OPC Energy Ltd.

To:	To:
Israel Securities Authority	**Tel Aviv Stock Exchange Ltd.**
www.isa.gov.il	www.tase.co.il

October 28, 2025

Re: CPV Group - Basin Ranch Project - 1.35 GW Power Plant in Texas - Signing of Senior Debt Agreement (TEF Loan)

Further to Section 6b2 of the Company's interim report as of June 30, 2025, and the Company's immediate reports dated June 9, 2025, regarding the Basin Ranch Project (the project)[1], including with respect to the financing agreements with the Public Utility Commission of Texas (PUCT) via the Texas Energy Fund (TEF) and the TEF loan, respectively, and the Company's immediate report dated October 23, 2025 (reference number: 2025-01-079215) regarding the signing of the financing agreement with Bank Leumi (the financing agreement with Leumi)[2], the completion of which is subject to precedent conditions which have not yet been met as of this reporting date, the Company updates that on October 27, 2025, CPV Basin Ranch, LLC (the project company) entered into a loan agreement (the loan agreement) within the TEF loan framework. As of this reporting date, the loan agreement has been deposited in escrow and is expected to be released subject to, and at the time of, the financial close of the TEF loan, which is planned for the coming days[4].

Below is a summary of the main terms of the TEF loan:

Borrower	The project company (the borrower).
Project company loan amount (100%)	Approx. USD 1.1 billion (about NIS 3.6 billion).
Interest rate	A fixed annual interest rate of 3%.
Principal and interest repayment schedule	The final maturity date is September 30, 2045, about 20 years from the expected date of first drawdown (expected soon after financial close). The principal will be repaid in quarterly principal payments starting March 31, 2031, at a rate equal to 0.25% per quarter, until March 31, 2032. Thereafter, principal and interest will be repaid according to a mortgage-style (Spitzer) amortization schedule. Interest payments will be made on the last business day of each calendar quarter during the construction period, and on the last business day of each calendar quarter after that date.

[1] As of this reporting date, 70% of the project is indirectly held by the CPV Group. For details regarding the project, see previous reports.

[2] Section 6b2 of the Company's Board of Directors' report as of June 30, 2025, published on August 13, 2025 (reference: 2025-01-059955), (interim report), and the Company's immediate report dated June 9, 2025 (references: 2025-01-041243), which are hereby incorporated by reference (together: the previous reports).

[3] The TEF loan is comprised of several agreements (including an Equity Contribution Agreement (ECA)), some of which are expected to be signed at financial close, which, as of this date, has not yet occurred. CPV is expected to provide the equity through payment credit/recognition of expenses at the time of financial close, cash, and letters of credit (LC), subject to the conditions of the ECA.

[4] The above information is forward-looking information, as defined in the Securities Law, 1968 (Securities Law), the realization date of which (in whole or in part) is uncertain and may be delayed or may not materialize, among other things, due to factors not under the Company's control, including completion of closing conditions for the TEF loan financial closure and/or absence of delays by all parties involved in the project and/or agreements required for closure.

One year after the commercial operation date (COD), to be measured quarterly.

Compliance with a projected contract-based Debt Service Coverage Ratio (contracted DSCR) for-

undefined	**Set under the TEF loan as the commercial operation date for the purpose of the agreement (COD), whereby the first interest payment after the COD will be made after the lapse of the first full calendar quarter after the COD[5].**
Security Interests	First, senior, fixed and secured lien on the project, its assets, and rights arising therefrom.
Financial covenants (default covenants)	Historical Debt Service Coverage Ratio (DSCR) for the last 12 months of 1.10x, starting after COD. Projected contract-based Debt Service Coverage Ratio (Contracted DSCR) for 5 years of 1.20x at the COD, with the contracts for the purpose of meeting the 5-year DSCR test required to be renewed/replaced two years before their expiration on a rolling basis. As noted in previous reports, as part of the commercial arrangement, the project entered into hedging arrangements for a period of 7 years after COD for a significant part of the project capacity, meeting this requirement. Performance-based covenants for the project for the last 12 months, to be measured monthly starting from the date on which 12 full calendar months have elapsed after the COD, setting a minimum availability condition of 85% and a maximum outage condition of 15%, which can be cured by presenting a corrective action plan and a fund for financing the plan for the following 12 months.
Other key conditions (including certain securities)	Distributions are subject to customary definitions and conditions and, in addition, the following: (A) four consecutive quarters of 1.20x, or DSCR of 1.35x on total cash flow basis; and (B) a performance test (outages/availability) for the last 12 months, including certain conditions allowing for distributions even if the tests are not met. Additional commitments at the sponsor level for the project[6] (100%) totaling approximately USD 191 million, including: securities in the form of letters of credit (LCs)[7] or other customary securities (such as cash) to secure certain matters concerning key agreements and the project cost as well as to secure the completion of construction (which may be forfeited after the exhaustion of the budget reserve - contingency); and to secure the connection of the project to the grid within 4 years, subject to a possible extension (and release of the security according to the aforementioned schedule).

[5] The date of the first drawdown, the final maturity date, and the expected COD date for the project include forward-looking information as defined in the Securities Law, whose realization date (in whole or in part) is uncertain and may be delayed or may not materialize, among other things, due to factors not under the control of the Company, including the completion of the closing conditions for the financial close of the TEF loan and/or absence of delays from all parties and sides to the agreements required for closing, commercial changes and changes in the financing terms, delays in obtaining permits for the project, delays in construction and/or technical or operational failures, difficulties or delays in entering into a connection agreement or in connecting the project to transmission infrastructure or other infrastructures, energy market conditions (including changes in ERCOT market conditions at the expected commercial operation date), disruptions in the supply/connection of natural gas, unexpected expenses, macroeconomic changes, weather/natural events, delays and higher costs related to supply chains, transportation, and higher prices for raw materials and/or the occurrence of one or more of the risk factors to which the CPV Group is exposed, etc.

[6] Direct and indirect holders of capital in the borrower (CPV Basin Ranch LLC) (out of which, as of this report date, CPV's share is 70%) are parties to the Equity Contribution Agreement (ECA), which as of this report date has not yet been signed, in connection with their obligation to provide the equity component for the project. It should be noted that, for operational reasons for the purpose of financial closing in the required procedure, the Company has extended a short-term bridge loan to CPV in the amount of USD 150 million, which will be repaid shortly after the financial closing of the TEF loan.

[7] As of the report date, the letters of credit in respect of CPV Group's share are backed by the Company’s guarantee or were provided from the Company's lines. For more details regarding additional lines and guarantees provided by the Company to CPV as mentioned, see Note 6a2 to the Company's financial statements as of June 30, 2025, attached to the interim reports.

Additional obligations for securities at the project level include, among other things, at COD, cash reserves or letters of credit to secure the projected DSR and operating expenses.

> **1** Additional Obligations and Events of Default and Repayment include, among other things, events considered a change of control, including the case where CPV Power Holdings, LP[8] ceases to hold and control at least 50% of the borrower, and where CPV Group ceases to hold and control at least 50% of CPV Power Holdings, LP (as applicable according to the relevant provisions), as well as standard immediate repayment events such as non-payment, non-fulfillment of certain obligations, breach of representations, obligations and covenants, insolvency events, regulatory and legal proceedings – all according to the terms and cure periods (if any) set forth in the TEF loan.

It should be emphasized that as of this reporting date, completion of the TEF loan and financial closing and implementation of the project are subject to precedent conditions which have not yet been fulfilled, and whose fulfillment or timing is uncertain. These conditions include, among others, provision of the full equity required for the project and securities, completion of contracting with the construction contractor and completion of additional engagements related to the project and/or its construction, agreements with related parties to the project (which have not yet been finalized) and coordination with regulatory and commercial entities required for financial closing and commencement of construction and the non-occurrence of risk factors to which the company and the CPV Group are exposed, as detailed in previous reports.

Respectfully,

OPC Energy Ltd

By: Giora Almogi, CEO

and Nurit Trauerik, Chief Legal Counsel

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[8] As of the report date, a wholly owned subsidiary of the CPV Group. See the ownership structure diagram in section 2.3.1 in chapter A of the company's 2024 periodic report (reference: 2025-01-016318).