

Harel and Amitim to Acquire 44% of a Partnership Holding a Cluster of Enlight Projects Comprising 69 MW Solar Generation and 448 MWh of Energy Storage Capacity

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The transaction is based on a valuation of \$114 million for the entire Cluster, comprised of a \$102 million base and an additional \$12 million in deferred consideration upon fulfillment of the conditions of its payment

Enlight will recognize a profit of \$94 million upon fulfillment of the conditions of the deferred consideration, and will continue to operate and develop projects in the Cluster

The partnership provides Harel and Amitim exposure to renewable energy infrastructure, with the potential for high returns and financial strength over time, while diversifying their investment portfolios and reinforcing their commitment to positive impacts on the Israeli economy and environment

TEL AVIV, Israel, Jan. 28, 2025 (GLOBE NEWSWIRE) -- Enlight Renewable Energy ("Enlight", or the "Company", NASDAQ: ENLT, TASE: ENLT.TA), a leading renewable energy platform, announces the signing of an agreement to sell 44% of a partnership (the "Partnership"), which holds the Sunlight cluster of Israeli renewable energy projects to Harel Insurance Investments & Financial Services Ltd. and Amitim Senior Pension Funds (the "Investors", "the Sale Agreement"), who will acquire a 25% and 19% stake respectively.

The Investors will purchase 44% of the Partnership for a total investment of \$50 million¹ in cash, of which \$45 million will be paid upfront, and \$5 million will be deferred consideration to be paid by the Investors upon fulfillment of certain conditions set forth in the Sale Agreement. Upon completion of the transaction, which is expected to occur during the first quarter of 2025, the Company will cease to consolidate the financial results of the Partnership in its financial statements, and will accordingly recognize a profit of \$94 million.

The Sunlight Cluster consists of operational and pre-construction projects totaling 69 MW of solar generation and 448 MWh of energy storage capacity, and accounts for 5% of the capacity of Enlight's total portfolio in Israel and 1% of the capacity of Enlight's total global portfolio². The Investors will acquire 44% of the Limited Partner rights in the Partnership and a wholly-owned subsidiary of the Company will act as the General Partner in the Partnership. Completion of the transaction is contingent upon obtaining approval of the Israeli Competition Authority.

In conjunction with the Sale Agreement, the parties have entered into a number of additional commercial arrangements:

1. The parties commit to future investments in projects under construction.
2. The Company will have the exclusive right to purchase all the electricity produced by the Cluster under a 20-year availability agreement whose commercial terms were set between the parties.
3. The Company's commitment to the duration and minimal level of holdings in the Limited Partnership.
4. The right of the Investors to mandate the sale of 50% of the Company's holdings in the General Partner to a third party and terminate the management agreements with the Company.

More financial information regarding the Sale Agreement can be found [here](#).

The Herzog Fox & Neeman law firm and the Giza Singer Even consulting firm advised the Company on the transaction. The Piron law firm advised both Harel and Amitim, and the Escola consulting firm advised Amitim on the transaction.

¹ Amounts in U.S. dollars are calculated based on a U.S. dollar to Israeli Shekel conversion rate of 1 to 3.71, as reported in the Company's financial statements for the period ending September 30, 2024.

² Enlight's global projects consist of 19.2 GW of generation and 31.8 GWh of energy storage capacity, located in Israel, Europe, and the United States, and allocated into Mature, Advanced Development, and Development portfolios.

Itzik Tawill, Deputy Director of the Investment Department and Director of the credit and real estate division at Harel, commented, "Harel selects its investments with thoroughness and professionalism, and is proud to continue investing in green energy and infrastructure in Israel. Our cooperation with leading companies such as Enlight diversify our investment portfolio in a stable sector, providing our fund members with attractive and long-term financial performance along with a positive environmental impact."

Nir Gavish, Head of Investments at Amitim Senior Pension Funds, commented, "The Sunlight transaction is a direct implementation of our strategy to invest in infrastructure assets in Israel, and in particular in renewable energy, with a commitment to delivering optimal returns for our fund members over time. Amitim has a long-standing relationship with Enlight, and we are pleased to deepen our collaboration with this investment."

Gilad Yaavetz, CEO of Enlight, commented, "We are very proud to extend our long-standing partnership with Harel and Amitim, some of Israel's leading institutional investors, in the innovative field of integrated solar generation and energy storage facilities. The projects generate clean electricity at a competitive price, and the production will be sold by Enlight Enterprise, the Company's supplier unit, to some of the most prestigious consumers in Israel."

"We are proud of the asset value implied by the transaction, which reflects the quality of the projects and energy management system we have developed at Enlight. The transaction highlights the competitive advantage that the Company has in optimizing and establishing attractive funding sources to deliver on our significant growth plan."

About Enlight Renewable Energy

Founded in 2008, Enlight is a global leader in initiating, developing, financing, setting up and operating renewable energy projects on a global scale. Enlight operates across the three largest renewable energy sectors today: solar, wind and energy storage. As a global company, Enlight operates in the United States, Israel and 9 countries throughout Europe. Enlight is currently a dual public company, with no controlling interest, that has been traded on the Tel Aviv Stock Exchange since 2010 (TASE: ENLT.TA) and the U.S. Nasdaq Stock Exchange where it was successfully issued in 2023

(NASDAQ: ENLT).

About Harel

Harel Insurance Investments & Financial Services Ltd is the largest insurance and finance group in Israel, operating in a variety of insurance, asset management and credit fields, with 90 years of experience. Assets under management amounted to approximately ILS 490 billion and premiums amounted to approximately NIS 31.2 billion in the first nine months of 2024. The transaction was led on behalf of Harel by Itzik Taweel, director of the credit and real estate division, and Inesa Laron, manager of the project and infrastructure financing department.

About Amitim Senior Pension Funds

Amitim Senior Pension Funds, managed by Ephi Senderov, is one of the largest institutional investors in Israel, managing approximately ILS 350 billion of assets in Israel and abroad through a variety of investment strategies. The transaction was led on behalf of Amitim by Ziv Frenkel, head of the credit division, and Roni Horvitz, credit manager. In recent years, Amitim's credit division has led and participated in transactions worth billions of Shekels in the infrastructure sector in general and in the energy sector in particular.

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Cautionary Note Regarding Forward-Looking Statements

This press release contains forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements as contained in Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. All statements contained in this press release other than statements of historical fact, including, without limitation, statements regarding the Company's expectations relating to the Project, the PPA and the related interconnection agreement and lease option, and the completion timeline for the Project, are forward-looking statements. The words "may," "might," "will," "could," "would," "should," "expect," "plan," "anticipate," "intend," "target," "seek," "believe," "estimate," "predict," "potential," "continue," "contemplate," "possible," "forecasts," "aims" or the negative of these terms and similar expressions are intended to identify forward-looking statements, though not all forward-looking statements use these words or expressions. These statements are neither promises nor guarantees, but involve known and unknown risks, uncertainties and other important factors that may cause our actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by the forward-looking statements, including, but not limited to, the following: our ability to site suitable land for, and otherwise source, renewable energy projects and to successfully develop and convert them into Operational Projects; availability of, and access to, interconnection facilities and transmission systems; our ability to obtain and maintain governmental and other regulatory approvals and permits, including environmental approvals and permits; construction delays, operational delays and supply chain disruptions leading to increased cost of materials required for the construction of our projects, as well as cost overruns and delays related to disputes with contractors; our suppliers' ability and willingness to perform both existing and future obligations; competition from traditional and renewable energy companies in developing renewable energy projects; potential slowed demand for renewable energy projects and our ability to enter into new offtake contracts on acceptable terms and prices as current offtake contracts expire; offtakers' ability to terminate contracts or seek other remedies resulting from failure of our projects to meet development, operational or performance benchmarks; various technical and operational challenges leading to unplanned outages, reduced output, interconnection or termination issues; the dependence of our production and revenue on suitable meteorological and environmental conditions, and our ability to accurately predict such conditions; our ability to enforce warranties provided by our counterparties in the event that our projects do not perform as expected; government curtailment, energy price caps and other government actions that restrict or reduce the profitability of renewable energy production; electricity price volatility, unusual weather conditions (including the effects of climate change, could adversely affect wind and solar conditions), catastrophic weather-related or other damage to facilities, unscheduled generation outages, maintenance or repairs, unanticipated changes to availability due to higher demand, shortages, transportation problems or other developments, environmental incidents, or electric transmission system constraints and the possibility that we may not have adequate insurance to cover losses as a result of such hazards; our dependence on certain operational projects for a substantial portion of our cash flows; our ability to continue to grow our portfolio of projects through successful acquisitions; changes and advances in technology that impair or eliminate the competitive advantage of our projects or upsets the expectations underlying investments in our technologies; our ability to effectively anticipate and manage cost inflation, interest rate risk, currency exchange fluctuations and other macroeconomic conditions that impact our business; our ability to retain and attract key personnel; our ability to manage legal and regulatory compliance and litigation risk across our global corporate structure; our ability to protect our business from, and manage the impact of, cyber-attacks, disruptions and security incidents, as well as acts of terrorism or war; changes to existing renewable energy industry policies and regulations that present technical, regulatory and economic barriers to renewable energy projects; the reduction, elimination or expiration of government incentives for, or regulations mandating the use of, renewable energy; our ability to effectively manage our supply chain and comply with applicable regulations with respect to international trade relations, tariffs, sanctions, export controls and anti-bribery and anti-corruption laws; our ability to effectively comply with Environmental Health and Safety and other laws and regulations and receive and maintain all necessary licenses, permits and authorizations; our performance of various obligations under the terms of our indebtedness (and the indebtedness of our subsidiaries that we guarantee) and our ability to continue to secure project financing on attractive terms for our projects; limitations on our management rights and operational flexibility due to our use of tax equity arrangements; potential claims and disagreements with partners, investors and other counterparties that could reduce our right to cash flows generated by our projects; our ability to comply with tax laws of various jurisdictions in which we currently operate as well as the tax laws in jurisdictions in which we intend to operate in the future; the unknown effect of the dual listing of our ordinary shares on the price of our ordinary shares; various risks related to our incorporation and location in Israel; the costs and requirements of being a public company, including the diversion of management's attention with respect to such requirements; certain provisions in our Articles of Association and certain applicable regulations that may delay or prevent a change of control; and other risk factors set forth in the section titled "Risk factors" in our Annual Report on Form 20-F for the fiscal year ended December 31, 2023, filed with the Securities and Exchange Commission (the "SEC") and our other documents filed with or furnished to the SEC.

These statements reflect management's current expectations regarding future events and speak only as of the date of this press release. You should not put undue reliance on any forward-looking statements. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee that future results, levels of activity, performance and events and circumstances reflected in the forward-looking statements will be achieved or will occur. Except as may be required by applicable law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.

