FIRST QUARTER 2025 EARNINGS CONFERENCE CALL

Yonah Weisz: Director of Investor Relations

Thank you, Operator.

Good morning, everyone and thank you for joining the first quarter 2025 earnings conference call for Enlight Renewable Energy.

Before beginning this call, I would like to draw participants' attention to the following: Certain statements made on the call today, including but not limited to statements regarding business strategy and plans, our project portfolio, market opportunity, utility demand and potential growth, discussions with commercial counterparties and financing sources, pricing trends for materials, progress of Company projects, including anticipated timing of related approvals and project completion and anticipated production delays, expected impact from various regulatory developments, completion of development, the potential impact of the current conflicts in Israel on our operations and financial condition and Company actions designed to mitigate such impact, and the Company's future financial and operational results and guidance, including revenue and adjusted EBITDA, are forward-looking statements within the meaning of U.S. federal securities laws which reflect management's best judgment based on currently available information. We reference certain project metrics in this earnings call and additional information about such metrics can be found in our earnings release. These statements involve risks and uncertainties that may cause actual results to differ from our expectations. Please refer to our 2024 annual report filed with the SEC on March 28, 2025 and other filings for more information on the specific factors that could cause actual results to differ materially from our forward-looking statements. Although we believe these expectations are reasonable, we undertake no obligation to revise any statements to reflect changes that occur after this call. Additionally, non-IFRS financial measures may be discussed on the call. These non-IFRS measures should be considered in addition to and not as a substitute for or in isolation from our results prepared in accordance with IFRS. Reconciliations to the most directly comparable IFRS financial measures are available in the earnings release and the earnings presentation for today's call, which are posted on our Investor Relations webpage.

With me this morning are Gilad Yavetz, CEO and Co-founder of Enlight, Nir Yehuda, CFO of Enlight, and Adam Pishl, CEO and Co-founder of Clenera. Gilad will provide some opening remarks and will then turn the call over to Adam for a review of our U.S. activity and then to Nir for a review of our first quarter results. Our executive team will then be available to answer your questions.

Gilad Yavetz: CEO and Co-founder of Enlight

Thank you for joining us today for Enlight's first quarter 2025 earnings call. We are pleased to report strong financial results for the quarter. Revenue and income grew by 39% compared to the same quarter last year, reaching $130 million. Adjusted EBITDA also increased by 84% to $132 million. These results support our full year guidance ranges of $490-510 million in revenue and $360-380 million in Adjusted EBITDA, which remain unchanged, reflecting the resilience of our combined developer and IPP business model. A significant contributor this quarter was the Sunlight transaction, which added $42 million to Adjusted EBITDA and $97 million to pre-tax profit. Nir will provide more details on our financial performance later in the call.

During the quarter, we made good progress with our expansion plans. In the U.S., our next wave of projects remains on schedule. Construction on Quail Ranch and Roadrunner is advancing, and they are expected to begin operations by the end of this year, followed by Country Acres in the second half of 2026. Together, these projects will add 820 MW of generation capacity and 2.0 GWh of storage upon COD, with expected total revenues and income of approximately $250 million and EBITDA of $219 million during their first year of operations. We also reached an important milestone by securing the financial close for Country Acres and Quail Ranch during the quarter, joining the financial close for Roadrunner at the end of last year. We have raised a total of $1.5 billion in financing at favorable terms for these three projects over the past couple of months, despite recent U.S. trade policy changes that created market uncertainty. This demonstrates our strong ability to access the capital we need to support our growth.

Looking ahead to the second quarter, we plan to start construction on CO Bar and Snowflake, two U.S. megaprojects with a combined capacity of 2.6 FGW, and with expected combined total revenues and income of approximately $450 million and EBITDA of $400 million during their first year of operations.

As part of its global strategy, Enlight has worked to build a diversified and resilient supply chain for the equipment used in its projects. As a result, the recent introduction of trade tariffs in the U.S. has no material impact on our project economics. Our solar panels are either domestically sourced or are imported from countries other than China, and we use Tesla as our main battery supplier, which produces a large portion of their equipment domestically, and therefore has relatively lower tariff exposure. On a broader scale, we are confident in our ability to negotiate with equipment suppliers as well as adjust our PPAs to market conditions. Adam will give more detail on our US projects' progress and tariff impact in a moment.

In Europe, we are seeing rising demand for energy storage, and our development strategy is leveraging this trend. We are starting construction on 1.3 GWh of energy storage this year in Italy, Spain and Sweden. We also entered the stand-alone energy storage market in Poland with 3.2 GWh now under development.

In Israel, we advanced our position in two key growth areas: data centers and standalone storage. We won a state land tender for Israel's first integrated data center and renewable energy complex at Ashalim, and we plan to build a 100 MW IT data center at an expected investment of $1 billion. This project is strategically important, as demand for computing power is rapidly growing in Israel. We also strengthened our leadership in Israel's deregulated electricity market, by winning a 1.9 GWh bid in Israel's first standalone energy storage capacity tender, further solidifying our 50% market share in this sector.

In summary, this quarter combined strong financial performance with continued progress delivering on our near-term projects and long-term expansion plans. Our robust supply chain continues to shield us from changes in U.S. tariff and trade policy. This resilience allows Enlight to continue executing on its strategy of tripling company growth every three years.

Now, I'd like to turn the call over to Adam.

<u>Adam Pishl: CEO of Clenera</u>

Thank you, Gilad.

I am excited to report the great progress our U.S. team continues to make on our extensive project portfolio, and on our three large projects now under construction.
Beginning with Quail Ranch, located in Albuquerque, New Mexico, this 128 megawatt PV and 400 megawatt-hour battery storage project, is the second phase of our Atrsico complex which achieved

COD in 2024. Construction at Quail Ranch is on schedule and progressing well. The PV site has all piles installed, with racking and inverter installation underway. Nearly all the medium voltage trenching is complete, on the energy storage portion of the project, and we are halfway through the foundation construction for the battery containers. We anticipate achieving commissioning of the site before the end of 2025. As Gilad mentioned, in mid-April, and in the midst of tariff-related uncertainty, this project closed financing on a 243-million-dollar construction loan package.

Now moving on to Roadrunner, a 290 megawatt solar and 940 megawatt-hour battery project in Southeast Arizona. Similar to Quail Ranch, construction of this project is making excellent progress. We have completed nearly half of the pile installations, a third of the overall racking system, and inverters are starting to be delivered and installed. We have also begun construction on the battery storage portion of the project with foundation materials delivered and ready for installation. We are currently on-track for commissioning by the end of this year.

Our final project under construction is Country Acres, near Sacramento California, with 403 megawatts of PV generation and 688 megawatt hours of battery storage capacity. Construction is accelerating with ground clearing, internal road building, and the first row of PV solar now underway. We anticipate this project will be complete and commissioned during the second half of 2026. This quarter we also closed the 773-million-dollar construction financing needed for this project.

With successful financial closes this quarter as well as excellent construction progress, we are in a great position to rapidly bring three major projects online to meet critical demand and set us up for success with Snowflake A and CO-Bar, our next wave of projects with 2027 CODs.

Recent changes to U.S. trade policy have put a renewed emphasis on the renewable energy industry’s supply chain. Clenera has built a strong reputation and an attractive portfolio of projects within the sector, helping us establish a diversified and agile supply chain with the ability to navigate shifting trade and tariff policies. Our deep relationships with equipment manufacturers from around the world and our reputation for completing projects in challenging market conditions are especially important during times of volatility. We have the advantage of increased flexibility by sourcing material from locations least impacted by changes to trade policy, whether in the U.S. or Asia.

Due to our large purchasing volumes, our suppliers prioritize our orders and remain attuned to our needs. Our utility partners continue to select us as a respected independent power producer able to deliver the projects needed to meet their increasing demand. These relationships, among other factors, help us mitigate the various impacts of changes in trade regulations, minimizing impact to our project economics.

More specifically as it relates to tariff risks: All PV panels for projects under construction are either domestically sourced or are imported from countries other than China eliminating tariff exposure. Our exposure to battery storage is also mitigated due to a strong partnership with Tesla. Their batteries offer one of the highest domestic production levels available in the U.S. and they represent a majority of the energy storage equipment at our projects currently under construction. We continue to work with all of our suppliers, as well as our world leading financing partners and utilities to mitigate the impact of tariffs.

We have modeled potential scenarios for the impacts of trade tariffs on our three projects currently under construction in the U.S. These appear in our quarterly results presentation published today. Within the context of a $1.7 billion dollar construction budget for these projects, the impacts are minimal. The U.S. government has suggested that tariffs on China could fall to lower levels over time, and should this occur, the impacts on our projects would be even less. In terms of estimated project returns, calculated as expected project EBITDA divided by net capex, our analysis shows a reduction of between 0.2% to 1.0%.

As we work through these new and uncertain future macroeconomic factors, I stress that these challenges are not new to us. The Clenera team has been developing solar projects for decades, weathering many changes to trade policy and government incentives. Our focus remains on the market fundamentals. Our customers - utilities across America - need new sources of power to meet the growing energy demand, and we have proven we can deliver high quality, affordable projects in short timelines. I believe this season will be an opportunity for our company to outpace competitors and enhance our strong position in many markets, ensuring we execute our impressive development pipeline over the coming years.

I will now turn the call over to Nir.

Nir Yehuda: CFO, Enlight

Thank you Adam.

In the first quarter of 2025, the Company's total revenues and income increased to $130m, up from $94m last year, a growth rate of 39% year over year. This was composed of revenues from the sale of electricity, which rose 21% to $110m compared to $90m in the same period of 2024, as well as recognition of $20m in income from tax benefits compared to $3m in 1Q24.

Revenues from the sale of electricity grew due to the contribution of newly operational projects. Since the first quarter of 2024, seven of the Solar and Storage Cluster units in Israel, Atrisco in the U.S, Pupin in Serbia, and Tapolca in Hungary began selling electricity. The most important increases originated at Atrisco, which added $13m, followed by the Israel Solar and Storage Cluster, which added $11m. In total, new projects contributed $30m to revenues from the sale of electricity. Offsetting this growth, electricity volumes generated at our wind projects operating in Europe were lower compared to the same period last year mainly due to weaker wind. In addition, generation volumes at project Bjornbeget in Sweden fell compared to last year due to a blade failure experienced in January 2025. The Company recognized compensation of $4m from Bjornberget's operating contractor in lieu of the lower output, which is recorded in other income.
Revenues and income were distributed between MENA, Europe, and the US, with 34% of revenues in the first quarter of 2025 denominated in Israeli Shekel, 39% in Euros, and 27% denominated US Dollars.

During the quarter, Enlight reported the sale of a 44% stake in the Sunlight cluster of renewable energy projects in Israel to institutional investors for a cash consideration of $52m at a valuation of $119m, and deconsolidated these assets from our balance sheet following loss of control. This generated a pre-tax profit of $97m reflecting the higher valuation of the entire cluster, of which $42m, reflecting the actual consideration received for the stake sold less related book value, was added to Adjusted EBITDA.

Accordingly, first quarter net income rose to $102m compared to $24m last year, an increase of 316% year over year. Aside from the $80m post-tax profit from the Sunlight transaction, growth was driven by new projects in the amount of $28m, and offset by higher operating expenses of $17m and net financial expenses of $10m, all after tax.

The Company's Adjusted EBITDA grew by 84% to $132m compared to $72m for the same period in 2024. The increase in Adjusted EBITDA was boosted by $42m from the Sunlight transaction, along with $36m from the same factors that drove the revenue and income increase mentioned above. It was offset by an additional $11m in cost of sales linked to new projects, while other operating expenses rose by $4m.

Looking to our balance sheet, Enlight completed a broad range of financing transactions during the quarter. We reached financial close on projects Country Acres and Quail Ranch for a combined $1bn in construction financing at competitive rates. Adding in $245m of new bonds issued in Israel during this quarter and the $550m financial close for Roadrunner in December 2024, Enlight has raised $1.8bn in financing during the past months to support its expansion plans, with particular focus on the U.S. Supplementing these funds, we have $350m of revolving credit facilities at several Israeli banks, of which none have been drawn as of the balance sheet date. This further increases our financial flexibility as we continue to deliver on our growth strategy.

We reiterate our 2025 guidance ranges, with expected revenues and income between $490m and $510m, and Adjusted EBITDA of between $360m and $380m. Our revenues and income guidance for 2025 includes recognition of an estimated $60m to $80m in income from US tax benefits, and 90% of 2025 generation output is expected to be sold at fixed prices either through hedges or PPAs.
I'll now turn it over to the operator for questions.