

Mashk Energy – Renewable Energies Ltd. (the Company)

To:
Israel Securities Authority
www.magna.isa.gov.il

To:
Tel Aviv Stock Exchange Ltd.
maya.tase.co.il

10 November 2025

Re: Immediate Follow-up Report – Payment to Israel Land Authority – Dalia 2 Project

To whom it may concern,

Further to the provisions of section 12.4.3 in Appendix A to Chapter A of the Company's annual report for 2024, as published on 25 March 2025 (reference number: 2025-01-020377) (the 2024 annual report), regarding the preparations for the construction of a new H-Class generation unit at the Tzafit site (hereinafter: Dalia 2 Generation Unit), and regarding the uniform pricing decision set by the Israel Land Authority (the "Uniform Pricing Decision" and "ILA", respectively), as well as the Company's immediate report dated 4 June 2025 and the complementary report dated 23 June 2025 regarding the bridge loan (reference numbers: 2025-01-040005 and 2025-01-044461, respectively) (the "Bridge Loan"), according to Dalia's reports, the Company is pleased to inform that on 9 November 2025, Dalia Energies Expansion Ltd. (Dalia Expansion)¹ paid the required payment to the ILA in the amount of approximately NIS 270 million plus VAT as required by law, as capitalized usage fees for the use of the land (the "Payment to ILA")², out of the proceeds of the Bridge Loan, and in accordance with the provisions of the development agreement and the leasing conditions set by the ILA (the "ILA Agreement")³ for the construction of the Dalia 2 Generation Unit⁴. The lease period is 49 years, starting from the date of the transaction approval by the ILA, which is 23 October 2025.

According to the Uniform Pricing Decision and the provisions of the ILA Agreement, the payment to the ILA is calculated for a production license period of 24 years and 11 months, and an additional payment for the following period will apply after renewal of the production license for Dalia Expansion for an additional period.⁵

According to Dalia's report, the development agreement, which is part of the ILA Agreement, is valid until 23 October 2030, by which date Dalia Expansion must complete the construction of the Dalia 2 Generation Unit, after which the ILA commits to sign the lease agreement, subject to the fulfillment of the terms of the development agreement.

The ILA Agreement stipulates that the purpose of the allocation is for a power plant, that the payment to the ILA will be considered as an advance on the lease fees and that this amount will not be refunded even if the construction capacity for which it was paid is not actually built. In addition, various provisions as customary in development agreements and lease agreements with the ILA are included in the ILA Agreement.

The ILA Agreement is expected to be signed after the payment is received by the ILA.

According to Dalia's reports, as of this date, there is no certainty about achieving financial closing of the Dalia 2 Project and obtaining a tariff approval for this project, including obtaining the permits and licenses required for the Dalia 2 Project and signing the various agreements required to advance it (including, among others, the senior debt financing agreement and others), and the applicability of the agreements referenced in this report as a result, as well as Dalia's compliance with the terms of the development agreement.

With respect,

¹ A subsidiary wholly owned (100%) by Dalia.

² It should be noted that a purchase tax according to law will also apply to the ILA agreement.

³ The ILA agreement will be signed between Mevo Dalia Ltd. (Mevo Dalia) and the Israel Land Authority, and subleased to Dalia Expansion, similar to the lease agreement for the Dalia station as detailed in section 10.7.3 in Appendix A to Chapter A of the 2024 annual report. Mevo Dalia is a company owned by Dalia Energy Power Ltd. (74%) and Moshav Mevot Betar, an agricultural cooperative society Ltd. (26%).

⁴ The payment to the ILA was calculated per its demand, based on a capacity of 900 megawatts.

⁵ The additional payment for the period after the end of the said production license period will be made upon renewal of the production license for Dalia Expansion for an additional period, in accordance with and subject to the decision of the Electricity Authority and the ILA's approval regarding the existence of a connection to the land.

Mashk Energy – Renewable Energies Ltd.

With respect,

Signed by:
Avner Arad, CEO of the Company
Galit Bik, Chief Legal Officer and Head of the Company Staff