Meshek Energy- Renewable Energies Ltd.

("the Company")

April 3, 2026

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

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

Re: Immediate report regarding a non-material private placement

In accordance with the Securities Regulations (Periodic reports and Immediate Reports), 5730-1970 ("**Reports Regulations**") and the Securities Regulations (Private Placement of Securities in a Listed Company), 5760-2000 ("**Private Placement Regulations**"), the Company is honored to announce, as follows:

1. General

1.1 On July 14, 2020, the Company's Board of Directors approved the adoption of a warrants plan for employees, officers and service providers in the Company and its affiliates (hereinafter: the "**Group**" and the "**Warrants Plan**", respectively).

1.2 On March 31, 2026, the Remuneration Committee and the Company's Board of Directors approved an allocation of 119,432 warrants (that are not listed for trading) exercisable for up to 119,432 ordinary shares of the Company without par value ("**the Warrants**" and "**the Exercise Shares**"[1]) to an officer in the Company,[1] by way of a non-material private placement (as the term is defined in the Private Placement Regulations), as detailed in this report below.

1.3 To the best of the Company's knowledge, the offeree is not an interested party in the Company, as the meaning of the term in section 270(5) of the Companies Law, 5759-1999 and is not expected to become an interested party by virtue of her holdings after the completion of the private placement subject of this report.

1.4 The allocation of the warrants to the offeree complies with the provisions of the Company's compensation policy and warrants plan.[2]

2. Terms of the Offered Securities

2.1 **The quantity of warrants and the percentage share that the warrants proposed to be issued will constitute of the voting rights and of the issued and paid-up capital of the Company after the allocation as well as on a fully diluted basis**

2.1.1 According to the terms of the private placement, and subject to receiving the approval of the Tel Aviv Stock Exchange Ltd. ("**the TASE**"), the Company will allocate to the offeree for no consideration 119,432 warrants not listed for trading, which are exercisable, theoretically[3] for 119,432 ordinary shares without par value of the Company, subject to the adjustments detailed in sections 2.5 and 2.6 below.

[1] As of the date of publication of this report, the offeree has not yet started her employment in the Company. The offeree is destined to start her tenure (and employment) in the Company in April 2026, at which time employer-employee relations will exist between the offeree and the Company. Accordingly, the allocation of warrants will take effect at the start of her employment, and the warrants will be actually allocated to her upon her signing an allocation agreement shortly after the start of her employment in the Company.

[2] For the Company's updated compensation policy, see Appendix C to the report calling a special and annual general meeting of the Company from July 27, 2025 (Reference number: 2025-01-055659).

[3] The warrants will be exercisable in a "Net Exercise" method, and accordingly, the full shares resulting from them will not be actually allocated to the offeree who exercised the warrants, but only shares in a quantity reflecting the monetary benefit amount inherent in the warrants.

2.1.2 As of the date of this report, the shares resulting from the exercise of the warrants will constitute approximately 0.02% of the Company's issued and paid-up share capital and of the voting rights therein on a fully diluted basis.[4]

2.1.3 The allocation of the warrants to the offeree is made without consideration, as part of the offeree's employment terms, in accordance with the warrants plan and under Section 102 of the Income Tax Ordinance [New Version] in the capital gains track with a trustee.

2.1.4 The shares resulting from the exercise of the warrants allocated under this report will be registered for trade on the Stock Exchange in the name of the Nominee Company of the Tel Aviv Stock Exchange Ltd., and they shall be, as of their allocation date, equal in their rights for all intents and purposes to the existing ordinary shares in the Company's capital.

2.2 Exercise Period and Vesting Conditions of the Warrants

2.2.1 The warrants will be allocated to the offeree shortly after the commencement of her employment with the Company (in this Section 2.2 – the "**Grant Date**") subject to receiving the approval of the Stock Exchange as stated in Section 6 below. The warrants will vest in two equal annual installments, where half of the quantity of warrants will vest after two years from the Grant Date and the second half will vest after three years from the Grant Date (hereinafter: the "**End of the Vesting Period**").

2.2.2 The warrants shall be exercisable via a net exercise mechanism only (see Section 2.3 and footnote no. 4 below) in accordance with the formula set in the warrants plan, where for the purpose of calculating the benefit component in the net exercise mechanism, an exercise price of NIS 11.52 per warrant will be taken into account, provided that on the vesting date the offeree holds her position in the Company and subject to adjustments set in the warrants plan and as detailed in Section 2.3 below.

2.2.3 The vested warrants will be exercisable for 5 years from the end of the vesting period, or for a period of 6 months from the termination of employment as detailed in Section 2.4 below or in the event of a transaction as detailed in Section 2.5 below.

2.3 Exercise Price and Method of Exercise of the Warrants

2.3.1 The exercise price for each of the warrants to be allocated to the offeree under this report is NIS 11.52, reflecting the average share price during the 30 trading days preceding the Board of Directors' approval in accordance with the provisions of the Company's compensation policy.[5] The exercise price will be subject to adjustments as stated in Section 2.6 below.

2.3.2 The offeree shall be entitled to exercise the warrants, in whole or in part, at any time from their vesting date until their expiration date (subject to the provisions of Sections 2.5 and 2.6 below), by submitting an exercise notice to the Company. The exercise of the warrants will take place after the receipt of the exercise notice by the Company.

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[4] As of the date of this report, the Company's registered capital includes 2,000,000,000 ordinary shares of the Company without par value and the Company's issued and paid-up capital includes 728,821,055 ordinary shares without par value. Additionally, 115,315,000 unregistered rights to shares are recorded in the Company's capital, convertible into 115,315,000 ordinary shares of the Company ("**Unregistered Rights to Shares**"). It is clarified that the Company's dilution assumption does not take into account the

unregistered rights to shares which will be exercisable subject to the activation of the indemnity mechanism for damages caused as a result of a breach of representations set within the framework of the Mishkey Hakibbutzim transaction and the Sermite transaction. For further details regarding these rights, their exercise method and the activation of the indemnity mechanism, see Sections 1.10 and 2.4.2.2 of the Company's general meeting summons report dated February 28, 2022 (reference number 2022-01-020409) and Section 1.1.6 of the Company's general meeting summons report dated April 17, 2023 (reference number: 2023-01-075297). For further details regarding the status of the Company's capital and securities, see an immediate report dated January 15, 2025 (reference number: 2025-01-004272).

[5] It is clarified that the exercise price is not linked to the Consumer Price Index or any other index.

2.3.3 The warrants shall be exercisable via a "net exercise" mechanism, whereby the Offeree will be entitled to receive from the Company, for the exercise of the warrants, a quantity of ordinary shares of the Company reflecting the amount of the financial benefit inherent in the exercised warrants, while the exercise price will not be paid by the Offeree, but will serve solely for the purpose of calculating the benefit component.

2.3.4 After delivery of an exercise notice by the Offeree, a calculation shall be made of the difference between: (a) the closing price of the Company's share on the TASE on the trading day preceding the submission of the exercise notice, multiplied by the number of warrants that the Offeree requested to exercise; and (b) the exercise price of the warrants, multiplied by the number of warrants that the Offeree requested to exercise. This difference shall constitute the financial benefit amount inherent in the warrants arising to the Offeree at the time of exercise (**"Financial Benefit Amount"**).

2.3.5 The Company shall allot to the trustee on behalf of the Offeree a quantity of ordinary shares of the Company whose market value (in accordance with the closing price of the ordinary shares of the Company on the TASE on the trading day preceding the submission of the exercise notice) equals the financial benefit amount only. The Company will view the exercise shares allotted upon exercise of the warrants as fully paid-up shares. Any fraction of a share resulting from the aforementioned calculation shall be rounded down to the nearest whole share.

2.3.6 Notwithstanding the foregoing, in accordance with the provisions of the warrants plan, the warrants shall be exercisable only on days that are trading days on the TASE. In addition, according to the provisions of the TASE Regulations and guidelines, as they may be from time to time, the exercise of warrants will not be possible on the record date (as the term is defined in the TASE Regulations) for a dividend distribution, bonus shares distribution, rights offering, capital consolidation, capital split, or capital reduction (hereinafter each: a **"Company Event"**). Furthermore, if the ex-date of a Company Event occurs before the record date of a Company Event, exercise shall not take place on such ex-date. Exercise notices received on a day when the warrants cannot be exercised will be executed on the next trading day on which warrants can be exercised.

2.4 <u>Provisions to apply in the event of termination of tenure, employment, or engagement with respect to the Offeree</u>

2.4.1 Each warrant that has not yet vested shall expire immediately at the time when the Offeree ceases to be an employee, service provider, or officer in the Company (in this Section 2.4, the **"Termination Date"**). Warrants which, as of the Termination Date, have vested according to their vesting dates (including acceleration) shall be exercisable until the passage of six (6) months from the Termination Date.

2.4.2 <u>Termination of engagement due to dismissal with denial of severance pay</u> – Notwithstanding the provisions of subsection 2.4.1 above, in the case of termination of engagement with the Offeree due to dismissal, with lawful denial of severance pay (and if the Offeree is not an employee – termination of engagement under circumstances in which, had they been an employee, severance pay could have been lawfully denied), all unexercised warrants, including warrants that have vested as of the Termination Date, shall expire immediately without the possibility of exercise.

2.4.3 <u>Termination of employment due to death or disability</u> – Notwithstanding the provisions of subsection 2.4.1 above, in the event that the Termination Date is as a result of the death or disability of the Offeree, all warrants that have not yet vested and whose vesting date is the vesting date closest to the Termination Date shall vest on the Termination Date, and the vested warrants shall be exercisable by the Offeree or by their heirs until the passage of five (5) years from the Termination Date, while the remaining warrants that have not yet vested, Will expire at the termination date. The transfer of warrants to any beneficiary will be subject to written notice to the company. All terms of each warrant, whether detailed in the allocation agreement and/or in any other document regarding that warrant, will bind the beneficiaries.

2.5 Adjustments in case of a transaction, delisting, and liquidation

Upon the occurrence of any of the events mentioned below, the rights of the offeree to exercise the warrants into ordinary shares of the company shall be subject to the adjustments detailed below:

2.5.1 Transaction

2.5.1.1 In the case of a transaction[6] involving the delisting of the company's shares from trading on the stock exchange, the vesting of all warrants allocated under the warrant plan shall be accelerated so that all warrants will be vested and exercisable at least fifteen (15) days prior to the completion date of the transaction. Warrants that are not exercised by the completion date of the transaction shall expire at the time of its completion.

2.5.1.2 Notwithstanding the above, and instead of the acceleration mechanism described in subsection 2.5.1.1 above, in the case of a transaction, the acquiring company shall be entitled to replace the warrants that are not vested with warrants for the purchase of shares of a public company in the group of the acquiring company, in accordance with the provisions of the warrant plan in this regard.

Warrants that are vested at the time of the transaction (whether under their vesting terms or as a result of the acceleration as stated in subsection 2.5.1.1 above), shall be canceled in exchange for the right to receive the consideration received by the shareholders of the company less the exercise price, based on a net exercise mechanism, such that the warrant holders will receive consideration equal to the number of shares resulting from the net exercise of the vested warrants, provided that the exercise price at the time of the transaction is lower than the value of one share within the framework of the transaction.

2.5.1.3 In the case of a transaction that does not involve the delisting of the company's shares from trading on the stock exchange, no change shall occur in the terms of the warrants, unless otherwise specified in the grant agreement.

2.5.2 Delisting

In the case of delisting that does not amount to a transaction (such as a case of a full tender offer), subject to any agreement signed by the offeree, the vesting of all warrants allocated under the warrant plan shall be accelerated so that all warrants will be vested and exercisable. Furthermore, all warrants shall be exercised using a net exercise mechanism into ordinary shares of the company before the delisting date, and said shares shall be purchased within the framework of the full tender offer.

2.5.3 Liquidation

In the case of liquidation or dissolution of the company, all warrants allocated under the warrant plan that have not yet vested by the time of such liquidation or dissolution shall expire.

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[6] For the purposes of Section 2.5.1, "Transaction" - any of the following events, unless they amount to a structural change or a split transaction: (1) Sale, or transfer in any other way, of all or most of the company's assets, or the bulk of its assets, to a third party; (2)

Sale or transfer of company shares to a third party, only if it results in a change of control in the company, whether in a single transaction or a series of related transactions; (3) A merger process or similar transaction with or into another company (or other companies) that results in a change of control in the company. "Control" - as defined in the Securities Law, 5728-1968, and including joint control, unless stated otherwise.

2.6 Additional Adjustments

2.6.1 **Change in Capital** – In any case of a change in the issued share capital of the Company by way of a share split, consolidation, distribution or exchange of shares, change in the structure of the Company's capital or any similar event by or of the Company, then the number and type of shares resulting from the exercise of the warrants allocated under the warrants plan, shall be adjusted proportionately in order to maintain proportionally the number of shares to which each offeree is entitled under each warrant, and the total exercise price for all the exercise shares shall not change (but shall be adjusted proportionately for each share under the warrants).

2.6.2 **Distribution of Bonus Shares** – Should the Company distribute bonus shares to the holders of the Company's ordinary shares, the rights of each offeree shall be preserved as follows: immediately after the record date for the distribution of the bonus shares (in this section: the **"Record Date"**), the number of shares resulting from the exercise of the warrants to which such offeree is entitled shall increase, by adding the number and type of shares the offeree would have been entitled to, as bonus shares, had they exercised the warrants not yet exercised (whether vested or not) immediately prior to the ex-day. In such a case, the total exercise price for all the exercise shares shall not change (but shall be adjusted proportionately for each share resulting from the warrants). The actual receipt of the shares shall be subject to the exercise of the relevant warrant.

2.6.3 **Adjustment due to Dividend Distribution** – In any case of a cash dividend payment, during the period between the date of allocation of the warrants and the date of exercise, the exercise price of each warrant shall be reduced by the full amount of the actual dividend distributed per share, provided that the exercise price shall not be less than zero, all subject to the provisions of the TASE Regulations and guidelines thereunder, as they may be from time to time. It is clarified that the warrants plan does not include an adjustment due to a dividend in kind.

2.6.4 **Rights Offering** – In the case of a rights offering by the Company to shareholders, the exercise price of each warrant shall be reduced on the "ex-rights" day by an amount equal to the benefit component. For this purpose, **"benefit component"** means – the difference between the closing price of the share on the stock exchange on the last trading day before the "ex" day and the base price of the share "ex-rights".

2.6.5 **Adjustment due to Structural Change** – In the case of a structural change[7], the exercise shares shall be replaced or converted into (or, as applicable, in addition to them, the warrants shall also be subject to) shares of the Company or a successor company[8] in accordance with the exchange to be performed in connection with the Company's ordinary shares, and the exercise price and quantity of shares shall be adjusted in accordance with the terms of the structural change, in order to reflect those conditions (including holding rate, economic value, exercise price, conditions attached to the shares subject to the warrant, etc.) that apply regarding the warrants and the shares subject to them that were allocated under the warrants plan.

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[7] For this purpose, "structural change" – any change in the Company's share capital structure including a change of the country of incorporation, share exchange, flip reorganization, creation of a holding company which will hold all the Company's shares, or any other transaction in which the Company is involved, and in which shares of the Company that were allocated prior to this transaction will continue to represent, or will be converted or replaced by shares which represent, immediately after this transaction, at least a majority, by voting power, of the share capital of the absorbing, acquiring or resulting company, and in which there is no material change in the rights held by the Company's shareholders and in their holding rate between the time before this transaction and the time after it, and the one controlling it is the controlling shareholder of the Company prior to the date of completion of such structural change.

[8] For this purpose, "successor company" – any entity with which the Company merges or into which it merges, or to which main activities or main assets of the Company are transferred, or which acquires what constitutes substantially all the assets or ordinary shares of the Company, including any parent company of such entity.

2.6.6 **<u>Adjustment due to a spin-off transaction</u>** – In the event of a spin-off transaction[9], the offeree shall be entitled to receive shares or warrants in the new company that will be established following the spin-off transaction, in accordance with the shares that will be granted to the holders of the company's ordinary shares within the framework of the spin-off transaction, in order to reflect the same terms (including the holding rate, economic value, exercise price, terms attached to the shares underlying the warrant, etc.) that apply regarding the warrants and the shares underlying them that were allocated under the warrants plan, as if the shares underlying the warrant were exercised into shares on the eve of the spin-off transaction.

3. <u>The consideration for the offered securities and the way it was determined</u>

The allocation of the warrants to the offeree is made without consideration, as part of the terms of the offeree's transaction, in accordance with the warrants plan and according to Section 102 of the Income Tax Ordinance [New Version] in the capital gains track with a trustee.

4. <u>Agreements regarding rights in the company's securities</u>

To the best of the company's knowledge and after an examination conducted by the company with the offeree, as of the date of this report, there are no agreements, whether in writing or orally, between the offeree and holders of the company's securities or between the offeree, between itself, or between it and others, regarding the purchase or sale of the company's securities or regarding voting rights in the company.

5. <u>Preventions or restrictions on performing transactions in the offered securities</u>

5.1 The provisions of the warrants plan shall apply to the offeree, including the restrictions established therein as well as the lock-up according to the provisions of Section 102 of the Income Tax Ordinance.

5.2 Furthermore, according to the Securities Law and the Securities Regulations (Details regarding Sections 15A to 15C of the Law), 5758-2000, the following detailed restrictions shall apply to the sale during trading on the stock exchange of the exercise shares that will be allocated upon exercise of the warrants (in addition to the provisions regarding the vesting of the warrants as detailed above):

5.2.1 For a period of six (6) months from the date of allocation, a prohibition on offering the exercise shares during trading on the stock exchange ("the First Period").

5.2.2 During four consecutive quarters from the end of the First Period ("the Additional Periods"), the offeree shall be entitled to offer on each trading day a quantity of shares that does not exceed the daily average of the trading volume on the stock exchange in the company's shares in an eight-week period preceding the day of the offer, provided that they do not offer in one quarter a quantity of shares exceeding one percent of the company's issued and paid-up capital.

For this purpose, "issued and paid-up capital" – excluding shares that will result from the exercise or conversion of convertible securities that were allocated up to the day of the offer and have not yet been exercised or converted.

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[9] For this purpose, "spin-off transaction" – any transaction in which assets of the company (including subsidiaries of the company) are transferred or sold to a company or corporate entity in which the company's shareholders (or their ultimate controlling shareholders or entities controlled, directly or indirectly, by these controlling shareholders) hold more than 50% of the share capital, provided that

the controlling shareholder of the company prior to the date of the transfer or sale as stated is also the controlling shareholder of the company or the corporate entity to which the assets were transferred or sold as stated.

6. **<u>The approvals required for the performance of the allocation of the warrants to the offeree</u>**

The allocation of the warrants to the offeree is subject to receiving TASE approval for the listing for trade of the shares arising from the exercise of the warrants allocated according to this report. Shortly after the publication of this report, the company will apply to the TASE with the aforementioned request.

Sincerely,

Meshek Energy- Renewable Energies Ltd.

Signed by :

Avner Arad, CEO

Galit Bik, VP Legal and Headquarters

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