

O.Y. NOFAR ENERGY LTD ("the Company")

July 30, 2025

To:

Israel Securities Authority
Via MAGNA
www.isa.gov.il

TEL AVIV STOCK EXCHANGE LTD
Via MAYA
www.tase.co.il

Dear Sir/Madam,

Subject: Private Offering of Warrants Convertible into Company Shares to Officers of the Company and a Subsidiary

Following the approval of the Compensation Committee and the Board of Directors of the Company on July 21 and 22, 2025, the Company is pleased to report a non-material private allocation of 167,630 non-tradable warrants, exercisable into up to 167,630 ordinary shares of the Company (constituting approximately 0.41% of the share capital and voting rights in the Company on a fully diluted basis) (the "Warrants"), as follows:

1. The Offerees

The Warrants will be allocated to two offerees, including:

- (1) An officer in a subsidiary of the Company (the "Subsidiary" and the "First Offeree", as applicable), who will be allocated 140,000 Warrants,¹⁰¹
- (2) A senior officer in the Company (the "Second Offeree"), who will be allocated 27,630.

An employer-employee relationship exists between the offerees and the Company or the Subsidiary, as applicable.¹⁰²

2. Terms of the Warrants

The terms of the Warrants will be identical to the terms of the warrants described in the outline published by the Company on April 25, 2024, as amended on May 30, 2024 (reference number: 2024-01-056994) (the "Outline"), subject to the following change:

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- A. With respect to the First Offeree – the vesting period of the Warrants allocated to the officer under this report will commence on the date the officer began employment with the Subsidiary, on April 16, 2023 (instead of the date of the Board's decision).

The other terms of the Warrants, including the exercise price (NIS 99.6 per share), will be as detailed in the Outline.

3. Consideration

The Warrants will be allocated without consideration, as part of the Company's employee warrant plan, as described in the Outline.

O.Y. NOFAR ENERGY LTD 1 HaTahana, Kfar Saba | Phone: 09-3750003

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4. Conditions for Allocation

The Warrants will be allocated to the offerees subject to the approval of the stock exchange. The Company will apply for the approval of the stock exchange shortly after the publication of this report.

5. Transfer Restrictions and Additional Conditions Regarding the Issuance and Transfer of Shares or Warrants

For details, see section 2.16 of the Outline.

6. Agreements Between the Offerees

To the best of the Company's knowledge, after checking with the offerees, the Company is not aware of any agreements, whether written or oral, between the offerees and shareholders of the Company or between the offerees, all or some of them, among themselves or with others, regarding the purchase or sale of the Company's securities or regarding voting rights therein.

Respectfully,

O.Y. NOFAR ENERGY LTD

Signed by: Ofer Yanai, Acting CEO and Director

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FOOTNOTE:

¹⁰¹ It should be noted that the warrants in the Company granted to the First Offeree are in lieu of part of the phantom warrants in the Subsidiary to which the First Offeree is entitled according to the terms of his employment.

¹⁰² It is clarified that the offerees are not interested parties, as defined in section 270(5) of the Companies Law, 1999, and will not become interested parties as a result of the allocation subject of this report.