements, and liabilities of Clenera Holdings, LLC, expiring in April 30, 2025. The expiration of this letter was extended until April 30, 2026.

K. The following parental guarantees were issued with respect to Country Acres project:

(a) Equity Commitment Letter given by Enlight in favor of Tesla, Inc., dated September 6, 2024 (SPA), to secure payment obligations of Country Acres Clean Power LLC under Sale and Purchase Agreement for purchase of batteries for the Roadrunner project, in the amount of $219 million.

(b) Equity Commitment Letter given by Enlight in favor of Tesla, Inc., dated December 9, 2024 (SPA). This secure payment obligations of Country Acres Clean Power LLC under Sale and Purchase Agreement for purchase of batteries for the Country Acres project, in the amount of $93 million.

Note 31 - Guarantees, Engagements and Charges (Cont.)

D. Parent company guarantees: (Cont.)

(c) Equity Commitment Letter given by Enlight in favor of Tesla, Inc., dated December 9, 2024 (SPA 2). This secures payment obligations of Country Acres Clean Power LLC under Sale and Purchase Agreement for purchase of batteries for the Country Acres project, in the amount of $93 million.

L. The following parental guarantees were issued with respect to Roadrunner project:

(a) See guarantee as specified above in section K(a).

(b) Guaranty given by Enlight Renewable Energy Ltd. to Credit Agricole Corporate and Investment Bank, dated February 21, 2024, as amended September 20, 2024 (related to Roadrunner Battery storage). This guarantees payment to CACIB in conjunction with the Bill of Exchange for Clenera Holdings, LLC (covers BOE No. 1 with Tesla for Roadrunner Battery Storage), in the amount of $5.6 million.

(c) Guaranty given by Enlight Renewable Energy Ltd. to Credit Agricole Corporate and Investment Bank, dated February 21, 2024, as amended October 25, 2024 (related to Roadrunner Battery storage). This guarantees payment to CACIB in conjunction with the Bill of Exchange for Clenera Holdings, LLC (covers BOE No. 2 with Tesla for Roadrunner Battery Storage), in the amount of $5.6 million.

M. With respect to Snowflake project, a General Agreement of Indemnity made by Enlight Renewable Energy LLC in connection with Surety Bonds issued by one of Endurance Assurance Corporation, Endurance American Insurance, Lexon Insurance Company, and Bond Safeguard Insurance Company in favor of Arizona Public Service Company, dated December 9, 2024 (Sompo International Surety Bond). This guarantee indemnifies Surety from and against losses pursuant to Bond issued by Surety to satisfy Snowflake A PPA security requirement, in the amount of $89 million.

N. The following parental guarantee were issued to the turbine supplier with respect to Bjornberget wind project in Sweden. Currently this guarantee is limited to $19.6 million. This guaranty will expire earlier of: (1) the date upon which the company has paid under the guarantee an aggregate sum equal to the maximum aggregate liability; (2) when the last payment to the supplier under the contract has been credited to the account specified by the supplier in accordance with the terms of the contract.

O. Guarantees of up to USD 36 million issued in 2022 in conjunction with a share purchase agreement of projects in Croatia, for the payment obligations under the contract.

P. Guarantees of up to USD 7 million issued in 2022 in conjunction with a development services agreement of the Crepaja project in Serbia, for the payment obligations under the contract.

Q. As part of the signing of the financing agreement with Discount Bank, for the financing of a floating PV & storage project in Israel, the Company has provided on December 17, 2024 the following guarantees:

(a) Guarantee in connection with all obligations and liabilities of Enlight Floating Energy, Limited Partnership (the Borrower) under the SFA.

(b) Guarantee in connection with all obligations and liabilities of the Company's Private Supplier (Enlight Enterprise, Limited Partnership) towards the Project Entity under the Private Supplier Agreement.

R. In addition, the Company has issued several parental guarantees as part of it regular course of business, in non-material amounts.

Note 32 - Events After the End of the Reporting Period

A. Signing on agreement of selling a partnership holding a cluster of PV + Storage projects in Israel

At the beginning of 2025, the Company signed an agreement of selling 44% of a partnership (hereafter- "the Partnership"), which holds a cluster of PV + Storage projects in Israel to Harel Insurance Investments & Financial Services Ltd. and Amitim Senior Pension Funds (here after- "the Investors", "the Sale Agreement"), who acquired a 25% and 19% stake respectively.

The Investors purchased 44% of the Partnership for a total investment of approximately $50 million in cash, of which $45 million paid upfront, and $5 million will be deferred consideration to be paid by the Investors upon fulfillment of certain conditions set forth in the Sale Agreement.

The cluster consists of operational and pre-construction projects totaling 69 MW of solar generation and 448 MWh of energy storage capacity. A fully owned subsidiary of the Company will act as the General Partner in the Partnership.

In conjunction with the Sale Agreement, the Investors have Kick Out Right of 50% of the Company's holdings in the General Partner, therefore the Company will cease to consolidate the financial results of the Partnership in its financial statements, and will accordingly recognize a profit of approximately $94 million.

B. Issuance of two series of debentures

On February 26, 2025, the Company issued two debentures series: Series G and Series H, as specified below.

The Company completed an issuance of debentures (hereafter: "Series G"), at a total scope of NIS 468,784,000 par value, at a price of NIS 0.971 per not, and for a total (gross) consideration of NIS 455,189,264, in addition, The Company completed an issuance of debentures convertible into registered ordinary shares, with a par value of NIS 0.1 each, of the Company (hereinafter: the "Series H"), at a total scope of NIS 414,847,000 par value, at a price of NIS 1 per note, and for a total (gross) consideration of NIS 414,847,000.

Presented below are the main terms of Series G and Series H:

- Series G and Series H are not linked to any index, have a par value of NIS 1 each, and are repayable in 4 equal payments which will be paid on September 1 of the years 2030-2033.
- The unpaid principal balance of the Series G debentures will bear fixed annual interest of 5% and Series H convertible debentures will bear fixed annual interest of 4%, to be paid twice per year from 2025 to 2033 (inclusive).
- The unpaid principal balance of the Series H is convertible into Company's ordinary shares, with a par value of NIS 0.1 each, in the manner specified below: (1) during the period from the date of listing of the series H on the TASE until August 31, 2027, each NIS 80 par value of the debentures (Series H) will be convertible into one ordinary share of the Company; and (2) during the period from September 1, 2027 to August 22, 2033, each NIS 1,000 par value of Series H will be convertible into one ordinary share of the Company.
- Midroog Ltd. rated the debentures (Series G) and the convertible debentures (Series H) at A2.il, stable rating outlook.

Exhibit 2.1

DESCRIPTION OF THE REGISTRANT'S SECURITIES
REGISTERED PURSUANT TO SECTION 12 OF THE
SECURITIES EXCHANGE ACT OF 1934, AS AMENDED

Enlight Renewable Energy Ltd. has one class of securities registered under Section 12 of the Securities Exchange Act of 1934, as amended: our ordinary shares. References herein to "we," "us," "our" and the "Company" refer to Enlight Renewable Energy Ltd. and not to any of its subsidiaries. The following description may not contain all of the information that is important to you, and we therefore refer you to our amended and restated articles of association, a copy of which is filed with the Securities and Exchange Commission ("SEC") as an exhibit to this annual report on Form 20-F.

Share capital

Our authorized share capital consists of 180,000,000 ordinary shares, par value NIS 0.1 per share. All of our outstanding ordinary shares are validly issued, fully paid and non-assessable. Our ordinary shares are not redeemable and do not have any preemptive rights.

Our board of directors may determine the issue prices and terms for such shares or other securities, and may further determine any other provision relating to such issue of shares or securities. We may also issue and redeem redeemable securities on such terms and in such manner as our board of directors shall determine.

Transfer of shares

Our fully paid ordinary shares are issued in electronic form and may be freely transferred under our amended and restated articles of association unless the transfer is restricted or prohibited by another instrument, applicable law or the rules of a stock exchange on which the shares are listed for trade. The ownership or voting of our ordinary shares by non-residents of Israel is not restricted in any way by our amended and restated articles of association or the laws of the State of Israel, except for shareholders who are deemed enemies of the State of Israel under Israeli law.

Election of directors

Under our amended and restated articles of association, our board of directors must consist of not less than five but no more than 13 directors, with each of our directors to be appointed by a simple majority vote of holders of our ordinary shares, participating and voting at an annual general meeting of our shareholders.

Our ordinary shares do not have cumulative voting rights for the election of directors. As a result, the holders of a majority of the voting power represented at a shareholders meeting have the power to elect all of our directors.

In addition, vacancies on our board of directors, including a vacancy due to the number of directors being less than the maximum number of directors stated in our amended and restated articles of association, may be filled by a unanimous resolution of the directors then in office. A director so appointed will hold office until the next annual general meeting of our shareholders.

Dividend and liquidation rights

We may declare a dividend to be paid to the holders of our ordinary shares in proportion to their respective shareholdings. In accordance with the Companies Law and our amended and restated articles of association, dividend distributions are determined by the board of directors and do not require the approval of our shareholders.

Pursuant to the Companies Law, subject to certain exceptions with respect to the buyback by the Company of its shares, the distribution amount is limited to the greater of retained earnings or earnings generated over the previous two years, according to our then last reviewed or audited financial statements (less the amount of previously distributed dividends, if not reduced from the earnings), provided that the end of the period to which the financial statements relate is not more than six months prior to the date of the distribution, or we may distribute dividends that do not meet such criteria with court approval. In each case, we are only permitted to distribute a dividend if our board of directors and the court, if applicable, determines that there is no reasonable concern that payment of the dividend will prevent us from satisfying our existing and foreseeable obligations as they become due.

In the event of our liquidation, after satisfaction of liabilities to creditors, our assets will be distributed to the holders of our ordinary shares in proportion to their shareholdings. This right, as well as the right to receive dividends, may be affected by the grant of preferential dividend or distribution rights to the holders of a class of shares with preferential rights that may be authorized in the future.

Shareholder Meetings

Under Israeli law, we are required to hold an annual general meeting of our shareholders once every calendar year and no later than 15 months after the date of the previous annual general meeting. All meetings other than the annual general meeting of shareholders are referred to in our amended and restated articles of association as special general meetings of our shareholders. Our board of directors may call special general meetings whenever it sees fit, at such time and place, within or outside of Israel, as it may determine. In addition, our amended and restated articles of association provide that our board of directors is required to convene a special general meeting upon the written request of (i) any two or more of our directors or one-quarter or more of the serving members of our board of directors or (ii) one or more shareholders holding, in the aggregate, either (a) 5% or more of our outstanding issued shares and 1% of our outstanding voting power or (b) 5% or more of our outstanding voting power. Under our amended and restated articles of association, one or more shareholders holding at least 1% of the voting rights at a general meeting of shareholders is entitled to request the company's board of directors to include a proposal on the agenda of a general meeting to be convened in the future, provided that the proposal is appropriate to be discussed at the general meeting. Our amended and restated articles of association contain procedural guidelines and disclosure items with respect to the submission of shareholder proposals for general meetings.

Under our amended and restated articles of association, shareholders entitled to participate and vote at general meetings of shareholders are the shareholders of record on a date to be decided by the board of directors, which may be between four and 40 days prior to the date of the meeting. Furthermore, the Companies Law requires that resolutions regarding the following matters must be passed at a general meeting of shareholders:

- amendments to our articles of association;
- appointment or termination of service of our external auditors;
- appointment of directors, including external directors (if applicable);
- approval of certain related party transactions;
- increases or reductions of our registered share capital;
- a merger; and
- the exercise of our board of director's powers by a general meeting, if our board of directors is unable to exercise its powers and the exercise of any of its powers is required for our proper management.

The Companies Law requires that notice of any annual general meeting or special general meeting be provided to shareholders, subject to a limited exception, at least 21 days prior to the meeting and if the agenda of the meeting includes (among other things) the appointment or removal of directors, the approval of transactions with office holders or interested or related parties, or an approval of a merger, notice must be provided at least 35 days prior to the meeting. Under the Companies Law and under our amended and restated articles of association, shareholders are not permitted to take action by way of written consent in lieu of a meeting.

Voting rights

All ordinary shares have identical voting and other rights in all respects.

Quorum

Pursuant to our amended and restated articles of association, holders of our ordinary shares have one vote for each ordinary share held on all matters submitted to a vote before the shareholders at a general meeting. The quorum required for our general meetings of shareholders consists of at least one shareholder present in person, by proxy or written ballot who holds or represents at least 25% of the total outstanding voting rights, within half an hour of the time fixed for the commencement of the meeting.

A meeting adjourned for lack of a quorum shall be adjourned either to the same day in the next week, at the same time and place, or to such day and at such time and place as indicated in the notice to such meeting. At the reconvened meeting, in the event that a quorum as defined above is not present, the adjourned meeting will take place with any number of shareholders unless a meeting was called pursuant to a request by our shareholders, in which case the quorum required is one or more shareholders present in person or by proxy and holding the number of shares required to call the meeting as described above.

Vote requirements

Our amended and restated articles of association provide that all resolutions of our shareholders require a simple majority vote, unless otherwise required by the Companies Law or by our amended and restated articles of association. Under the Companies Law, certain actions require a special majority, including: (i) an extraordinary transaction with a controlling shareholder or in which a controlling shareholder has a personal interest, (ii) the terms of employment or other engagement of a controlling shareholder of the company or a controlling shareholder's relative (even if such terms are not extraordinary), and (iii) certain compensation-related matters described in Item 6B. "Compensation" of our annual report.

Another exception to the simple majority vote requirement is a resolution for the voluntary winding up, or an approval of a scheme of arrangement or reorganization, of the company pursuant to Section 350 of the Companies Law, which requires the approval of holders holding 75% or more of the voting rights represented at the meeting and voting on the resolution.

Access to corporate records

Under the Companies Law, all shareholders generally have the right to review minutes of our general meetings, our shareholder register, our articles of association, our consolidated financial statements, other documents as provided in the Companies Law, and any document we are required by law to file publicly with the Israeli Registrar of Companies or the ISA. Any shareholder who specifies the purpose of its request may request to review any document in our possession that relates to any action or transaction with a related party which requires shareholder approval under the Companies Law. We may deny a request to review a document if we determine that the request was not made in good faith, that the document contains a trade secret or a patent or that the document's disclosure may otherwise impair our interests.

Acquisitions under Israeli law

Full tender offer

A person wishing to acquire shares of a public Israeli company who would, as a result, hold over 90% of the target company's voting rights or the target company's issued and outstanding share capital (or of a class thereof), is required by the Companies Law to make a tender offer to all of the company's shareholders for the purchase of all of the issued and outstanding shares of the company (or the applicable class). If (a) the shareholders who do not accept the offer hold less than 5% of the issued and outstanding share capital of the company (or the applicable class) and the shareholders who accept the offer constitute a majority of the offerees that do not have a personal interest in the acceptance of the tender offer or (b) the shareholders who did not accept the tender offer hold less than 2% of the issued and outstanding share capital of the company (or of the applicable class), all of the shares that the acquirer offered to purchase will be transferred to the acquirer by operation of law. A shareholder who had its shares so transferred may petition an Israeli court within six months from the date of acceptance of the full tender offer, regardless of whether such shareholder agreed to the offer, to determine whether the tender offer was for less than fair value and whether the fair value should be paid as determined by the court. However, an offeror may stipulate in the tender offer document that a shareholder who accepts the offer waives its appraisal rights, so long as the offeror and the company disclosed the information required by law in connection with the full tender offer. If the full tender offer was not accepted in accordance with any of the above alternatives, the acquirer may not acquire shares of the company that will increase its holdings to more than 90% of the company's voting rights or the company's issued and outstanding share capital (or of the applicable class) from shareholders who accepted the tender offer. Shares purchased in contradiction to the full tender offer rules under the Companies Law will have no rights and will become dormant shares.

Special tender offer

The Companies Law provides that an acquisition of shares of an Israeli public company must be made by means of a special tender offer if, as a result of the acquisition, the purchaser would become a holder of 25% or more of the voting rights in the company. This requirement does not apply if there is already another holder of 25% or more of the voting rights in the company. Similarly, the Companies Law provides that an acquisition of shares of an Israeli public company must be made by means of a special tender offer if, as a result of the acquisition, the purchaser would become a holder of more than 45% of the voting rights in the company, if there is no other shareholder of the company who holds more than 45% of the voting rights in the company. These requirements do not apply if the acquisition (i) occurs in the context of a private placement by the company that received shareholder approval as a private placement whose purpose is to give the acquirer at least 25% of the voting rights in the company if there is no person who holds 25% or more of the voting rights in the company, or as a private placement whose purpose is to give the acquirer 45% of the voting rights in the company, if there is no person who holds 45% of the voting rights in the company, (ii) was from a shareholder holding 25% or more of the voting rights in the company and resulted in the acquirer becoming a holder of 25% or more of the voting rights in the company, or (iii) was from a holder of more than 45% of the voting rights in the company and resulted in the acquirer becoming a holder of more than 45% of the voting rights in the company. A special tender offer must be extended to all shareholders of a company.

A special tender offer may be consummated only if (i) at least 5% of the voting power attached to the company's outstanding shares will be acquired by the offeror and (ii) the number of shares tendered in the offer exceeds the number of shares whose holders objected to the offer (excluding the purchaser, its controlling shareholders, holders of 25% or more of the voting rights in the company and any person having a personal interest in the acceptance of the tender offer, or anyone on their behalf, including any such person's relatives and entities under their control). In the event that a special tender offer is made, a company's board of directors is required to express its opinion on the advisability of the offer, or may abstain from expressing any opinion if it is unable to do so, provided that it gives the reasons for its abstention. The board of directors shall also disclose any personal interest that any of the directors has with respect to the special tender offer or in connection therewith. An office holder in a target company who, in his or her capacity as an office holder, performs an action the purpose of which is to cause the failure of an existing or foreseeable special tender offer or to impair the chances of its acceptance, is liable to the potential purchaser and shareholders for damages, unless such office holder acted in good faith and had reasonable grounds to believe he or she was acting for the benefit of the company. However, office holders of the target company may negotiate with the potential purchaser in order to improve the terms of the special tender offer, and may further negotiate with third parties in order to obtain a competing offer.

If a special tender offer is accepted, shareholders who did not respond to the tender offer or that had objected to it may accept the offer within four days following the expiration of the offer and they will be considered to have accepted the offer from the first day it was made.

In the event that a special tender offer is accepted, the purchaser or any person or entity controlling the purchaser or under common control with the purchaser or such controlling person or entity at the time of the offer thereof may not make a subsequent tender offer for the purchase of shares of the target company and may not enter into a merger with the target company for a period of one year from the date of the offer, unless they undertook to effect such an offer or merger in the initial special tender offer. Shares purchased in contradiction to the special tender offer rules under the Companies Law will have no rights and will become dormant shares.

Merger

The Companies Law permits merger transactions if approved by each party's board of directors and, unless certain conditions described under the Companies Law are met, a simple majority of the outstanding voting rights of each party to the merger that are represented and voting on the merger. The board of directors of a merging company is required pursuant to the Companies Law to discuss and determine whether in its opinion there exists a reasonable concern that as a result of a proposed merger, the surviving company will not be able to satisfy its obligations towards its creditors, such determination taking into account the financial status of the merging companies. If the board of directors determines that such a concern exists, it may not approve a proposed merger. Following the approval of the board of directors of each of the merging companies, the boards of directors must jointly prepare a merger proposal for submission to the Israeli Registrar of Companies.

For purposes of the shareholder vote of a merging company whose shares are held by the other merging company, or by a person or entity holding 25% or more of the voting rights at the general meeting of shareholders of the other merging company, or by a person or entity holding the right to appoint 25% or more of the directors of the other merging company, unless a court rules otherwise, the merger will not be deemed approved if a majority of the shares voted on the matter at the general meeting of shareholders (excluding abstentions) that are held by shareholders other than the other party to the merger, or by any person or entity who holds 25% or more of the voting rights of the other party or the right to appoint 25% or more of the directors of the other party, or any one on their behalf including their relatives or corporations controlled by any of them, vote against the merger. In addition, if the non-surviving entity of the merger has more than one class of shares, the merger must be approved by each class of shareholders. If the transaction would have been approved but for the separate approval of each class or the exclusion of the votes of certain shareholders as provided above, a court may still approve the merger upon the request of holders of at least 25% of the voting rights of a company, if the court holds that the merger is fair and reasonable, taking into account the valuation of the merging companies and the consideration offered to the shareholders. If a merger is with a company's controlling shareholder or if the controlling shareholder has a personal interest in the merger, then the merger is instead subject to the same special majority approval that governs all extraordinary transactions with controlling shareholders.

Under the Companies Law, each merging company must deliver to its secured creditors the merger proposal and inform its unsecured creditors of the merger proposal and its content. Upon the request of a creditor of either party to the proposed merger, the court may delay or prevent the merger if it concludes that there exists a reasonable concern that, as a result of the merger, the surviving company will be unable to satisfy the obligations of the merging company, and may further give instructions to secure the rights of creditors.

In addition, a merger may not be completed unless at least 50 days have passed from the date that a proposal for approval of the merger is filed with the Israeli Registrar of Companies and 30 days from the date that shareholder approval of both merging companies is obtained.

Anti-takover measures under Israeli law

The Companies Law allows us to create and issue shares having rights different from those attached to our ordinary shares, including shares providing certain preferred rights with respect to voting, distributions or other matters and shares having preemptive rights.

No preferred shares are currently authorized under our amended and restated articles of association. In the future, if we do authorize, create and issue a specific class of preferred shares, such class of shares, depending on the specific rights that may be attached to it, may have the ability to frustrate or prevent a takeover or otherwise prevent our shareholders from realizing a potential premium over the market value of their ordinary shares. The authorization and designation of a class of preferred shares will require an amendment to our amended and restated articles of association, which requires the prior approval of the holders of a majority of the voting power attached to our issued and outstanding shares at a general meeting of shareholders. The convening of the meeting, the shareholders entitled to participate and the majority vote required to be obtained at such a meeting will be subject to the requirements set forth in the Companies Law and our amended and restated articles of association.

Borrowing Powers

Pursuant to the Companies Law and our amended and restated articles of association, our board of directors may exercise all powers and take all actions that are not required under law or under our amended and restated articles of association to be exercised or taken by our shareholders, including the power to borrow money for company purposes.

Changes in Capital

Our amended and restated articles of association enable us to increase or reduce our registered share capital. Any such changes are subject to Israeli law and must be approved by a resolution duly passed by our shareholders at a general meeting of shareholders. In addition, transactions that have the effect of reducing capital, such as the declaration and payment of dividends in the absence of sufficient retained earnings or profits, require the approval of both our board of directors and an Israeli court. However, pursuant to the Companies Law and regulations promulgated thereunder, the Company may repurchase its shares in the absence of sufficient retained earnings or profits, without court approval, if it satisfies certain conditions.

Transfer Agent and Registrar

The transfer agent and registrar for our ordinary shares is American Stock Transfer & Trust Company, LLC (n/k/a Equiniti Trust Company, LLC). Its address is 6201 15th Avenue, Brooklyn, NY 11219, and its telephone number is (718) 921-8217.

Listing

We have been approved to list our ordinary shares on Nasdaq under the symbol “ENLT.” Our ordinary shares are also listed on the Tel Aviv Stock Exchange under the symbol “ENLT.

Exhibit 4.2

Date:_____

Dear Mr/Ms. _____

Exemption letter

On February 21, 2024 and on February 24, 2024, the Compensation Committee and the Board of Directors of the Company, respectively, had decided, and on April 17, 2024 the Company's General Meeting of Shareholders approved to exempt you from liability to the Company, in whole or in part, for damage due to breach of the duty of care towards it (the "**Exemption Decision**"), except for damage due to a breach of the director's duty of care in distribution, within its meaning in the Companies Law, 5759-1999 (**"Companies Law**") and except for damage due to a breach of a director's duty of care in a decision or transaction in which the controlling shareholder or any officer of the Company (including you) has a personal interest in it ("**Personal Interest Transactions**").

Following the Company's General Meeting of Shareholder's approval on April 17, 2024, by a majority required by law of the granting of the this exemption letter, we hereby inform you that since you serve and/or served and/or may serve as an officer of the Company and/or its subsidiaries and/or related companies of the Company and/or any other corporation in which the Company holds securities Directly and/or indirectly, the Company confirms and undertakes to you, subject to the provisions of any law, as follows:

Subject to the provisions of sections 259 and 263 of the Companies Law and any provision that will replace them, the Company exempts you from any liability towards it for any damage that will be caused to it and/or caused to it, whether directly or indirectly, due to breach of your duty of care towards it by your actions done in good faith and in your capacity as an officer of the Company (and/or subsidiaries and/or affiliates of the Company and/or any other corporation in which the Company holds securities directly and/or indirectly), except for breach of the duty of care in distribution and in Personal Interest Transactions.

The Company's obligations under this exemption letter shall be interpreted broadly and in a manner intended to comply with them to the extent permitted by law for the purpose for which they are intended, and without derogating from the generality of the aforesaid, to the extent permitted by law, they shall also apply to actions prior to the date of signing the exemption letter. In the event of any conflict between any provision in this letter of exemption and an unconditional provision of law that cannot be stipulated, modified or added to, the said provision of law shall prevail, but this shall not affect or detract from the validity of the other provisions of this exemption.

Nothing in this exemption letter shall derogate from what is stated in an exemption letter or letter of indemnification given to you or to be given to you, if any, by the Company.

"Action" or any derivative thereof for the purposes of this exemption letter – within its meaning in the Companies Law, including also a decision and/or omission and including all actions taken by you prior to the date of this exemption during your term of office and/or employment as an officer of the Company and/or during the period of being an officer, employee or agent of the Company in any other corporation in which the Company holds securities directly and/or indirectly.

"Officer" - For the purposes of this exemption letter – a person who serves from time to time in the Company as an officer, as this term is defined in section 1 of the Companies Law, including an officer of the Company, who serves on behalf of the Company in another company, including a subsidiary of the Company, including a private company controlled by any of the aforementioned officers through which he acted as an officer of the Company and/or as an officer of another Company.

Sincerely,

Enlight Renewable Energy Ltd.

I confirm that I have accepted this exemption letter and agree to all its terms:

signature	Name	Date

Exhibit 4.8

4 December 2023

Enlight Renewable Energy Ltd.
Office Holder Compensation Policy

Enlight Renewable Energy Ltd. (hereinafter - the "Company**")**
Office Holder Compensation Policy

1. **Overview**

1.1. A compensation policy (hereinafter - the "**Compensation Policy**"), as defined in the Companies Law, 1999 (hereinafter - the "**Companies Law**" or the "**Law**"), is a policy regarding the terms of office and employment (as such terms are defined in the Companies Law from time to time) of the Company's office holders.

1.2. Among other things, the Compensation Policy is based on the provisions of Amendment 20 to the Law, relating to compensation policies for public company office holders.

1.3. The Compensation Policy takes under consideration the Company's characteristics, including being a global company whose shares are listed for trading on the Tel Aviv Stock Exchange and on Nasdaq, its business strategy, objectives, area of activity, and the Company's interest in recruiting and retaining highly qualified office holders.

1.4. The Company's Compensation Committee discussed the updated Compensation Policy, while consulting external advisors, and has approved the updated Compensation Policy. The Company's Board of Directors approved the Compensation Policy, having considered and deliberated the Compensation Committee's recommendation. The Compensation Policy is subject to the approval of the Company's shareholders at a general meeting, as set forth in Section 267A of the Companies Law.

1.5. The Compensation Policy sets forth a ceiling on the terms of office and employment of the Company office holders who are not directors. The policy is declarative and does not establish any liability of the Company toward its office holders. The Company is not obligated to grant the office holders any or all of the components included in the policy, in whole or in part, and the policy does not entitle the office holders to any rights, whether directly or indirectly. The Company will only be bound by the employment agreements entered into between it and its office holders.

2. **Objectives of the Compensation Policy**

2.1. The Company acknowledges the vital importance of the human element in all Company ranks, and particularly its executive rank. Hence, the Company considers it very important to establish a suitable and appropriate compensation policy for Company office holders, including by creating the right incentives to promote the Company's short-term and long-term goals, its work plans, and its policy, taking into consideration, among other things, the office holders' areas of responsibility and the risks that affect the Company's activity.

2.2. The Company has adopted the Compensation Policy pursuant to the following objectives:

2.2.1. Achieving the Company's goals and work plans in the long-term, and make sure that the Company office holders' interests, are, subject to any applicable law, identical to and reflect those of the Company shareholders, to the extent possible.

2.2.2. Increasing the Company office holders' sense of identification with the Company and its activity by implementing a program intended to ensure that the Company's success entails, *inter alia*, each office holder's individual success.

2.2.3. Raising the Company office holders' satisfaction and motivation to promote the Company's affairs and its sustainable growth.

2.2.4. Recruiting and retaining high-quality Company office holders for the long-term.

3. **The Considerations and Guidelines in Setting the Compensation Policy**

3.1. In setting the Compensation Policy, the Company considered the considerations set forth in Section 267B(A) of the Companies Law, including:

3.1.1. Promoting the Company's long-term goals, work plans, and policy.

3.1.2. Creating suitable incentives for the Company's office holders, taking into consideration, among other things, the Company's risk management policy;

3.1.3. The office holders' high level of responsibility and the complexity of the office holders' duties.

3.1.4. The Company's size, profitability, and the nature of its operations.

3.1.5. Regarding terms of office and employment that include variable components – the office holder's contribution to achieving the Company's goals, maximizing its profits, ensuring ethical and fair conduct, and compliance with its rules of corporate governance, over the long-term, and the office holder's role in the Company.

3.2. Additionally, when determining the terms of the office holders' compensation, the Compensation Committee and Board of Directors may set relevant criteria in addition to the guidelines and considerations set forth and required under the Companies Law, and may consider data in addition to the data set forth below in light of the Company's best interest, condition, and plans.

4. **Main Principles of the Compensation Policy**

4.1. Compensation components

The aggregate compensation for Company office holders includes the following components:

4.1.1. Base wage or salary – for details, see Section 6 below.

4.1.2. Fringe social benefits and other benefits – for details, see Section 10 below.

4.1.3. Variable compensation:

(a) An annual cash bonus – for details, see Section 7 below.

(b) A retention bonus – for details, see Section 8 below.

(c) A sale or merger bonus – for details, see Section 9 below.

(d) Equity compensation – for details, see Section 9 below.

(e) End of service terms – severance exceeding the ceiling set forth in the Law, an adjustment period, advance notice or any other benefit granted to office holders in connection with the end of their roles with the Company.

4.2. Definitions:

4.2.1. The "**Base Wage**" or "**Salary**": the gross monthly wage.

4.2.2. The "**Fixed Compensation**" or "**Wage Cost**": the Base Wage, plus social benefits and other benefits, in terms of cost to the Company.

4.2.3. "**Variable Compensation**": the variable compensation in cash and the variable equity compensation.

4.2.4. The "**Compensation Package**": the total cost of the compensation in terms of employment cost, which includes Fixed Compensation and Variable Compensation.

4.2.5. "**Office holder**" - as defined by the Companies Law (i.e., CEO, main business manager, deputy CEO, VP, CFO, and any other office holder in the Company irrespective of their title, as well as a director or manager who reports directly to the CEO).

5. **Manner of Determining Compensation**

When reviewing and approving an office holder's terms of office and employment, the Compensation Committee and Board of Directors will consider the following (in whole or in part, based on relevance):

5.1 All compensation components, including the monthly salary, related benefits, retirement bonuses (as the term is defined in the Law from time to time), and any benefit, payment, or payment commitment or commitments to grant such a benefit, as applicable, granted for such employment or appointment.

5.2. The economic value of the entire compensation package and all its components, while taking into consideration the Company's business results, and, if the compensation package is tied to certain objectives, examining such objectives.

5.3. To the extent possible, the compensation components will be challenging, but will not encourage taking risks exceeding the Company's desired risk levels.

5.4. To ensure congruence between the overall compensation components set forth in the policy, Company organs will be presented with, and will discuss the approval of, all compensation components of each Company office holder. Additionally, the wage ranges and the other terms of office and employment for Company office holders will be determined, *inter alia*, according to the comparable data for office holders in companies that are similar to the Company, to the extent possible, as set forth below (hereinafter, the "**Peer Company Data**"). The Peer Company Data will relate to the components of the office and employment terms, to the extent possible and to the extent the information is available.

5.5. The Peer Company Data will be prepared by the Company or by an external consultant, which decision will be in the Compensation Committee's discretion, based on a methodology that the Company considers appropriate and reasonable. Additionally, the Peer Company Data will be prepared separately for the base salary and for the aggregate compensation, to the extent relevant and if such information is available.

5.6. To the extent possible and such information exists, the comparison will be carried out with respect to compensation granted to office holders holding a similar position in at least 3 publicly traded companies and/or private companies that have the following characteristics (in whole or in part, or additional criteria as the Compensation Committee finds suitable): (a) their equity is similar to the Company's equity; (b) their operating profit is comparable to the Company's operating profit; (c) their total assets are similar to the Company's total assets; (d) they have a similar turnover; (e) their market value is similar to the Company's market value; (f) they are in the same area of activity as the Company; (g) they operate internationally or their shares are traded on a stock exchange outside of Israel.

5.7. The office holder's education, skills, expertise, professional experience, work and contribution to achieving the Company's business goals and meeting its work plans (in such office holder's current or previous position).

5.8 Insofar as the office holder resides outside of Israel – the differences in the salary terms and policies between the country of the office holder's residence and Israel.

5.9. The office holder's role, areas of responsibility, and previous wage agreements. Additionally, as relevant, the comparable data regarding the Company's previous or present office holders in the same position or in similar positions will be taken into consideration, with respect to all components of the office and employment terms. Also, and to the extent relevant, any substantial changes that occurred in the office holder's authorities and areas of responsibility during the year will be considered.

5.10. The ratio of the office holders' terms of office and employment, and the wages[1] paid to all other Company employees and contractors employed by the Company (as these terms are defined in the Law from time to time), and in particular, the ratio to these employees' mean and median wages, and the effect of the gaps in such wage data on labor relations within the Company.

5.11. The Compensation Committee and the Board of Directors will review the above ratio and note if they believe the ratio is appropriate and suitable considering, among other things, the Company's nature, size, staff composition and area of activity, and if these ratios might adversely affect labor relations within the Company.

5.12. The ratio between the Wage Cost of the various office holders in the Company and the mean and median Wage Cost of all other Company employees, and the ratio between the Compensation Package (Wage Cost, regular annual cash bonus and equity based compensation) of each Company office holder and the mean and median Compensation Package of all other Company employees shall not exceed:

Job title	**The ratio of the Wage Cost to the mean salary cost**	**The ratio of the Wage Cost to the median salary cost**	**The ratio of the Compensation Package to the office holders to the average Compensation Package**	**The ratio of the Compensation Package to the median Compensation Package**
The Company's CEO	1:10	1:12	1:20	1:30
Officer holder	1:5	1:6	1:10	1:15

The annual cost of the equity based compensation shall be calculated by dividing the total costs by the number of years (and not according to the annual expense recorded on our books).

[1] "**Wages**" – as this term is defined in the Companies Law from time to time; at present, the income for which national insurance premiums are paid under Chapter 15 of the National Insurance Law [Combined Version], 1995.

The Compensation Committee and Board of Directors estimate that these ratios are appropriate and reasonable in light of the Company's characteristics, and they will not adversely affect labor relations within the Company[2].

Given that the Company is growing, members of the Compensation Committee and Board of Directors in the Company believe that the Company should have, on the one hand, determined reasonable and appropriate salary ratios between the office holders and all Company employees, and on the other hand, determined salary ratios that match the nature of the Company's operations and advanced growth, it becoming a dual-listed company, and the increase in its staff number year on year that is also characterized by hiring employees abroad, which may have a material effect on salary ratios, without diminishing the Company employees' motivation and sense of identification with its activity and operations.

In light of the above, the Company's Compensation Committee and Board of Directors determined that the above salary ratios will be deemed reasonable with a deviation of up to 10% from the above-described ratios. Any deviation from the above will be brought before the Compensation Committee and Board of Directors, which shall be allowed to authorize compensation that deviates from the foregoing ratios, after they examine whether this requires any changes. The Compensation Committee and Board of Directors believe this maximum ratio is reasonable and fair in light of the Company's character, its area of activity, its size during this policy's applicability period, and consequently, the extent of responsibility imposed on the Company's senior office holders.

5.13. The ratio of the variable components to the fixed components granted to the office holder.

The desired ratio between the variable components and the fixed components granted to different Company office holders in a given year will be as follows:[3]

Job title	Fixed components (including related benefits) (%)	Variable benefits (bonuses and equity based compensation) (%)
The Company's CEO	20%-60%	40%-80%
Office holders	20%-65%	35%-80%

This refers only to the planned ratio, assuming bonuses are granted as set forth in this policy. The actual ratio in a given year between the compensation package components might be different because of underperformance or overperformance, which may affect the variable compensation, as set forth in this policy. In addition, due to the unique character of the Company's activity and the importance of retaining its many fixed work interfaces, the Company considers it important to reinforce the fixed office holder compensation components, and accordingly, the above ratios were determined as part of the overall considerations.

If the Company deviates from the above ratio by more than 5% from the above-described gaps (i.e., a 7% deviation from the upper limit or a 5% deviation from the lower limit), then such deviation will be brought before the Compensation Committee and Board of Directors for further discussion, which shall be allowed to approve compensation deviating from the foregoing ratios after examining whether such deviation requires any changes. The Company organs deemed deviations within these limits as reasonable.

6. **Basic salary**

The salary of an office holder is a fixed component, determined (to the extent possible) by the day their employment term commences, and will be revised from time to time according to the Compensation Policy.

6.1. The CEO and the Office Holders' Salaries

6.1.1. The Company's CEO and other office holders' salaries will be determined based on the relevant considerations and criteria appearing in Sections 2, 3, and 5 above, and will be approved by the Company's competent organs, according to the applicable law.

Based on these considerations, the Company office holders' highest monthly Base Wages were determined, as set forth below[4]:

Job title	Maximum (in NIS) (gross)
The Company's CEO[5]	118,000
Office holders	80,000

The Compensation Committee and Board of Directors will review such highest monthly Base Wages as part of the annual review of the Compensation Policy under Section 16 below, and these will be updated to the extent necessary, including in comparison with the Peer Company Data and taking into consideration the Company's business position and its staff, or other considerations.

If the Company deviates from the above by more than 5%, such deviation will be brought before the Compensation Committee and Board of Directors for further discussion, which shall be allowed to approve compensation deviating from the foregoing ratios after examining whether any changes are required. The Company organs considered any deviation within the above set forth limits as reasonable.

---

[2] The maximum ratios consider the equity compensation made to the Company officers.
[3] We emphasize that this refers only to the planned ratio, assuming bonuses are made as stated in this policy. The actual ratio in a given year between the compensation package components might be different because of underperformance or over-performance, that might affect the variable compensation, as stated in this policy.
[4] To clarify, the Company may enter into management agreements with the officers' wholly owned companies, and all provisions of this Compensation Policy also apply to them. The management fee will be governed by the provisions that apply to the monthly salary, and the maximum management fees will be equal to the maximum employment cost assuming labor relations.
[5] The maximum value of the CEO's compensation package may not exceed NIS 10 million a year, and the calculation of the options' value will be made for the award date, linearly over the vesting period.

6.2. **Compensation of directors**

6.2.1. The (external and other) Company directors "excluding directors employed in the Company in another position" will be paid an annual compensation, a participation compensation, and reimbursement of expenses according to the provisions of the Companies Regulations (Outside Director Compensation and Expenses Rules), 2000 (hereinafter, the "**Compensation Regulations**"), based on the Company's classification according to such regulations. The wages determined may not exceed the maximum compensation permitted under the Compensation Regulations.

6.2.2. The amounts will be paid plus linkage differentials, as set forth in Regulation 8 of the Compensation Regulations, and will be updated from time to time as set forth in the Compensation Regulations.

6.2.3. The foregoing notwithstanding, a director's (not including an outside director and/or an independent director) non-acceptance or waiver of the compensation that they are entitled to according to the Compensation Regulations will not be deemed a deviation from this policy.

6.2.4. The Company may grant the Chairman of its Board of Directors compensation that may not exceed NIS 60,000 a month (payable through an invoice), plus an equity component according to the standards set forth in this policy.[6]

6.2.5 In addition, Company directors shall be entitled to equity based compensation (calculated annually) not to exceed 50% of their total annual compensation.

7. **Annual Cash Bonus**

7.1. The Company's Compensation Policy is based, among other things, on the assumption that the Company office holders' compensation must be tied to the Company's business results[7] and reflect the Company's various strategic goals and each office holders' personal contribution to achieving such goals.

---

[6] The above is a payment for a 33% appointment percentage, and it will be adapted proportionally based on an increase or a decrease in the appointment percentage.
[7] The Company's results will be according to the Company's audited financial statements.

7.2. This bonus is intended to compensate the office holders for their accomplishments and contributions to achieving the Company's goals throughout the period for which the bonus is paid.

7.3. The Company's office holders will be entitled to an annual performance-based bonus contingent on meeting certain goals. Eligibility for the bonus will be determined mainly on measurable quantitative criteria, however, eligibility may also be partly determined by qualitative criteria that is not measurable. The structure of the goals and weights attributed will be determined by the Compensation Committee and the Board of Directors every year in advance, no later than the end of March of that year. The goals and weights attributed will be structured individually and separately for each of the Company's office holders.

7.4. The amount of the bonus to be distributed each year will be based on the extent to which goals are achieved, as set out below.

7.4.1. Bonus structure - the bonus will be composed of three components:

a. **Based on Company goals** - Goals applicable to the bonus plans for all the Company's office holders in a particular year, including the Company's CEO.

b. **Based on personal goals** - Targets suited to the role of the applicable office holder and the targets and specific matters that the Company wishes to advance that year.

c. **Discretionary bonus component** - The Company's office holders will be entitled to a bonus component that is not measurable, based on a qualitative evaluation of their performance by their supervising office holder.

7.4.2. As part of the annual bonus component that is based on the Company's goals, two or more Company goals will be determined, which will be measurable quantitative goals that are contingent on achievement of the Company's long-term business goals and objectives, including the following:

a. The volume of new transactions closed, according to megawatt parameters or equivalent parameters based on the relevant activity segment;

b. Average economic internal rate of return (EIRR);

c. Periodic profitability rates (operating profit and/or net profit);

d. Operating profit parameters (EBITDA, FFO);

e. Rates of growth in the volume of activities;

f. Achieving project performance indicators. (1) Meeting the construction/development schedule - the compensation rate in respect of this component will be gradual with several "grades" determined in the timetable, and the rate will increase with the grades in a manner that is incentivizing; (2) Achieving savings in construction budgets - the compensation rate in respect of this component will be determined on a graded basis while establishing a number of quantitative financial thresholds reflecting savings in the project budget, and each threshold will be awarded a different compensation rate, in an ascending grade; (3) Implementation of advanced management tools, processes, and control to be defined by the Company's Compensation Committee and Board of Directors individually and their proper implementation will be as meeting this target;

g. Goals referring to improvement in the price of the Company's shares or referring to the trading volume of the shares and the identity of the shareholders;

h. Capital raising, debt cycle, and/or capital structure improvement goals;

i. Goals referring to organizational development;

j. The Company's Board of Directors may determine specific compensation goals for office holders (to the extent possible by March of each year), the achievement of which the Board of Directors believes will serve as a strategic goal for the Company and/or a milestone that is a substantial leap forward in achieving the Company's strategy in one of the following areas of activity: (i) achieving a significant milestone (such as signing financing agreements, financial closing or commercial operation or obtaining other material approvals for a project) in a transaction and/or a specific project, which are material to the Company (based on standard accounting tests); (ii) mergers and acquisitions of renewable energy projects and/or renewable energy companies; (iii) raising capital for the Company's activities, when achieving this goal in a number of salaries to be defined as a success-based bonus contingent on a minimum rate of amounts successfully raised to be determined by the Company's Compensation Committee and Board of Directors; (iv) winning a tender for a substantial project (based on standard accounting tests); and (v) developing entry into new areas of activity.

Such goals will be based on the Company's strategy as reflected in the annual budget determined and approved annually by the Company's Compensation Committee and Board of Directors (no later than the end of March of that year) (hereinafter, the "**Annual Budget**"), and will be adjusted to the Company's performance in the year with respect to which the bonus is paid. For the Company's CEO, only Company goals can be determined. If required by applicable law, for certain office holders or certain types of goals, the goals will also be approved by the general meeting.

7.4.3. In addition, up to five measurable personal goals will be determined for each office holder, to be determined individually, based on the office holder's position and contribution to the Company's business and based on the Company's long-term strategic work plan and the work plans of the department to which the office holder belongs. These goals may include, for example:

a. Contribution to the achievement of strategic targets set for the office holders in their area of activity;

b. An indicator of completing milestones in significant projects and/or in the development, licensing, and planning process of significant projects;

c. Signing agreements and transactions in the Company's area of activity, based on indicators and volume to be defined annually;

d. Achieving regulatory goals, regulatory milestones, and goals that are related to the Company's regulatory interfaces;

e. Contribution to the signing of financing agreements, such as senior debt and/or mezzanine debt transactions for the purpose of starting projects, investing in projects, or acquiring activities;

f. Achieving savings goals in project construction budgets, as well as in operating, maintenance, and/or development expenses;

g. Achieving goals in the sale and disposal of the Company's profitable assets;

h. Achieving goals related to characterization and implementation of management and control tools, and improving the Company's management and control processes;

i. In addition, office holders involved in development and/or regulation may also be entitled to specific bonuses for full or partial completion of complex processes developed by the Company, based on milestones to be determined by the Company (hereinafter, "**Development Bonuses**").

The internal division between the relative weight attributed to the quantitative estimates based on Company goals and the personal quantitative goals will be adjusted individually for each office holder, based on the characteristics of their position, areas of responsibility, and the extent of their influence on the achievement of the Company's goals and its profits.

7.4.4. The weight attributed to the personal goals of each VP will be between 20% and 60% of all the goals for office holders (not including the Development Bonuses). In addition, if an office holder does not reach the minimum threshold of any of the personal goals, such officer holder will not be entitled to a bonus in that year, even if the Company/Group achieves its goals.

7.4.5. The discretionary bonus component will be based on the evaluation of the Board of Directors. The weight attributed to this goal will not exceed 20% (and with respect to the CEO – no more than 3 salaries, subject to the provisions of section 7.4.7). It is clarified that, subject to applicable law, the Board of Directors, at the recommendation of the Compensation Committee, may increase the discretionary component of the annual bonus for office holders reporting directly to the CEO and also determine that this will be the only component for calculating the performance-based bonus for the relevant office holder.

7.4.6. In addition to the annual bonus described above, the Board of Directors may, after receiving the recommendation of the Compensation Committee and without requiring any other approvals, decide that the Company will pay any of the office holders (who report directly to the CEO) a bonus for special projects or special achievements, arising from the activities of the office holders and their contribution to the Company, based on the Company's long-term strategic work plan (in this Section 7.4.6, this includes achieving material strategic goals and signing strategic agreements that are material to the Company's activities, such as: (i) a merger and/or acquisition of an activity on a material scale (exceeding 20% of Group assets and/or its installed capacity and/or its equity); (ii) raising capital/debt in an amount exceeding NIS 350 million; (iii) winning and/or investing in and/or selling a project and/or reaching a significant milestone in a project of a substantial scope, which the Board of Directors considers an extraordinary achievement that may have a material effect on indicators in the Company's activity; and (iv) achieving an extraordinary performance indicator that is significantly higher (more than 15% in excess of the upper threshold determined by the Board of Directors for a specific annual goal in the goals set out in Sections 7.4.2-7.4.3 above, and as set out in Section 7.4.9 below (hereinafter, the "**Special Bonus"**).

7.4.7. It is clarified that in any event, the Special Bonus will not exceed five monthly salaries for an office holder. It should be clarified that discretionary compensation for the CEO exceeding three monthly salaries will be brought to the general meeting for approval. Notwithstanding the above, the portion of the discretionary components of the bonus component as set out in Section 7.4.5 above, may be higher, up to the maximum amount permitted by the Law, as may be the case from time to time.

7.4.8. The Board of Directors will have discretion and flexibility in determining the weights and goals, and the weights and goals will be discussed annually as set out above, based on the recommendations of the Compensation Committee in the matter. For this matter, the Compensation Committee and the Board of Directors will take into consideration the recommendation of the Company's CEO regarding the goals and weights pertaining to the VPs and the recommendation of the Chairman of the Board of Directors regarding the goals and weights pertaining to the CEO.

7.4.9. The provisions set out below will be used to determine the goals and assess whether they have been met:

- Each goal will be assigned a relative weight that determines its importance and its weight in the determination of the bonus budget.
- A quantitative target threshold (indicator) will be determined for each measurable target, to be derived from the work plan (budget) or directly from the area that requires change or improvement.
- If the goal is a parameter included in or derived from the budget, the goal will be considered to have been met in full only if the quantitative target threshold set in or derived from the budget is met.
- Each goal will receive a separate score indicating compliance with the goal and the bonus will be calculated pro rata to the relative weight of such goal.
- A lower quantitative threshold will also be set for each goal. For performance below the lower threshold no bonus will be paid with respect to such specific target.
- A bonus of 60% of the specific weight attributed to a specific goal will be granted for reaching the low threshold, and for performance exceeding this threshold, a bonus of between 60% and 100% will be granted, to be calculated on a linear basis (for the difference between the goal and the lower threshold). If the goal is met, a score of 100% will be given with respect to this indicator.
- If goals are met at a rate of 90%-100%, such goals will be considered to have been fully met, subject to the discretion of the Compensation Committee and the Board of Directors regarding the implementation of this mechanism.
- An upper threshold will be determined for each goal for performance that exceeds the goal. If the upper threshold is reached or exceeded, a bonus of 125% of the specific weight attributed to said goal will be given, and for performance between the goal and the upper threshold, a bonus of between 100% and 125% will be given, to be calculated on a linear basis (linearly for the difference between the goal and the upper threshold).

7.5 Notwithstanding the above, the Compensation Committee and the Board of Directors may, in individual cases, approve a discretionary bonus, subject to a limit of up to three monthly salaries, for personal achievements, specific achievements in the year or advancing of material/strategic matters, and/or may delegate their authority to do so, subject to the Law.

7.6. Notwithstanding the above, an immaterial change in the terms of office and employment of an office holder reporting directly to the CEO of the Company will not require the approval of the Compensation Committee if the CEO has approved the change and all the following have been fulfilled:

7.6.1. An immaterial change in the employment terms of an office holder as set out in Section 272(C) of the Law, not to exceed 5% per year, compared with the preceding year, will be approved by the Company's CEO and any other organ of the Company that is required pursuant to the Law (based on the minimum required forum);

7.6.2. The terms of office and employment are in accordance with the Company's Compensation Policy.

7.7. Annual bonus - general provisions

7.7.1. Notwithstanding the provisions in this Section 7, the annual bonus will not be granted to any office holder who does not meet the minimum threshold, which will be determined every year with respect to each goal (lower threshold).

7.7.2. If payment of bonuses results in providing grounds for immediate repayment of any series of debentures issued or to be issued by the Company, then the Company Board of Directors shall be allowed, at its exclusive discretion, to reduce the bonus amount of any office holder or all office holders in the Company.

7.7.3. In the event that a term of office ends, the Board of Directors may grant an office holder, at its discretion and with reference to the circumstances of retirement, the annual bonus for the full year in which the term of office ended.

7.7.4. Every year, upon approval of the bonuses plan, the Compensation Committee and Board of Directors may establish additional quantitative or other thresholds, taking into account the Company's targets, strategy and position, which, if fulfilled, annual bonuses will not be granted to any of the Company's office holders.

7.8. Restrictions applicable to the annual bonus

In addition, annual bonuses, if granted, will be subject to the following restrictions:

7.8.1. The total amount of the annual bonus (for all components of the annual/variable bonus, including the special bonus as defined above) will be limited as follows:

(a) CEO: not to exceed 12 monthly salaries (excluding the special bonus as set out in Section 7.4.6 above, excluding meeting excellence thresholds exceeding 100%).

(b) Office holder: not to exceed eight monthly salaries (excluding the Special Bonus as set out in Section 7.4.6 above, excluding meeting excellence thresholds exceeding 100%).

(c) Development bonuses: not to exceed four monthly salaries per year (in addition to the above bonuses).

7.8.2. The amount of the actual annual bonuses granted to all of the Company's office holders with respect to a specific year will not exceed 3% of the Company's revenues from the sale of electricity based on the fixed-assets model. In the event of deviations therefrom, the annual bonuses will be paid pari passu.

7.8.3. An annual bonus will be granted to office holders who were employed by, or provided services to, the Company for at least 12 (twelve) months prior to the approval of the financial statements for that year, unless the office holder resigned or was dismissed due to circumstances that revoke such office holder's right to severance pay. Notwithstanding the aforesaid, with respect to new office holders employed in the Company for less than 12 months, the Board of Directors may, at the recommendation of the Company's CEO, determine to grant a bonus in proportion to such office holders' period of employment by the Company.

7.8.4. The Compensation Committee may disregard effects of the Company's financial results arising from changes in the accounting policy of the Company or Group. Disregarding such effects may increase or decrease the bonus, depending on the type of accounting change and its effect. Disregarding such effects will be performed when, shortly before the approval of the bonuses, the Company's independent auditors submit an opinion regarding the accounting changes made in the past financial year with respect to which bonus are determined, and the implications of these changes on the goals relevant to the bonuses. The opinion will be presented to the Compensation Committee and will serve as a basis for its decision regarding whether to disregard the implications of the accounting changes for the purpose of calculating the bonuses of the office holders.

It is clarified that the Compensation Committee will only exercise its powers under this section in the following cases: (a) a change in the accounting standards and/or the accounting policy and/or the accounting principles applicable to the financial statements of the Company and/or companies whose financial statements are consolidated and/or included in the financial statements of the Company (hereinafter, the "**Statements**"), which will apply due to external circumstances and which directly affect the calculation of the compensation goals established in the relevant year; and (b) application of an accounting principle and/or accounting policy to the Statements, in accordance with the guidelines of a competent authority, which have a direct effect on the calculation of the compensation goals established in the relevant year.

7.8.5. When approving the budget, the Board of Directors may determine a closed list of extraordinary events and, if any of these events occurs during the year, the Compensation Committee may eliminate their effect when calculating the targets for the bonus. These are events that, when approving the budget, it is uncertain whether they will occur during the year and it was decided not to take them into account when preparing the budget; however, if they occur, they are likely to have a material effect on the financial results.

7.8.6. The Compensation Committee and the Board of Directors may, at their discretion, reduce the amount of the bonus due to an office holder, when there are special circumstances that justify such a reduction.

7.8.7. An office holder entitled to a bonus based on any financial information, will undertake to return to the Company any amounts paid on the basis of information that turned out to be erroneous and were restated in two consecutive annual financial statements following approval of the bonus in the Company's financial statements. An office holder will consent in writing to the Company's deduction of any amount such office holder owes the Company from any amount due to such office holder from the Company, subject to the Law.

7.8.8. The annual bonus, if determined, will be paid to office holders once a year, after the Company's Board of Directors approves the financial statements of the relevant year and based on the Company's actual results for such year; if the annual bonus requires calculation, such calculation will be based on the financial statements of the relevant year.

7.8.9. Further to the provisions above in this Section 7, the bonus program may contain other provisions by which a mechanism will be established to reschedule or condition some of the annual bonus payments, based on achieving long-term measurable goals, over a period of two or three calendar years, as well as rules for calculating the entitlement to such a multi-annual bonus, at the end of the multi-annual measuring period. The rules and conditions for such a multi-annual bonus will be set and presented to the Company's competent organs for approval, in accordance with applicable law.

8. **Retention Bonus**

Because of the unique character of the Company's activity and the importance of retaining its office holders, the Company's Board of Directors and Compensation Committee may determine retention bonuses for office holders, in a total amount of: (a) NIS 600,000 for the Company's CEO, to be accrued gradually over a period of up to three years; (b) NIS 500,000 for office holders, to be accrued gradually over a period of up to 3 years. All for the reasons set forth above. It is clarified that in any event, multiple simultaneous "retention" plans will not be granted to the same office holder.

9. **Equity compensation**

9.1. Subject to obtaining the approval of the Company's competent organs, the Company may offer the office holders to participate in an equity based remuneration plan, which among others shall include options exercisable into shares of the Company, RSUs (restricted share units) or similar equity securities such as restricted shares (jointly hereinafter the **"Equity Based Compensation"**).[8]

9.2. The granting of Equity Based Compensation to officer holders of the Company is, among other things, designed to further the Company's interests by allowing employees, office holders, directors, consultants, and other selected service providers serving the Company or its affiliates (as the term is defined in the options plan), to acquire equity interests in the Company or increase their equity interests, as applicable, by granting Equity Based Compensation, thus providing such offerees another incentive to start or continue working for, or engage with, the Company or its affiliate, as applicable, and foster the offerees' sense of being a partial owner of the Company and incentivize such offeree's interest in the success of the Company and the affiliate with which the offeree is employed or with which they are engaged.

9.3. The approved plan will be determined based on the relevant considerations and criteria set forth in Sections 2, 3, and 5 above, and it will include the following provisions:

9.3.1. The value of the Equity Based Compensation to be granted pursuant to the plan, the method of granting the allocation to the different offerees, and an additional number of securities to be allocated among the office holders who may join the Company throughout the plan's effectiveness period.

9.3.2. The Equity Based Compensation will be awarded to the office holders in one of the following tax routes at the Company's discretion, and subject to the relevant limitations and restrictions under applicable statutes: (a) options in the trustee route, under Section 102 of the Income Tax Ordinance [New Version], 1961 (hereinafter, the "**Ordinance**"); (b) options in the non-trustee route under Section 102 of the Ordinance; or (c) options under Section 3(I) of the Ordinance. Equity Based Compensation for foreign office holders shall be granted pursuant to the provisions of foreign law and the relevant mechanisms set forth in the foreign law.

9.3.3. When granting share-based compensation other than restricted shares or restricted share units, the exercise price will be higher than the share price on the award date, so that it provides a suitable incentive to maximize the Company's long-term value, and in any case, may not fall below the average price in the 30 trading days before the award.

9.3.4. The maximum value in annual terms[9] (to be calculated on the award date, divided by the number of vesting years, equally) of the Equity Based Compensation granted to an office holder (including the Company's CEO) may not exceed 85% of the aggregate compensation (gross, including salary, related expenses, Equity Based Compensation and annual bonuses (assuming targets are fully met)) paid to such office holder.

9.3.5. The maximum potential dilution of all equity awards by the Company shall be 10%.[10]

---

[8] For details on the options plan the Company adopted, see the transaction report the Company published on March 15, 2010 (Ref. No. 2010-01-415413) as updated on August 8, 2023.
[9] According to the Black and Scholes model or another value considered for accounting purposes.
[10] The number of shares for the purpose of dilution will be calculated based on the value of the options granted according to the obtain valuation – divided by the expected share price upon exercise according to the Black and Scholes model or the binomial model. The stock options will be converted using the "net exercise" mechanism (cashless exercise), which means that the number of shares resulting from exercising the stock options will be less than the number of stock options converted. The number of shares on a fully diluted basis is calculated based on the Black and Scholes model or the binomial model. The dilution is calculated without debentures or options allotted in public offerings or offerings to institutional investors.

9.3.6. The vesting period will not be shorter than three years. The Company may approve the acceleration of vesting periods, in whole or part, of the equity based compensation that has not yet vested, in the event of a change of control of the Company and/or a merger and acquisition transactions of the Company.

9.3.7. The expiration date of the granted options will not be less than one year after they vest, but will not exceed 10 years from the allocation date (subject to provisions regarding expiration upon an office holder's end of employment or engagement to provide services).

9.3.8. The possibility to condition all or some of the options or restricted shares' vesting, granted to any option or restricted shares recipient, on achieving goals, including long-term goals, which will be determined on the allotment date.

9.3.9. The Board of Directors may accelerate the vesting period of options or restricted shares, in whole or in part, including in the event that control of the Company changes or Company shares are delisted from any exchange, all according to the option plan or the Equity Based Compensation agreement of any office holder.

9.3.10. The Equity Based Compensation plan will include conditions regarding an employee's departure under different circumstances (switching between companies in the Group, resignation, dismissal, or death and disability).

9.3.11. The Equity Based Compensation plan will set forth terms to adapt the exercise price in the event of distributions, rights offerings, etc.

9.3.12. The consideration for exercising the options may be performed in a cashless mechanism, whereby the offeree is entitled only to receive such number of shares from the Company reflecting the economic value that the offeree would have received from exercising the stock options according to the shares' market price, less their exercise price. The Board of Directors may adopt the mechanism at any time.

10. **Related Social Benefits and Rewards**

If an office holder's terms of office or employment include provisions in connection with the matters set forth below, such terms will be determined according to the relevant considerations and criteria in Sections 2, 3, and 5 above, and according to the terms set forth below:

10.1. The Main Related Benefits Granted to All Office Holders (Not Including Directors)[11]

10.1.1. The office holders employed at the Company are entitled to the Company's standard provisions to an executive insurance policy, disability insurance, and a study fund.

10.1.2. Company office holders are entitled to sick days, vacation days, and convalescence days, according to the Company's standard policy for senior employees and according to their seniority in the Company, and in any case, not less than that set forth in any applicable statute and not more than 28 vacation days for every work year.

10.1.3. The Company may provide each office holder with a vehicle to perform their duties. If such a vehicle is made available to an office holder, the Company will bear the fixed expenses of maintaining the vehicle, according to the Company's procedures. The office holder will bear the tax imposed due to the benefit to the office holder resulting from the use of the vehicle, and must also pay all fines or tickets imposed due to using the vehicle, if any, but the Company may gross up such tax and/or expenses.

10.1.4. If the office holder's office and employment terms include a mobile phone, the office holder will be entitled to reimbursement of mobile phone related expenses, as the Company may decide and in its exclusive discretion. The office holder will pay any tax that may apply to such office holder due to the use of the mobile phone, but the Company may gross up such tax and/or expenses.

10.1.5. If the office holder's office and employment terms include reimbursement of expenses, the office holder will be entitled to be reimbursed for the reasonable expenses incurred while performing such office holder's job, against receipts, in accordance with the Company's policy.

[11] That said in this policy does not detract from granting a material benefit to the officers.

10.1.6. If the office and employment terms include living expenses abroad for overseas travel, the Company will pay the overseas living expenses for the office holder throughout their overseas stay for work purposes, according to Company procedures.

10.1.7. Company office holders may be entitled, in accordance with and subject to such office holder's personal employment terms, to full severance pay upon the end of the employee-employer relationship, for any reason whatsoever, including resignation, and excluding dismissal "under serious circumstances", as defined below. Alternatively, office holders may be entitled to severance pay under Section 14 of the Severance Pay Law, 1963[12].

10.1.8. Subject to the Compensation Committee's approval, the Company may grant to office holders additional benefits, not to exceed 10% of the monthly cost of such office holder's relevant fixed component (annualized).

10.1.9 Notwithstanding anything to the contrary in this Section 10.1, office holders residing outside of Israel will be entitled to related benefits, including as customary in the country of residence of such officer, and they will be entitled to reimbursement of expenses, mutatis mutandis and per the discretion of the Compensation Committee and Board of Directors, as required.

10.2. Insurance and Indemnity

The Company has obtained insurance to cover its present and/or future directors' and office holders' liability, from time to time, including the directors who are the controlling shareholder or the controlling shareholder's relatives.

Without derogating from the provisions of any applicable law, the Compensation Committee may approve, from time to time and as long as this Compensation Policy is effective, the Company's entrance into an insurance policy to cover the office holders' and directors' liability, for present or future office holders and directors in the Company and in the Company's subsidiaries/subsidiary partnerships from time to time (including runoff insurance), as long as the total coverage under the policy for a particular insurance period does not exceed USD 45,000,000 (and if the Company has made a public offering, and/or is listed for trading in an exchange, outside of Israel, USD 120,000,000) per claim and for the insurance period, provided that such insurance is made on market terms and may not substantially affect the Company's profitability, property, or liabilities, and for premiums and with deductibles that are on market terms at such times which may not have a material effect on the Company's profitability, property, or liabilities, and according to an offer received from a party independent of the Company.

Indemnity undertakings according to the provisions of the Company's articles of association, in the same form and terms for all Company office holders, including the directors who are the controlling shareholder or the controlling shareholder's relatives.
According to the provisions of the Company's articles of association, the maximum aggregate amount in which the Company may indemnify all office holders may not exceed 25% of the Company's equity, according to the Company's most recent financial statements on the date of actual indemnification payment.

Subject to the provisions of law, the Company shall be allowed to release the office holders and directors (excluding those that are controlling shareholders or their relatives, if any) in advance from any liability toward it for any damage caused and/or to be caused to it, whether directly or indirectly, due to the breach of the duty of care toward it in actions performed in good faith in their capacity as office holders in the Company and/or in a subsidiary of the Company and/or in an affiliated company of the Company, as may be from time to time. The foregoing shall not apply with regard to breach of the duty of care in distribution, as defined in the Companies Law, and also with regard to breach of the duty of care in a resolution or transaction in which the controlling shareholder or any office holder in the Company (also an office holder other than the one who was issued the release) including a personal interest.

---

[12] As of the authorization of this policy, the Company's serving officers are entitled to full severance upon the termination of the employee-employer relationship for any reason whatsoever, including following their resignation, and not including upon dismissal under "serious circumstances".

11. **Terms for end of tenure**

An office holder will be entitled to advance notice of termination of employment, as set forth in the employment agreement or the service agreement between the Company and such office holder, in accordance with the below (and no less than the minimum required under any applicable law):

Job title	Maximum period
CEO	Up to 8 months
Office holders	Up to 6 months

11.1. The prior notice period will be determined according to the relevant considerations and criteria in Sections 2, 3, and 5 above, and will be approved by the Company's competent organs, according to the provisions of any applicable law.

11.2. The Company's office holders may be entitled to all benefits under their respective employment agreements or to the redemption of such benefits, as though they had continued being Company employees, even if the prior notice period (or part of it) is redeemed.

11.3. During the prior notice period, the office holder must continue to perform such office holder's job at the Company (subject to the Company's decision).

11.4. The office holders' terms of office and employment will include a provision under which the Company may dismiss the office holder without prior notice in cases that revoke such officer holder's entitlement to severance pay, which include embezzlement, theft, a criminal offense involving moral turpitude, a violation of the duty of confidence and/or noncompete clause, a severe disciplinary violation, a breach of trust, and a fundamental breach of the agreement ("Dismissal Under Serious Circumstances").

11.5. Retirement bonus

11.5.1. In addition to the prior notice period, the Company may approve a retirement/adjustment bonus to the CEO and/or office holders, in an amount not to exceed six monthly salaries, in the event of dismissal by the Company (excluding Dismissal Under Serious Circumstances), or their resignation, as the case may be. Only an office holder's monthly salary will be taken into consideration for the purpose of a retirement bonus (i.e. benefits, other grants and bonuses, etc. are excluded), multiplied by the number of months granted to that office holder.

11.5.2. The retirement bonuses will be brought before the Company's competent organs for approval, in accordance with applicable law, before entry into the employment agreement or the service agreement, and they will be determined according to the relevant considerations and criteria set forth in Sections 2, 3, 5 above, and subject to the office holders' satisfaction of all the following conditions:

11. 5.2.1. They have been a Company employee or have been providing services to the Company for at least 3 years;

11.5.2.2. During such office holder's employment period, the office holder made a material contribution to advance the Company's business and to maximize its profits.

11.5.2.3. The circumstances of the office holder's retirement do not justify revoking such office holder's severance.

11.5.2.4. The Company's CEO (or the Chairman of the Board of Directors, if the CEO is retiring) recommended paying the retirement bonus based on the Company's performance in the relevant period.

12. **Commercial Protections**

The employment agreements and the services agreements entered into with office holders will include provisions intended to protect the Company's intellectual property rights, and confidentiality and noncompete clauses, which will be adapted to the relevant office holder according to the position's sensitivity and the importance for the Company.

13. **Other General Provisions**

13.1. The office holders to whom the Compensation Policy applies may be Company employees or independent contractors providing services to it. If the office holder provides services to the Company as an independent contractor, the provisions of the Compensation Policy will apply, mutatis mutandis, and the compensation to the office holder will be paid against invoices, and the compensation components will be normalized, so that overall, they will financially match the provisions of this policy, provided that the foregoing does not adversely affect the Company's best interest, condition, and plans.

13.2. The provisions of this Compensation Policy shall not derogate from any present and/or future provision of any applicable law, including, without derogating from the generality of the foregoing, the provisions of the Companies Law, and/or the regulations and/or orders promulgated thereunder, and any relief, exemption and/or additional discretion granted to any of the Company organs, as set forth in any such statutory provision, including provisions adopted into law after the approval of this policy, they will apply to the Company and be considered part of this Compensation Policy, after the Compensation Committee or the Company Board of Directors decide to add them, in whole or in part, to this policy – without requiring shareholders approval therefor.

13.3. The Compensation Committee and Board of Directors may approve a deviation of up to 5% per calendar year, from any maximum amount, limitation, or other provisions stated in this policy, and such a deviation will be considered compliant with the Compensation Policy. The foregoing does not apply to sections of the Compensation Policy with respect to which a specific deviation threshold has been determined.

13.4. Immaterial changes to the office and employment terms of office holders who report directly to the CEO and who are not controlling shareholders shall require only the Compensation Committee's prior approval, provided that the Compensation Committee determines that the change to the employment terms is immaterial. For that purpose, it has been determined that the total immaterial changes in the office and employment terms of such office holder, which will be approved by the Compensation Committee for any reporting year, may not exceed 5% (in real terms), relative to all office and employment terms of the office holder's which were approved by the Company's competent organs, for that reporting year.

14. **Validity**

The Compensation Policy will be valid for three years from the date of its approval by the general meeting, as set forth above, in accordance with Section 267A(D) of the Law.

The foregoing notwithstanding, the Company Board of Directors will occasionally, and at least once per year, review the Compensation Policy and its compliance with applicable law, provided there has been a material change to the circumstances existing at the date of the policy's adoption, or for other reasons. Subject to Section 14.2 above, changes to the Compensation Policy, if any, will be approved in accordance with applicable law.

In addition, the Compensation Committee will review from time to time the implementation of the Compensation Policy, and if the Compensation Committee deems it appropriate, the Compensation Committee will recommend to the Board of Directors to update the Compensation Policy.

Exhibit 8.1

Subsidiaries of Enlight Renewable Energy Ltd.

NAME	STATE OR OTHER JURISDICTION OF INCORPORATION OR ORGANIZATION
ELEMETNS GENERAL PARTNER LIMITED PARTNERSHIP	CAYMAN
ELEMENTS L.P.	CAYMAN
VJETROELEKTRANA LUKOVAC D.O.O. ZA PROIZVODNJU ELEKTRIČNE ENERGIJE (CROATIA)	CROATIA
SE KOLARINA D.O.O.	CROATIA
SE RAŠTEVIĆ D.O.O.	CROATIA
SE BENKOVAC D.O.O.	CROATIA
AUREUS SOLIS D.O.O.	CROATIA
MO-BO ENERGIJA D.O.O.	CROATIA
ENLIGHT ESHKOL VERED CYPRUS LIMITED	CYPRUS
NEG NORDIC ENERGIES - GERMANYVERWALTUNGSGESELLSCHAFT GMBH (GERMAN GP)	GERMANY
NEG NORDIC ENERGIES - GERMANY GMBH & CO. KG (GERMAN LIMITED PARTNERSHIP)	GERMANY
DANUBA ENERGIES KFT.	HUNGARY
IBERIAN ENERGIES KFT.	HUNGARY
NORDIC ENERGIES KFT.	HUNGARY
MEGUJULOHAZ KFT.	HUNGARY
ENLIGHT EU ENERGIES KFT.	HUNGARY
RAABA ACDC KFT	HUNGARY
MOVILIM RENEWABLE ENERGIES EU KFT	HUNGARY
RAABA GREEN KFT	HUNGARY
RAABA FLOW KFT	HUNGARY
ENLIGHT CREPAJA KFT	HUNGARY
ENLIGHT ENERGY IRELAND LIMITED	IRELAND
TULLYNAMOYLE WIND FARM 3 LIMITED	IRELAND
ENLIGHT BARON ENERGY LTD	ISRAEL
ENLIGHT YONATAN MANAGEMENT LTD	ISRAEL
ENLIGHT YONATAN STORAGE LIMITED PARTNERSHIP	ISRAEL
ENLIGHT OHAD MANAGEMENT LTD	ISRAEL
ENLIGHT OHAD STORAGE LIMITED PARTNERSHIP	ISRAEL
ENLIGHT GONEN STORAGE LIMITED PARTNERSHIP	ISRAEL
ENLIGHT GONEN MAMNGEMENT LTD	ISRAEL
ENLIGHT SUNLIGHT FINANCE LIMITED PARTNERSHIP	ISRAEL
ENLIGHT GENERAL PARTNER (B.B.S.P) LTD	ISRAEL
ENLIGHT SUNLIGHT ENERGY LIMITED PARTNERSHIP	ISRAEL
ENLIGHT SUNLIGHT MANAGEMENT LTD	ISRAEL
ENLIGHT BARON FLOATING ENERGY LIMITED PARTNERSHIP	ISRAEL

ELECTRA POWER ELECTICITY, LIMITED PARTNERSHIP	ISRAEL
ELECTRA POWER 2022 LTD	ISRAEL
BEIT YATIR WIND FARM - AGRICULTURAL COOPERATIVE LTD.	ISRAEL
CARMEL WIND FARM - AGRICULTURAL COOPERATIVE LTD.	ISRAEL
DANUBA POWER, LIMITED PARTNERSHIP	ISRAEL
ELEMENTS GENERAL PARTNER LIMITED PARTNERSHIP	ISRAEL
ENLIGHT - NEWMED DEVELOPMENT, LIMITED PARTNERSHIP	ISRAEL
MED-ENLIGHT GENERAL PARTNER 2023 LTD	ISRAEL
ELEMENTS MC LTD	ISRAEL
ELEMENTS GPGP LTD	ISRAEL
ESHKOL ELLA-,KRAMIM-ENLIGHT,LIMITED PARTNERSHIP	ISRAEL
THE IBERIAN WIND, LIMITED PARTNERSHIP	ISRAEL
E.A AVITAL WIND ENERGY LTD	ISRAEL
ESHKOL BROSH -IDAN-ENLIGHT,LIMITED PARTNERSHIP	ISRAEL
ENLIGHT - MANAGEMENT SPAIN LTD	ISRAEL
E.A. ALON WIND ENERGY LTD	ISRAEL
ENLIGHT TAMAR LTD	ISRAEL
ESHKOL ZAIT - ZAIT YAROK - ENLIGHT , L.P	ISRAEL
ENLIGHT - MANAGEMENT SWEDEN LTD	ISRAEL
E.A. LAVI WIND, LIMITED PARTNERSHIP	ISRAEL
RAMAT MAGSHIMIM WIND FARM - AGRICULTURAL COOPERATIVE LTD.*	ISRAEL
SDE NEHEMIA-ENLIGHT,LIMITED PARTNERSHIP	ISRAEL
NORDIC WIND, LIMITED PARTNERSHIP	ISRAEL
ENLIGHT- ESHKOL MIMUN GREEN,LIMITED PARTNERSHIP	ISRAEL
NATUR WIND FARM - AGRICULTURAL COOPERATIVE LTD.*	ISRAEL
E.A. SAPIR WIND ENERGY LTD	ISRAEL
ENLIGHT-AVIRAM WIND'S INITIATIVES LTD	ISRAEL
TALMEY BILU GREEN ENERGIES LTD	ISRAEL
MEY GOLAN - ENLIGHT MANAGEMENT LTD	ISRAEL
ENLIGHT- YATIR WIND'S INITIATIVES LTD	ISRAEL
MA'ALE GAMLA WIND FARM - AGRICULTURAL COOPERATIVE LTD.*	ISRAEL
ENLIGHT - ESHKOL MIMUN, L.P	ISRAEL
ENLIGHT-ESHKOL ELLA LIMITED PARTNERSHIP	ISRAEL
MAALE GILBOA- ENLIGHT HOLDINGS LTD	ISRAEL
MEY GOLAN - ENLIGHT FLOATING ENERGY, LIMITED PARTNERSHIP	ISRAEL
MEVO HAMA WIND FARM - AGRICULTURAL COOPERATIVE LTD.*	ISRAEL
MOVILIM MANAGEMENT ENLIGHT M.A. LTD.	ISRAEL
GILBOA 1 ENLIGHT-AVEERAM, LIMITED PARTNERSHIP	ISRAEL
ENLIGHT ECO 1, LIMITED PARTNERSHIP	ISRAEL
KANAF WIND FARM - AGRICULTURAL COOPERATIVE LTD.*	ISRAEL
ENLIGHT-ESHKOL BROSH,LIMITED PARTNERSHIP	ISRAEL
WINDS VALLEY, LIMITED PARTNERSHIP	ISRAEL
MIVTAHIM GREEN ENERGIES LTD	ISRAEL
ENLIGHT ECO 2, LIMITED PARTNERSHIP	ISRAEL
YONATAN WIND FARM - AGRICULTURAL COOPERATIVE LTD.*	ISRAEL
ENLIGHT ESHKOL GEFFEN LIMITED PARTNERSHIP	ISRAEL
A.E. SHIKMA WIND ENERGY LTD	ISRAEL
ALONEI HABASHAN SOUTH WIND FARM - AGRICULTURAL COOPERATIVE LTD.*	ISRAEL

ENLIGHT ECO 3, LIMITED PARTNERSHIP	ISRAEL
ESHKOL HAVAZELET - HALUTZYUT ENLIGHT L.P	ISRAEL
AVNEI EITAN WIND FARM - AGRICULTURAL COOPERATIVE LTD.*	ISRAEL
ENLIGHT ESHKOL HADAS LIMITED PARTNERSHIP	ISRAEL
SUMMER FLOW, LP	ISRAEL
KADARIM ENLIGHT MANAGEMENT LTD	ISRAEL
ODEM WIND FARM - AGRICULTURAL COOPERATIVE LTD.*	ISRAEL
ENLIGHT -ESHKOL MIMUN BLUE LIMITED PARTNERSHIP	ISRAEL
M.A MOVILIM RENEWABLE ENERGIES, LIMITED PARNERSHIP	ISRAEL
ENLIGHT ESHKOL VERED LIMITED PARTNERSHIP	ISRAEL
KADARIM ENLIGHT SOLAR, LIMITED PARTNERSHIP	ISRAEL
ORTAL WIND AND ENERGY - AGRICULTURAL COOPERATIVE LTD.*	ISRAEL
ORSUN 3 LTD	ISRAEL
GREENLIGHT WIND, LIMITED PARTNERSHIP	ISRAEL
ENLIGHT - SHAKED MANAGEMENT LTD	ISRAEL
ALONEI HABASHAN WIND FARM - AGRICULTURAL COOPERATIVE LTD.*	ISRAEL
ENLIGHT -ESHKOL ZAIT,LIMITED PARTNERSHIP	ISRAEL
ORSUN ENERGY 3, LP	ISRAEL
ENLIGHT ECO 4, LIMITED PARTNERSHIP	ISRAEL
NEVE ATIV WIND FARM - AGRICULTURAL COOPERATIVE LTD.*	ISRAEL
ENLIGHT KRAMIM LIMITED PARTNERSHIP	ISRAEL
KIDMAT TZVI WIND FARM - AGRICULTURAL COOPERATIVE LTD.*	ISRAEL
ENLIGHT RENEWABLE ENERGY LTD.	ISRAEL
ENLIGHT KIDMAT TZVI, LIMITED PARTNERSHIP	ISRAEL
ENLIGHT BEIT HA-SHITA MANAGEMENT LTD	ISRAEL
ENLIGHT TKUMA MANAGEMENT LTD	ISRAEL
ENLIGHT MOVILIM, LIMITED PARTNERSHIP	ISRAEL
ORSOL ENERGY 3 (A.A) LP	ISRAEL
ENLIGHT TKUMA RENEWABLE ENERGY LIMITED PARTNERSHIP	ISRAEL
ENLIGHT BEIT HA-SHITA SOLAR ENERGY, LIMITED PARTNERSHIP	ISRAEL
HADAR- ENLIGHT, LIMITED PARTNERSHIP	ISRAEL
ENLIGHT - MANAGEMENT KOSOVO LTD	ISRAEL
ENLIGHT ESHKOL DEKEL LIMITED PARTNERSHIP	ISRAEL
RUAH AVIGAIL-ENLIGHT, LIMITED PARTNERSHIP	ISRAEL
A.N. FARAN SOLAR LIMITED PATRNERSHIP	ISRAEL
ENLIGHT - SHOMRIA MANAGEMENT LTD	ISRAEL
RUAH HANAN-ENLIGHT, LIMITED PARTNERSHIP	ISRAEL
ENLIGHT FARAN MANAGEMENT LTD	ISRAEL
ENLIGHT - SHOMRIA SOLAR, LIMITED PARTNERSHIP	ISRAEL
ENLIGHT KIDMAT TZVI MANAGEMENT LTD	ISRAEL
ENLIGHT YANUACH WIND ENERGY 1 LP	ISRAEL
ENLIGHT SHDEMA LTD	ISRAEL
ENLIGHT YANUACH WIND ENERGY 2 LP	ISRAEL
EMEK HABACHA. WIND ENERGY LTD.	ISRAEL
ENLIGHT KISRA WIND ENERGY LP	ISRAEL
ENLIGHT ESHKOL HAVAZELET L.P	ISRAEL
HILA-ENLIGHT, LIMITED PARTNERSHIP	ISRAEL
TLAMIM- ENLIGHT RENEWABLE ENERGY LIMITED PARTNERSHIP	ISRAEL
PEROT HAGOLAN – ENLIGHT LP	ISRAEL

ESHKOL GEFEN-BARBUR-ENLIGHT,LIMITED PARTNERSHIP	ISRAEL
NETIC ENERGIES - ALTERNATIVE ELECTRICAL ENERGIES LTD	ISRAEL
ENLIGHT - SHIRA HOLDINGS LTD	ISRAEL
ENILGHT ASSETS LTD	ISRAEL
NURIT- ENLIGTH LIMITED PARTNERSHIP	ISRAEL
RUAH HARDUF- ENLIGHT LIMITED PARNERSHIP	ISRAEL
TLAMIM ENLIGHT LTD	ISRAEL
ENLIGHT - BEIT RIMON MANAGEMENT LTD	ISRAEL
ISRAELI WIND ENERGY A.R. LTD	ISRAEL
ENLIGHT BEIT SHIKMA LIMITED PARTNERSHIP	ISRAEL
ENLIGHT ENERGY (M.F.N) LIMITED PARTNERSHIP	ISRAEL
ENLIGHT KRAMIM MANAGEMENT LTD	ISRAEL
ENLIGHT RAVIVIM LTD	ISRAEL
RUAH SHIKMA - ENLIGHT LIMITED PARTNERSHIP	ISRAEL
ENLIGHT - AVEERAM ENTERPRISE, LIMITED PARTNERSHIP	ISRAEL
KARMEY HARUAH, LIMITED PARTNERSHIP	ISRAEL
RUACH BERESHEET LIMITED PARTNERSHIP	ISRAEL
ENLIGHT LILACH, LIMITED PARTNERSHIP	ISRAEL
CORE CAPITAL MANAGEMENT LTD	ISRAEL
ENLIGHT FRUITS OF THE SUN LIMITED PARTNERSHIP	ISRAEL
ENLIGHT ENTERPRISE LIMITED PARTNERSHIP	ISRAEL
ENLIGHT EIN HABESOR MANAGEMENT LTD	ISRAEL
ENLIGHT EIN HABESOR LP	ISRAEL
ENLIGHT MACCABI MANAGEMENT	ISRAEL
ENLIGHT MACCABI LIMITED PARTNERSHIP	ISRAEL
ENLIGHT-FINANCE LIMITED PARTNERSHIP	ISRAEL
ENLIGHT SDE NITZAN MANAGEMENT LTD	ISRAEL
ENLIGHT SDE NITZAN LP	ISRAEL
ENLIGHT REVIVIM RENEWABLE ENERGY LIMITED PARTNERSHIP	ISRAEL
ENLIGHT REVIVIM MANAGEMENT LTD	ISRAEL
ENLIGHT MACCABI 2 LIMITED PARTNERSHIP	ISRAEL
ENLIGHT REVIVIM EIN GEDI MANAGEMENT LTD	ISRAEL
E.N. NIR AKIVA MANAGEMENT LTD	ISRAEL
BANANOT HAHOF ENLIGHT MANAGEMENT LTD	ISRAEL
BANANOT HAHOF ENLIGHT LIMITED PARTNERSHIP	ISRAEL
ENLIGHT REVIVIM EIN GEDI LIMITED PARTNERSHIP	ISRAEL
E.N. MAHANAYIM MANAGEMENT LTD	ISRAEL
E.N. MAHANAYIM LIMITED PARTNERSHIP	ISRAEL
ENLIGHT REIM MANAGEMENT LTD.	ISRAEL
ENLIGHT REIM RENEWABLE ENERGY LP	ISRAEL
ENLIGHT LAVI MANAGEMENT LTD.	ISRAEL
ENLIGHT LAVI LP	ISRAEL
MEY GOLAN - ENLIGHT FLOATING ENERGY 2 MANAGEMENT LTD.	ISRAEL
MEY GOLAN - ENLIGHT FLOATING ENERGY 2 LIMITED PARTNERSHIP	ISRAEL
MEY GOLAN - ENLIGHT INITIATION, LIMITED PARTNERSHIP	ISRAEL
YES-ENLIGHT GENERAL PARTNER LTD	ISRAEL
MIDENLIGHT TENDERS LIMITED PARTNERSHIP	ISRAEL
MIDENLIGHT TENDERS MANAGEMENT LTD	ISRAEL
YES-ENLIGHT HOLDINGS, LIMITED PARTNERSHIP	ISRAEL

MEY GOLAN ENLIGHT FLOATING ENERGY 3 MANAGEMENT LTD	ISRAEL
MEY GOLAN - ENLIGHT FLOATING ENERGY 4 MANAGEMENT LTD	ISRAEL
MEY GOLAN - ENLIGHT FLOATING ENERGY 5 MANAGEMENT LTD	ISRAEL
MEY GOLAN - ENLIGHT FLOATING ENERGY 3 (DVASH) LIMITED PARTNERSHIP	ISRAEL
MEY GOLAN - ENLIGHT FLOATING ENERGY 4 (SHAABANIYA) LIMITED PARTNERSHIP	ISRAEL
MEY GOLAN - ENLIGHT FLOATING ENERGY 5 (QUNAITRA) LIMITED PARTNERSHIP	ISRAEL
ENLIGHT-NEWMED CENTRAL CORPORATION, LIMITED PARTNERSHIP	ISRAEL
ENLIGHT LOCAL LTD	ISRAEL
ENLIGHT - NIR AKIVA LIMITED PARTNERSHIP	ISRAEL
ENLIGHT SUNLIGHT - GOLAN FRUITS STORAGE LTD	ISRAEL
ENLIGHT SUNLIGHT - PEROT GOLAN RENEWABLE ENERGY, LIMITED PARTNERSHIP	ISRAEL
MEY GOLAN - ENLIGHT FLOATING ENERGY 6 (HAMRA) MANAGEMENT LTD	ISRAEL
MEY GOLAN - ENLIGHT FLOATING ENERGY 6 (HAMRA), LIMITED PARTNERSHIP	ISRAEL
RDP S.R.L	ITALY
EVO S.R.L	ITALY
BST S.R.L	ITALY
ANT S.R.L	ITALY
GENZANO SOLAR ENERGY S.R.L.	ITALY
GRAVINA 2 SAN FELICE SOLAR ENERGY S.R.L.	ITALY
MONTEMILONE SOLAR ENERGY S.R.L.	ITALY
STEL RENEWABLE ENERGIES S.R.L	ITALY
GSA GREEN S.R.L	ITALY
GIRAFFE CE 18 S.R.L	ITALY
GIRAFFE CE 15 S.R.L	ITALY
GREEN BESS SRL	ITALY
NARDÒ SOLAR ENERGY S.R.L.	ITALY
NARDO STORAGE 1 S.R.L.	ITALY
NARDO STORAGE 2 S.R.L.	ITALY
BERDEA GREEN S.R.L.	ITALY
HAIZEA GREEN S.R.L.	ITALY
ARGIA GREEN S.R.L.	ITALY
EDURNE GREEN S.R.L.	ITALY
ZERUA GREEN S.R.L.	ITALY
SOWI KOSOVO L.L.C	KOSOVO
BALKAN ENERGIES SERBIA 1 B.V.	NETHERLANDS
BALKAN ENERGIES SERBIA 2 B.V. (NETHERLANDS)	NETHERLANDS
BALKAN ENERGIES CO-OPERATION U.A	NETHERLANDS
BALKAN ENERGIES CROATIA 1 B.V. (NETHERLANDS)	NETHERLANDS
EW-K-WIND D.O.O BELGRADE	SERBIA
ENLIGHT K2-WIND D.O.O. BEOGRAD-NOVI BEOGRAD	SERBIA
WIND PARK CREPAJA D.O.O. BEOGARD	SERBIA
GENERACION EOLICA CASTILLA LA MANCHA S.L.	SPAIN
GENERACION EÓLICA CASTILLA LA MANCHA – IBERIAN ENERGY SPAIN, S.L	SPAIN
HARO SOLAR 1, S.L.	SPAIN

ENLIGHT ENERGIA RENOVABLE ESPANA S.L.	SPAIN
HARO SOLAR 3, S.L.	SPAIN
PERAL SOLAR 1, S.L.	SPAIN
MW EOLICO, S.L.	SPAIN
MINGLANILLA RENOVABLES 400 KV, A.I.E	SPAIN
ENLIGHT VALPARAISO SOLAR, SOCIEDAD LIMITADA	SPAIN
EXTREMA SOLAR, SOCIEDAD LIMITADA	SPAIN
ENLIGHT LEON SOLAR, SOCIEDAD LIMITADA	SPAIN
MINGALANILLA	SPAIN
VINDPARK MALARBERGET I NORBERG AB (PICASSO)	SWEDEN
PRIME GREEN ENERGY INFRASTRUCTURE FUND S.A., SICAV-RAIF	SWEDEN
BJÖRNBERGET VINDKRAFT AB	SWEDEN
ENLIGHT-NEWMED DEVELOPMENT (UK) LTD	UK
ENLIGHT RENEWABLE ENERGY LLC	USA
ADMIRAL LAND LLC	USA
ADMIRAL SOLAR LLC	USA
APEX SOLAR LLC	USA
ATRISCO BESS SF LLC	USA
ATRISCO CLASS B HOLDCO LLC	USA
ATRISCO CLASS B HOLDCO PARENT LLC	USA
ATRISCO ENERGY STORAGE BOND HOLDER LLC	USA
ATRISCO ENERGY STORAGE LLC	USA
ATRISCO SOLAR BOND HOLDER LLC	USA
ATRISCO SOLAR CLASS B MEMBER LLC	USA
ATRISCO SOLAR II LLC	USA
ATRISCO SOLAR LLC	USA
ATRISCO SOLAR SF LLC	USA
ATRISCO STORAGE CLASS B MEMBER LLC	USA
ATRISCO STORAGE TE HOLDCO LLC	USA
BEAR ISLAND BATTERY STORAGE LLC	USA
BEAR ISLAND SOLAR LLC	USA
BEAVER DAM SOLAR LLC	USA
BENNETT SOLAR B LLC	USA
BLACKWATER SOLAR LLC	USA
BOON SOLAR LLC	USA
BUCKLEY SOLAR LLC	USA
CEDAR ISLAND SOLAR LLC	USA
CLENERA BATTERY HOLDCO LLC	USA
CLENERA DEVCO, LLC	USA
CLENERA HOLDINGS, LLC	USA
CLENERA LANDCO, LLC	USA
CLENERA OPERATINGCO LLC	USA
CLENERA-APEX LAND LLC	USA
CLENERA, LLC	USA
CO BAR SOLAR A LLC	USA
CO BAR SOLAR B LLC	USA
CO BAR SOLAR C LLC	USA
CO BAR SOLAR D LLC	USA
CO BAR SOLAR E LLC	USA

CO BAR SOLAR F LLC	USA
CO BAR SOLAR G LLC	USA
CO BAR SOLAR H LLC	USA
CO BAR SOLAR I LLC	USA
CO BAR SOLAR J LLC	USA
CO BAR SOLAR K LLC	USA
CO BAR SOLAR LLC	USA
COGGON SOLAR LLC	USA
COUNTRY ACRES CLASS B HOLDCO LLC	USA
COUNTRY ACRES CLASS B MEMBER LLC	USA
COUNTRY ACRES CLEAN POWER LLC	USA
COUNTRY ACRES TE HOLDCO LLC	USA
CRE-ADMIRAL VIRGINIA LLC	USA
CRE-APEX MONTANA LLC	USA
CRE-ATRISCO ESS NEW MEXICO LLC	USA
CRE-ATRISCO II NEW MEXICO LLC	USA
CRE-ATRISCO NEW MEXICO LLC	USA
CRE-BEAR ISLAND ESS VIRGINIA LLC	USA
CRE-BEAR ISLAND VIRGINIA LLC	USA
CRE-BEAVER DAM KENTUCKY LLC	USA
CRE-BENNETT B IDAHO LLC	USA
CRE-BLACKWATER VIRGINIA LLC	USA
CRE-BOON INDIANA LLC	USA
CRE-CEDAR ISLAND OREGON LLC	USA
CRE-CO BAR A ARIZONA LLC	USA
CRE-CO BAR ARIZONA LLC	USA
CRE-CO BAR B ARIZONA LLC	USA
CRE-CO BAR C ARIZONA LLC	USA
CRE-CO BAR D ARIZONA LLC	USA
CRE-CO BAR E ARIZONA LLC	USA
CRE-CO BAR F ARIZONA LLC	USA
CRE-CO BAR G ARIZONA LLC	USA
CRE-CO BAR H ARIZONA LLC	USA
CRE-CO BAR I ARIZONA LLC	USA
CRE-CO BAR J ARIZONA LLC	USA
CRE-CO BAR K ARIZONA LLC	USA
CRE-COGGON IOWA LLC	USA
CRE-COUNTRY ACRES CALIFORNIA LLC	USA
CRE-CRIMSON ORCHARD ESS IDAHO LLC	USA
CRE-CRIMSON ORCHARD IDAHO LLC	USA
CRE-FARADAY A UTAH LLC	USA
CRE-FOUNTAIN SPRINGS COLORADO LLC	USA
CRE-GEMSTONE MICHIGAN LLC	USA
CRE-HEADWATERS MONTANA LLC	USA
CRE-HORIZON ESS COLORADO LLC	USA
CRE-HORSEPEN BRANCH VIRGINIA LLC	USA
CRE-HORSESHOE BEND TEXAS LLC	USA
CRE-JAVELINA ARIZONA LLC	USA
CRE-JAVELINA ESS ARIZONA LLC	USA

CRE-LOLO IDAHO LLC	USA
CRE-LONE BUTTE ARIZONA LLC	USA
CRE-OCOTILLO ARIZONA LLC	USA
CRE-PACHUTA A MISSISSIPPI LLC	USA
CRE-QUAIL RANCH ESS NEW MEXICO LLC	USA
CRE-QUAIL RANCH NEW MEXICO LLC	USA
CRE-REEDY CREEK VIRGINIA LLC	USA
CRE-ROADRUNNER ARIZONA LLC	USA
CRE-ROADRUNNER ESS ARIZONA LLC	USA
CRE-RUSTIC HILLS II INDIANA LLC	USA
CRE-RUSTIC HILLS INDIANA LLC	USA
CRE-SNOWFLAKE A ARIZONA LLC	USA
CRE-SNOWFLAKE ARIZONA LLC	USA
CRE-SNOWFLAKE B ARIZONA LLC	USA
CRE-SNOWFLAKE C ARIZONA LLC	USA
CRE-SNOWFLAKE D ARIZONA LLC	USA
CRE-SNOWFLAKE E ARIZONA LLC	USA
CRE-SNOWFLAKE ECHO ARIZONA LLC	USA
CRE-SNOWFLAKE F ARIZONA LLC	USA
CRE-SNOWFLAKE G ARIZONA LLC	USA
CRE-SNOWFLAKE H ARIZONA LLC	USA
CRE-SNOWFLAKE I ARIZONA LLC	USA
CRE-SNOWFLAKE J ARIZONA LLC	USA
CRE-SNOWFLAKE K ARIZONA LLC	USA
CRE-SNOWFLAKE L ARIZONA LLC	USA
CRE-SOUTH BENNETT IDAHO LLC	USA
CRE-SUN DAGGER NEW MEXICO LLC	USA
CRE-SWEET MELON A COLORADO LLC	USA
CRE-SWIFT CREEK NORTH CAROLINA LLC	USA
CRE-THUNDERING SPRINGS GEORGIA LLC	USA
CRE-UPLAND DILLON ARGENTA MONTANA LLC	USA
CRE-WILLIS RIVER VIRGINIA LLC	USA
CRIMSON ORCHARD ENERGY STORAGE LLC	USA
CRIMSON ORCHARD SOLAR LLC	USA
FOUNTAIN SPRINGS SOLAR LLC	USA
GEMSTONE SOLAR LLC	USA
HEADWATERS SOLAR LLC	USA
HORIZON BESS LLC	USA
HORSEPEN BRANCH SOLAR LLC	USA
HORSESHOE BEND SOLAR LLC	USA
JAVELINA BATTERY STORAGE LLC	USA
JAVELINA SOLAR LLC	USA
LOLO SOLAR LLC	USA
LONE BUTTE SOLAR LLC	USA
OCOTILLO SOLAR LLC	USA
QUAIL RANCH BESS SF LLC	USA
QUAIL RANCH CLASS B HOLDCO LLC	USA
QUAIL RANCH CLASS B MEMBER LLC	USA
QUAIL RANCH ENERGY STORAGE BOND HOLDER LLC	USA

QUAIL RANCH ENERGY STORAGE LLC	USA
QUAIL RANCH SOLAR BOND HOLDER LLC	USA
QUAIL RANCH SOLAR LLC	USA
QUAIL RANCH SOLAR SF LLC	USA
QUAIL RANCH TE HOLDCO LLC	USA
REEDY CREEK SOLAR LLC	USA
ROADRUNNER BATTERY STORAGE LLC	USA
ROADRUNNER BESS SF LLC	USA
ROADRUNNER CLASS B HOLDCO LLC	USA
ROADRUNNER CLASS B HOLDCO PARENT LLC	USA
ROADRUNNER SOLAR CLASS B MEMBER LLC	USA
ROADRUNNER SOLAR LLC	USA
ROADRUNNER SOLAR SF LLC	USA
ROADRUNNER SOLAR TE HOLDCO LLC	USA
ROADRUNNER STORAGE CLASS B MEMBER LLC	USA
ROADRUNNER STORAGE TE HOLDCO LLC	USA
RUSTIC HILLS SOLAR II LLC	USA
RUSTIC HILLS SOLAR LLC	USA
SNOWFLAKE SOLAR A LLC	USA
SNOWFLAKE SOLAR B LLC	USA
SNOWFLAKE SOLAR C LLC	USA
SNOWFLAKE SOLAR D LLC	USA
SNOWFLAKE SOLAR E LLC	USA
SNOWFLAKE SOLAR ECHO LLC	USA
SNOWFLAKE SOLAR F LLC	USA
SNOWFLAKE SOLAR G LLC	USA
SNOWFLAKE SOLAR H LLC	USA
SNOWFLAKE SOLAR I LLC	USA
SNOWFLAKE SOLAR J LLC	USA
SNOWFLAKE SOLAR K LLC	USA
SNOWFLAKE SOLAR L LLC	USA
SNOWFLAKE SOLAR LLC	USA
SOUTH BENNETT SOLAR LLC	USA
SWEET MELON SOLAR A LLC	USA
SWIFT CREEK SOLAR LLC	USA
THUNDERING SPRINGS SOLAR LLC	USA
UPLAND DILLON ARGENTA SOLAR LLC	USA
WILLIS RIVER SOLAR LLC	USA

* Informal English translation from Hebrew.

Exhibit 11.1

Insider Trading Compliance Policy and Procedures

As a dual-listed company with ordinary shares traded in the U.S. and Israel, the Company (as defined below) is subject to both U.S. Federal and state laws and Israeli Securities Law-1968 and regulations promulgated thereunder. These laws and regulations prohibit trading in the securities of a company while in possession of material nonpublic information and in breach of a duty of trust or confidence. These laws also prohibit anyone who is aware of material nonpublic information from providing this information to others who may trade. Violating such laws can undermine investor trust, harm the reputation and integrity of Enlight Renewable Energy Ltd. (together with its subsidiaries, the "**Company**"), and result in dismissal from the Company or even serious criminal, administrative and civil charges against the individual and the Company. The Company reserves the right to take whatever disciplinary or other measure(s) it determines in its sole discretion to be appropriate in any particular situation, including disclosure of wrongdoing to governmental authorities.

Persons Covered and Administration of Policy

This Insider Trading Compliance Policy and Procedures (this "**Policy**") applies to all officers[1], members of the board, employees and service providers of the Company. Individuals subject to this Policy are responsible for ensuring that all family members (spouse/partner, sibling, parent, child or descendant of the spouse/partner or spouse/partner of any of these) or other members of their household comply with this Policy. This Policy also applies to any entities controlled by individuals subject to the Policy, including any corporations, limited liability companies, partnerships or trusts, and transactions by these entities should be treated for the purposes of this Policy as if they were for the individual's own account. The Company may determine that this Policy applies to additional persons with access to material nonpublic information. Officers, members of the board, employees and service providers, together with any other person designated as being subject to this Policy by the Compliance Officer or his or her designee (the "**Compliance Officer**"), are referred to collectively as "**Covered Persons**."

Questions regarding the Policy should be directed to the Compliance Officer, who is responsible for the administration of this Policy.

[1] For purposes of this Policy, "***officer***" has the meaning of the term in Rule 16a-1(f) under Exchange Act of 1934, as amended, which means the Company's president, principal financial officer, principal accounting officer (or, if there is no such accounting officer, the controller), any vice-president of the Company in charge of a principal business unit, division or function (such as sales, administration or finance), any other officer who performs a policy-making function, or any other person who performs similar policy-making functions for the Company.

Policy Statement

No Covered Person shall purchase or sell any type of security while in possession of material nonpublic information relating to the security or the issuer of such security in breach of a duty of trust or confidence, whether the issuer of such security is the Company or any other company. In addition, if a Covered Person is in possession of material nonpublic information about other publicly-traded companies, such as suppliers, customers, competitors or potential acquisition targets, the Covered Person may not trade in such other companies' securities until the information becomes public or is no longer material. Further, no Covered Person shall purchase or sell any security of any other company, including another company in the Company's industry, while in possession of material nonpublic information if such information is obtained in the course of the Covered Person's employment or service with the Company.

In addition, Covered Persons shall not directly or indirectly communicate material nonpublic information to anyone outside the Company (except in accordance with the Company's policies regarding confidential information) or to anyone within the Company other than on a "need-to-know" basis.

The sale of securities by a "Critical Insider"[2] in the Company within three months from the date such person purchased such securities, or the purchase of securities by such person within three months from the date such person sold them, is considered in Israel as prima facie evidence that insider information was utilized in the transactions. Therefore, a Critical Insider who purchased or sold Company securities is not permitted to sell or purchase securities as applicable (either those securities such insider sold or bought, or other Company securities) for at least three months from the date of the original purchase or sale.

A Covered Person shall not hold Company securities in a portfolio managed by a portfolio manager with discretionary authority over such portfolio. As elsewhere, the responsibility for complying with the restrictions under this Policy is borne by each Covered Person.

"Securities" includes shares, bonds, notes, debentures, derivatives, options, warrants, equity and other convertible securities, as well as derivative instruments.

"Purchase" and "sale" are defined broadly under the federal securities law. "Purchase" includes not only the actual purchase of a security, but also any contract to purchase or otherwise acquire a security. "Sale" includes not only the actual sale of a security, but also any contract to sell or otherwise dispose of a security. These definitions extend to a broad range of transactions, including conventional cash-for-shares transactions, conversions, the exercise of share options, transfers, gifts, and acquisitions and exercises of warrants or puts, calls, pledging and margin loans, or other derivative securities, in each case whether the person doing such transaction is acting for his or her own benefit or for the benefit of another, even if such person is acting through an agent or trustee.

[2] For purposes of this policy, "**Critical Insider**" is defined as (i) a director, general manager, deputy general manager, accountant and internal auditor and any person holding such position even if their job title is different, as well as any person who is a major shareholder pf the Company (including a shareholder who owns more than 5% of the Company); (ii) a family member of one of the persons listed in section (i) above; (iii) a corporation under the control of one of the persons listed in sections (i) or (ii) above.

This Policy does not apply to the vesting of restricted stock, or the exercise of a tax withholding right under which a person elects to have the Company withhold shares of stock to satisfy tax withholding requirements on the vesting of any restricted stock. This Policy does apply, however, to any market sale of restricted stock.

The laws and regulations concerning insider trading are complex, and Covered Persons are encouraged to seek guidance from the Compliance Officer prior to considering a transaction in Company securities.

Blackout Periods

No board member, officer or employee (as well as any individual or entity covered by this Policy by virtue of their relationship to such board member, officer or employee) shall purchase or sell any security of the Company during a blackout period or during any other trading suspension declared by the Company.

Regarding a board member, an officer and any employee listed on Schedule I, as amended from time to time, (as well as any individual or entity covered by this Policy by virtue of their relationship to such board member, officer or employee), the blackout period shall commence on the 15th calendar day of the last month of any fiscal quarter of the Company.

Regarding an employee, who is not listed on Schedule I, as amended from time to time, (as well as any individual or entity covered by this Policy by virtue of their relationship to such an employee), the blackout period shall commence 30 or 40 calendar days prior to the public announcement of the Earnings Release for the 1-3 fiscal quarters or 4 fiscal quarter, respectively, preceding said release.

The blackout period shall terminate following the completion of the second full trading day after the public announcement of the Earnings Release for such fiscal quarter at the end of any other trading halt period declared by the company.

A “trading day” is a day on which U.S. national stock exchanges and the Tel Aviv Stock Exchange, as applicable, are open for trading. If, for example, the Company were to make an announcement on Monday *prior* to 9:30 a.m. Eastern Time, then the blackout period would terminate *after* the close of trading on Tuesday. If an announcement was made on Monday after 9:30 a.m. Eastern Time, then the blackout period would terminate after the close of trading on Wednesday. If you have any question as to whether information is publicly available, please direct an inquiry to the Compliance Officer.

If the Company's chief financial officer believes that material financial information is present that justifies advancing the start date of the quarterly blackout period, the chief financial officer may determine to advance the start date of the blackout period. In such case, the Compliance Officer will inform all board members, officers and employees of the revised start date of the blackout period.

A Covered Person who holds options to purchase ordinary shares that expire during a blackout period and wishes to exercise them during the blackout period shall apply in writing to the Company's general counsel, providing all necessary details for the matter to be considered. The general counsel will examine the request and determine whether the options can be exercised and under what conditions. Such Covered Person shall not make a transaction in Company securities before receiving written approval from the General Counsel.

The prohibitions on trading during a blackout period do not apply to:

- *bona fide* gifts of the Company's securities, unless the individual making the gift knows, or is reckless in not knowing, the recipient intends to sell the securities while the donor is in possession of material nonpublic information about the Company; or

- purchases or sales of the Company's securities made pursuant to a plan adopted to comply with the Exchange Act Rule 10b5-1 ("Rule 10b5-1").

Exceptions to the blackout period policy, including to the individuals subject to blackout periods, may be approved by the Compliance Officer or - in the case of exceptions for board members - by the Board of Directors.

In addition to quarterly blackout periods, the Compliance Officer may recommend that board members, officers, employees, service providers or others suspend trading in Company securities during other times because of developments that have not yet been disclosed to the public. The Compliance Officer will inform relevant persons, of the start and end dates of such blackout periods. Subject to the exceptions noted above, all of those individuals affected should not trade in the Company's securities while the suspension is in effect, and should not disclose to others that the Company has suspended trading.

Preclearance of Trades by Members of the Board, Officers and Employees

All transactions in the Company's securities by members of the board, officers, and employees listed on Schedule II (each, a "Preclearance Person") must be precleared by the Compliance Officer, or the Chief Financial Officer for transactions by the Compliance Officer. Preclearance should not be understood to represent legal advice by the company that a proposed transaction complies with the law.

A request for preclearance must be in writing, should be made at least two business days in advance of the proposed transaction, and should include the identity of the Preclearance Person, a description of the proposed transaction, the proposed date of the transaction, and the number of shares or other securities involved. In addition, the Preclearance Person must execute a certification that he or she is not aware of material nonpublic information about the Company. The Compliance Officer, or the Chief Financial Officer for transactions by the Compliance Officer, shall have sole discretion to decide whether to clear any contemplated transaction. All trades that are precleared must be effected within five business days of receipt of the preclearance. A precleared trade (or any portion of a precleared trade) that has not been effected during the five business day period must be submitted for preclearance determination again prior to execution. Notwithstanding receipt of preclearance, if the Preclearance Person becomes aware of material nonpublic information, or becomes subject to a blackout period before the transaction is effected, the transaction may not be completed. Transactions under a previously established Rule 10b5-1 Trading Plan that has been preapproved in accordance with this Policy are not subject to further preclearance.

None of the Company, the Compliance Officer, or the Company's other employees will have any liability for any delay in reviewing, or refusal of, a request for preclearance.

Material Nonpublic Information

Information is considered "material" if there is a substantial likelihood that a reasonable investor would consider it important in making a decision to buy, sell, or hold a security, or if the information is likely to have a significant effect on the market price of the security. Material information can be positive or negative, and can relate to virtually any aspect of a company's business or to any type of security, debt, or equity. Also, information that something is likely to happen in the future—or even just that it may happen—could be deemed material.

Examples of material information may include (but are not limited to) information about:

- corporate earnings or earnings forecasts;
- possible mergers, acquisitions, tender offers, or dispositions;
- major new product or project developments;
- important business developments, such as developments regarding strategic collaborations;
- management or control changes;
- significant financing developments including pending public sales or offerings of debt or equity securities;
- defaults on borrowings;
- bankruptcies;
- cybersecurity or data security incidents; and
- significant litigation or regulatory actions.

Information is "nonpublic" if it is not available to the general public. In order for information to be considered "public," it must be widely disseminated in a manner that makes it generally available to investors in a Regulation FD-compliant method, such as through a press release, a filing with the U.S. Securities and Exchange Commission (the "SEC") or a Regulation FD-compliant conference call. The Compliance Officer shall have sole discretion to decide whether information is public for purposes of this Policy.

The circulation of rumors, even if accurate and reported in the media, does not constitute public dissemination. In addition, even after a public announcement, a reasonable period of time may need to lapse in order for the market to react to the information. Generally, the passage of two full trading days following release of the information to the public, is a reasonable waiting period before such information is deemed to be public.

Post-Termination Transactions

With the exception of the pre-clearance requirement, this Policy - including the restrictions related to the blackout periods – will continue to apply to transactions in the Company's securities for 3 months after termination of service to the Company (in the case of an employee - 3 months from the date of termination of the employer-employee relationship with the company).

If an individual is in possession of material non-public information at the time of termination of their services, that individual may not trade in the Company's securities until the later of the completion of the second full trading day after the public release of quarterly earnings data following such individual's termination of service with the Company or the time when that information has otherwise become public.

If an individual is exposed to material nonpublic information after termination of services to the Company in connection with the position such individual previously held in the Company, such individual may not trade in the Company's securities until that information has become public or is no longer material.

Prohibited Transactions

The Company has determined that there is a heightened legal risk and the appearance of improper or inappropriate conduct if persons subject to this Policy engage in certain types of transactions. Therefore, Covered Persons shall comply with the following policies with respect to certain transactions in the Company's securities.

Short Sales

Short sales of the Company's securities are prohibited by this Policy. Short sales of the Company's securities, or sales of shares that the insider does not own at the time of sale, or sales of shares against which the insider does not deliver the shares within 20 days after the sale, evidence an expectation on the part of the seller that the securities will decline in value, and, therefore, signal to the market that the seller has no confidence in the Company or its short-term prospects.

Options

Transactions in puts, calls, or other derivative securities involving the Company's equity securities, on an exchange, on an over-the-counter market, or in any other organized market, are prohibited by this Policy. A transaction in options is, in effect, a bet on the short-term movement of the Company's shares and, therefore, creates the appearance that a Covered Person is trading based on material nonpublic information. Transactions in options, whether traded on an exchange, on an over-the-counter market, or any other organized market, also may focus a Covered Person's attention on short-term performance at the expense of the Company's long-term objectives.

Hedging Transactions

Hedging transactions involving the Company's securities, such as prepaid variable forward contracts, equity swaps, collars and exchange funds, or other transactions that hedge or offset, or are designed to hedge or offset, any decrease in the market value of the Company's equity securities, are prohibited by this Policy. Such transactions allow the Covered Person to continue to own the covered securities, but without the full risks and rewards of ownership. When that occurs, the Covered Person may no longer have the same objectives as the Company's other shareholders.

Margin Accounts and Pledging

Individuals are prohibited from pledging Company securities as collateral for a loan, purchasing Company securities on margin (i.e., borrowing money to purchase the securities), or placing Company securities in a margin account. This prohibition does not apply to cashless exercises of share options under the Company's equity plans, nor to situations approved in advance by the Compliance Officer.

Partnership Distributions

Nothing in this Policy is intended to limit the ability of an investment fund, venture capital partnership or other similar entity with which a board member is affiliated to distribute Company securities to its partners, members, or other similar persons. It is the responsibility of each affected board member and the affiliated entity, in consultation with their own counsel (as appropriate), to determine the timing of any distributions, based on all relevant facts and circumstances, and applicable securities laws.

Rule 10b5-1 Trading Plans

The trading restrictions set forth in this Policy, other than those transactions described under "Prohibited Transactions," do not apply to transactions under a previously established contract, plan or instruction to trade in the Company's securities entered into in accordance with Rule 10b5-1 (a "Trading Plan") that:

- has been submitted to and preapproved by the Compliance Officer;
- includes a "Cooling Off Period" for
    - members of the board and officers that extends to the later of 90 days after adoption or modification of a Trading Plan or two business days after filing the Form 20-F covering the fiscal quarter in which the Trading Plan was adopted, up to a maximum of 120 days; and
    - employees and any other persons, other than the Company, that extends 30 days after adoption or modification of a Trading Plan;
- for members of the board and officers, includes a representation in the Trading Plan that such individual is (1) not aware of any material nonpublic information about the Company or its securities; and (2) adopting the Trading Plan in good faith and not as part of a plan or scheme to evade Rule 10b-5;
- has been entered into in good faith at a time when the individual was not in possession of material nonpublic information about the Company and not otherwise in a blackout period, and the person who entered into the Trading Plan has acted in good faith with respect to the Trading Plan;
- either (1) specifies the amounts, prices, and dates of all transactions under the Trading Plan; or (2) provides a written formula, algorithm, or computer program for determining the amount, price, and date of the transactions, and (3) prohibits the individual from exercising any subsequent influence over the transactions; and
- complies with all other applicable requirements of Rule 10b5-1.

The Compliance Officer may impose such other conditions on the implementation and operation of the Trading Plan as the Compliance Officer deems necessary or advisable. Individuals may not adopt more than one Trading Plan at a time except under the limited circumstances permitted by Rule 10b5-1 and subject to preapproval by the Compliance Officer.

An individual may only modify a Trading Plan outside of a blackout period and, in any event, when the individual does not possess material nonpublic information. Modifications to and terminations of a Trading Plan are subject to preapproval by the Compliance Officer and modifications of a Trading Plan that change the amount, price, or timing of the purchase or sale of the securities underlying a Trading Plan will trigger a new Cooling-Off Period.

The Company reserves the right to publicly disclose, announce, or respond to inquiries from the media regarding the adoption, modification, or termination of a Trading Plan and non-Rule 10b5-1 trading arrangements, or the execution of transactions made under a Trading Plan. The Company also reserves the right from time to time to suspend, discontinue, or otherwise prohibit transactions under a Trading Plan if the Compliance Officer or the Board of Directors, in its discretion, determines that such suspension, discontinuation, or other prohibition is in the best interests of the Company.

Compliance of a Trading Plan with the terms of Rule 10b5-1 and the execution of transactions pursuant to the Trading Plan are the sole responsibility of the person initiating the Trading Plan, and none of the Company, the Compliance Officer, or the Company's other employees assumes any liability for any delay in reviewing and/or refusing to approve a Trading Plan submitted for approval, nor the legality or consequences relating to a person entering into, informing the Company of, or trading under, a Trading Plan.

Interpretation, Amendment, and Implementation of this Policy

The Compliance Officer shall have the authority to interpret and update this Policy and all related policies and procedures. In particular, such interpretations and updates of this Policy, as authorized by the Compliance Officer, may include amendments to or departures from the terms of this Policy, to the extent consistent with the general purpose of this Policy and applicable securities laws.

Actions taken by the Company, the Compliance Officer, or any other Company personnel do not constitute legal advice, nor do they insulate you from the consequences of noncompliance with this Policy or with applicable securities laws.

Certification of Compliance

All members of the board, officers, employees and others subject to this Policy may be asked periodically to certify their compliance with the terms and provisions of this Policy.

Schedule I

Individuals Subject to Special Periods of Trading Blackouts

All of members of the board, officers, and employees who hold a position in the finance, investor relations (IR/PR) or company secretariat units.

Schedule II

Individuals Subject to Preclearance Requirement

All the directors and officers and employees to be subject to preclearance requirement

Exhibit 12.1

CERTIFICATION PURSUANT TO RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Gilad Yavetz, certify that:

1. I have reviewed this annual report on Form 20-F of Enlight Renewable Energy Ltd.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: March 27, 2025

By: /s/ Gilad Yavetz
Gilad Yavetz
Chief Executive Officer
(Principal Executive Officer)

Exhibit 12.2

CERTIFICATION PURSUANT TO RULES 13a-14(a) AND 15d-14(a) UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Nir Yehuda, certify that:

1. I have reviewed this annual report on Form 20-F of Enlight Renewable Energy Ltd.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the company as of, and for, the periods presented in this report;

4. The company's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the company and have:

(a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

(b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

(c) Evaluated the effectiveness of the company's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

(d) Disclosed in this report any change in the company's internal control over financial reporting that occurred during the period covered by the annual report that has materially affected, or is reasonably likely to materially affect, the company's internal control over financial reporting; and

5. The company's other certifying officer and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the company's auditors and the audit committee of the company's board of directors (or persons performing the equivalent functions):

(a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the company's ability to record, process, summarize and report financial information; and

(b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the company's internal control over financial reporting.

Date: March 27, 2025

By: /s/ Nir Yehuda
Nir Yehuda
Chief Financial Officer
(Principal Financial Officer)

Exhibit 13.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report on Form 20-F of Enlight Renewable Energy Ltd. (the "Company") for the year ended December 31, 2024 (the "Report"), I, Gilad Yavetz, Chief Executive Officer of the Company, do hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 27, 2025

By: /s/ Gilad Yavetz
Gilad Yavetz
Chief Executive Officer
(Principal Executive Officer)

A signed original of this written statement required by Section 906 has been provided to Enlight Renewable Energy Ltd. and will be retained by Enlight Renewable Energy Ltd. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 13.2

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with the Annual Report on Form 20-F of Enlight Renewable Energy Ltd. (the "Company") for the year ended December 31, 2024 (the "Report"), I, Nir Yehuda, Chief Financial Officer of the Company, do hereby certify pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

1. the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934, as amended; and

2. the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company.

Date: March 27, 2025

By: /s/ Nir Yehuda
Nir Yehuda
Chief Financial Officer
(Principal Financial Officer)

A signed original of this written statement required by Section 906 has been provided to Enlight Renewable Energy Ltd. and will be retained by Enlight Renewable Energy Ltd. and furnished to the Securities and Exchange Commission or its staff upon request.

Exhibit 15.1

Somekh Chaikin
17 Ha'arba'a Street, PO Box 609
KPMG Millennium Tower
Tel Aviv 6100601, Israel
+972 3 684 8000

Consent of Independent Registered Public Accounting Firm

We consent to the incorporation by reference in the registration statement (No. 333-271297) on Form S-8 of our report dated March 27, 2025, with respect to the consolidated financial statements of Enlight Renewable Energy Ltd. and the effectiveness of internal control over financial reporting.

/s/ Somekh Chaikin
Somekh Chaikin
Member Firm of KPMG International
Tel Aviv, Israel
March 27, 2025

KPMG Somekh Chaikin, an Israeli partnership and a member firm of the KPMG global organization of independent member firms affiliated with KPMG International Limited, a private English company limited by guarantee