

December 21, 2025

Nofar Energy Ltd. (the company)

To:

Israel Securities Authority
www.isa.gov.il

To:

Tel Aviv Stock Exchange Ltd.
www.tase.co.il

Dear Sir/Madam,

Subject: Completion of Sale of Holdings in Ratesti Solar Plant SRL

Further to the immediate report dated October 5, 2025¹ (the immediate report) regarding the signing of an agreement for the sale of 50% of the issued share capital of Ratesti Solar Plant SRL (the project company) as well as shareholders' loans as detailed in the immediate report, the company is pleased to report that all suspensive conditions (such as obtaining FDI approval in Romania and obtaining the lenders' approval) for completing the transaction have been fulfilled, and therefore the transaction has been completed.

The transaction consideration required to be paid at the closing date, totaling 8 million euros, has been received.

To date, a total consideration of 10 million euros has been received. According to the agreement, the remaining consideration of approximately 35.6 million euros shall be paid no later than June 30, 2026.

Upon completion of the transaction, the company no longer holds the project company.

According to the company's assessment, based on the remaining investment and shareholders' loans of the project company in the company's books as of September 30, 2025, and the company's estimates with respect to the results of the project company up to the transaction completion date, following the transaction completion, the company is expected to record a pre-tax profit from the project sale in the estimated amount of approximately 14 million euros (about 53 million NIS), and the free cash flow expected for the company is the full consideration less tax payments, which are estimated to be immaterial. It is clarified that the pre-tax profit is expected to change following the project company's results up to the closing date, which have not yet been delivered to the company.

It should be emphasized that the company's estimates regarding the results of the project company up to the date of transaction completion, tax payments, profit and expected cash flow from the transaction completion, are considered forward-looking information as defined in the Securities Law,

1968, the realization of which is uncertain and not exclusively under the company's control. The above estimates are based on the company's plans and assessments, and may not materialize due to factors beyond the company's control, including

the results of the project company, exchange rate changes, etc.

Sincerely,

Nofar Energy Ltd.

By: Ofer Yanai, CEO and Director

Nir Peleg, CFO

¹ Reference number: 20205-01-073761.