

# DORAL

Leader of the Renewable Energy Market in Israel

**Capital Market Presentation** | May 2022



The Company's facility  
at Kibbutz Karmia



# Legal disclaimer

This presentation of Doral Renewable Energy Resources Group Ltd. (hereinafter: the “Company”) was prepared for general presentation about the Company and thus, the information it contains is a summary only and does not include the full data about the Company and its operations. Therefore, this presentation is does not encompass all information that may be relevant to making a decision to invest in the Company’s securities, it is not a full and detailed description of the Company’s operations and is not intended to be in lieu of reviewing the Company’s public reports, including the periodic report published by the Company on March 31, 2022 (Ref. No. 2022-01-033693)(hereinafter: the “Periodic Report) and the ongoing reports issued by the Company through the Magna system.

This presentation is not an offer to invest in and/or acquire Company securities and particularly, is not a “public offering” or “public sale” or an invitation to receive such offers. This presentation should not be construed as any representation or undertaking by the Company or any of its employees or officers, and the information presented therein is not a recommendation or opinion to invest in the Company.

Wherever the Company is indicated, the intention is to the Company and its directly or indirectly held investees. The information included in this presentation and any other information provided during presentation thereof (hereinafter: the “Information”) does not constitute a basis for making investment decisions nor does it constitute a recommendation or opinion of an investment advisor or tax advisor.

The subsequent slides – Entrepreneurship, technology and innovation (Slide 3), Projects backlog (Slide 4), Progress in execution according to plan (Slide 5), Expectant power plant yields in the coming years (Slide 6), Projected results of income-generating facilities (Slide 7), Global trends (Slide 8), Doral Israel Competitive Advantages (Slide 10), Doral’s solar projects backlog in Israel (Slide 11), Doral supplies green electricity (Slide 12), US electricity market (Slide 14), Business card (Slide 15) , Signing PPA agreements (slide 16), US project capacity (slide 19), Europe project capacity (slide 20), The Company’s operations in Europe (slide 20), Doral releases its first ESG corporate responsibility report (slide 22), Doral-Tech (Slides 23-24), Doral environmental infrastructure (Slide 25)

constitute forward-looking formation, as defined in the Israel Securities Law, 1968, based materially on expectations and assessments regarding economic, industry-specific and other developments, as well as execution of the Company’s plans on the dates estimated by the Company and the interaction between them, and on public data and announcements published by various entities and authorities, the content of which was not reviewed by the Company independently, and therefore the Company bears no responsibility as to their accuracy.

These assessments may not materialize due to factors beyond the Company’s control, such as delays in obtaining the approvals and/or permits required to set up the systems in Israel and worldwide, receiving responses from limited negative or positive distributors, delays in the development of the electricity grid, delays or difficulties in entering into development agreements with the Israel Land Authority, changes in construction costs, including unforeseen expenses or exchange rate fluctuations, changes in regulation tariffs, delays in construction, changes in legal provisions and/or regulations, changes in financing policy and/or costs, system deficiencies, changes in weather, changes in electricity tariffs to system consumers or system costs, changes in the volume of electricity consumed by system consumers, changes in tax rates, changes in the electricity sector, continuation of Covid-19 and the resulting restrictions imposed (or to be imposed), or materialization of any of the risk factors listed in Section 1.23 of the Periodic Report, which includes information presented in this presentation by way of reference.

Readers of this presentation are hereby warned that the Company’s actual future results and achievements may be materially different to those presented in the forward-looking Information provided in this presentation. The Company not obligated to revise and/or change any forecast and/or assessment set out in this presentation in order to reflect events or circumstances occurring after publication of this presentation.

For information about the assumptions used by the Company in respect of the information and data included in this presentation, see Slide 29.





## Israel

**Projects with a capacity of 2 GWp<sup>3</sup>**  
The largest backlog of facilities under development in Israel



## Europe

**Projects with a capacity of 1.85 GWp<sup>3</sup>**  
In Italy, Romania, Poland and Denmark



## USA

**Projects with a capacity of 11.1 GWp<sup>3</sup>**  
in leading markets (MISO, PJM)



## Doral-Tech

**Technological investment branch**  
Investments in Israel and the USA

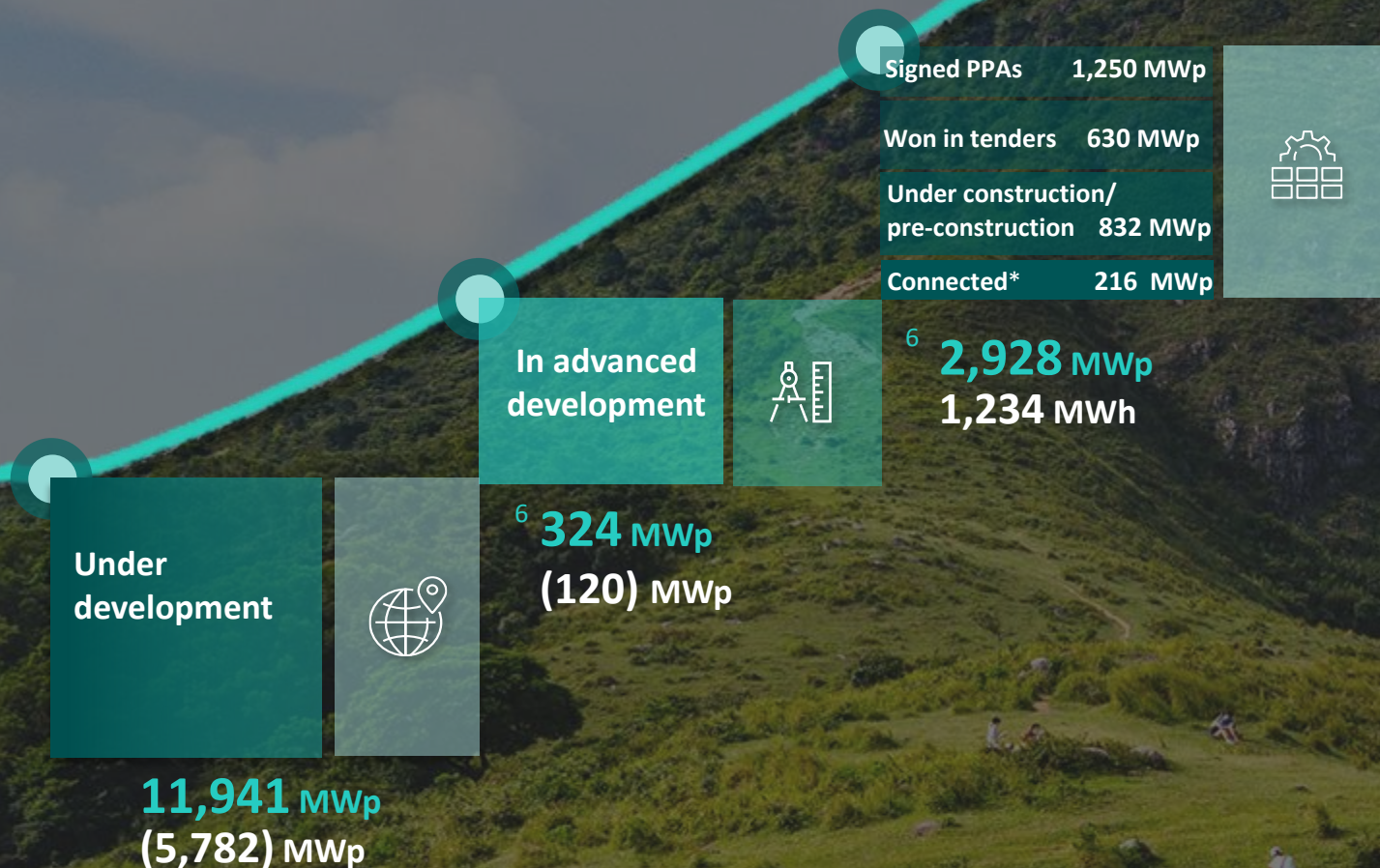


## Environmental Infrastructures

**Waste To Energy**  
Biogas and organic waste treatment



# Project Backlog



<sup>3,4</sup> **15,193 MWp**  
(7,136) MWp

**Storage capacity:**  
<sup>3,4</sup> **7,026 MWh**  
(3,439) MWh

The data reflect the capacity of all systems held jointly by group companies and partners; the expected share of the company appears in parentheses.

\* The total capacity of the income-generating systems owned by the Group's companies, together with partners, that supply the electricity generated in them into the electricity grid and/or directly to consumers, is 159 megawatts (DC). The Company also has other systems that started commercial operation after March 31, 2021, or for which the construction stage has been completed and for official commercial operation mainly technical and procedural actions are required, with a capacity of 57 megawatts (DC), see Section 1.4(c) of the Quarterly Report.



# Progress according to plan



## Indiana North

Under construction

Obtained  
Building permits



## Tender 1 Solar + Storage

Under construction

Purchase of  
key equipment completed

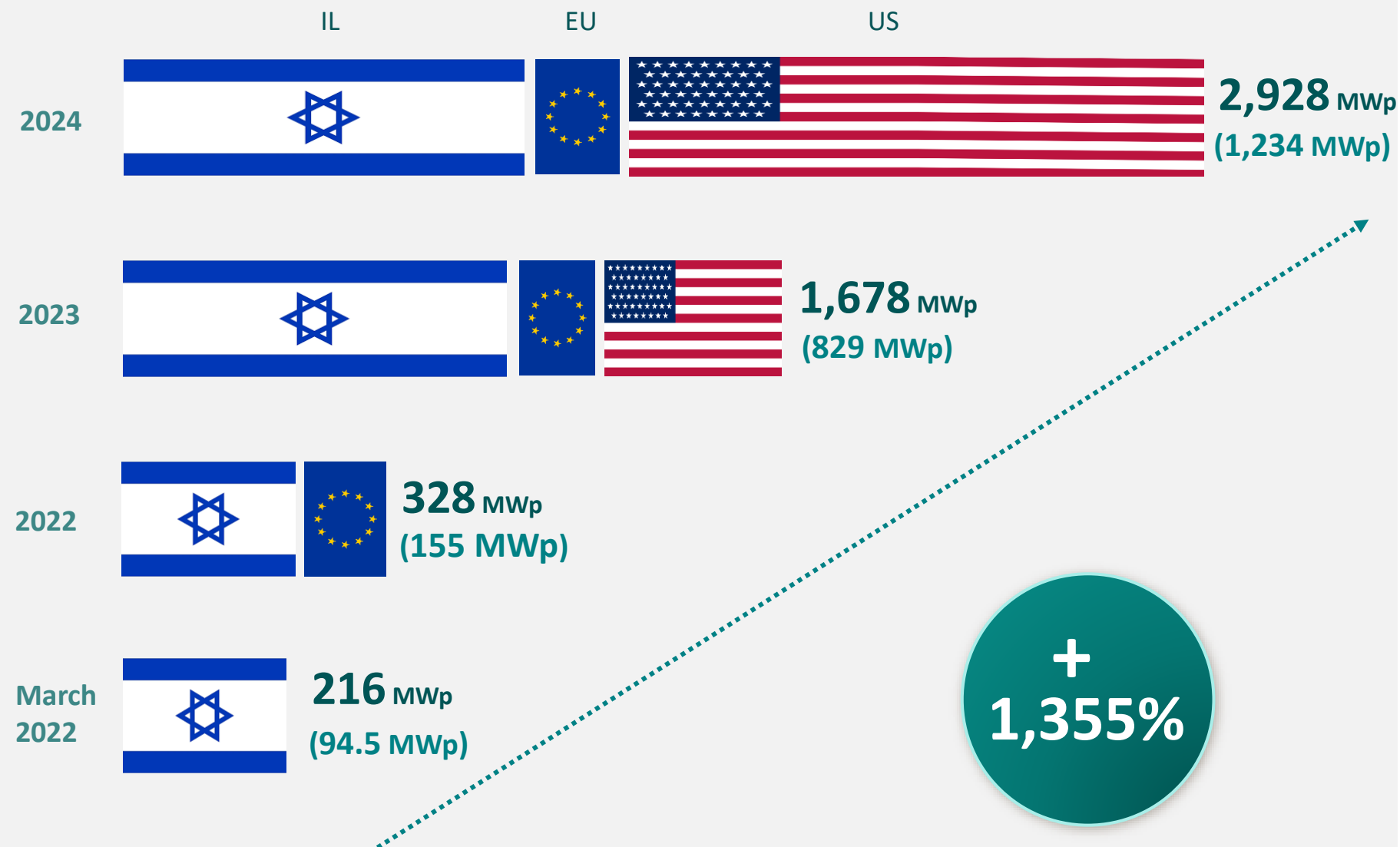


Proceeding according to the schedule in the PPA and competitive procedure rules<sup>4</sup>

# 3,000 MWp income-generating facilities

## Projected capacity of income-generating facilities in the coming years

- The figures in parenthesis reflect the Company's projected weighted holding rate of the facilities.
- This chart contains projects initiated and developed by the Company that are currently under commercial operation, ready for connection, under construction or pre-construction and/or after winning tenders or signing a PPA, which the Company estimates will be connected by the end of 2024<sup>3,4</sup>

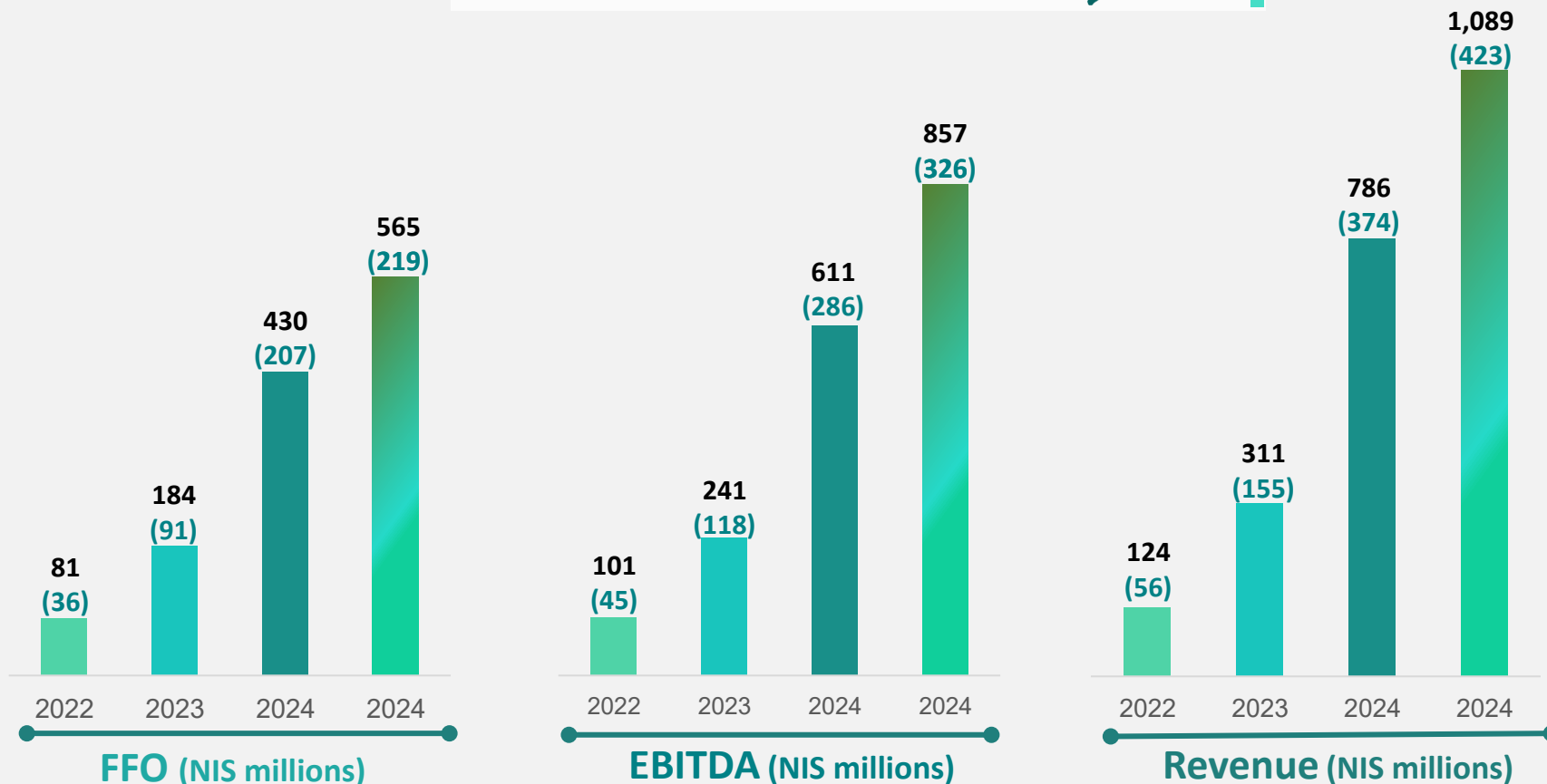


# Annual rate of income - generating projects<sup>10</sup>

**Mature project data:**  
commercial operation, ready for connection, under construction or pre-construction and/or after winning tenders or signing a PPA



**Over NIS 1 billion**  
Run rate in 2024



## Projects operated, ready for connection, under construction or pre-construction and/or after winning tenders or signing a PPA

These figures reflect the Company's assessments regarding its results, over an entire representative year, of projects under commercial operation, ready for connection, under construction and pre-construction, after winning competitive processes and/or after signing a PPA, as from the year in which each started or will start generating income, based on the Company's assessments included in the Periodic Report. These assessments are forward-looking information, as defined in the Israel Securities Law, and depend on factors beyond the Company's control. For the calculation method of the revenue, FFO and EBITDA figures, see Section 1.4(b) of the Quarterly Report.

# Global trend

The Effect of Global Trends on the Company's Activity in the Short-Term<sup>4,8</sup>



## Increase in power prices

**US** - Significant increase in PPA and merchant rates

**Europe** - Sharp increase in electricity and energy prices

**Israel** - Positive effect expected due to linkage of rates to the CPI and anticipated opening of the electricity market to bilateral deals



## Increase in interest rates and consumer price index

is expected to have a positive effect on Company's revenues from sale of power, in view of the linkage of secured prices to the CPI.

By contrast, financing costs are rising due to higher interest rates in various markets



## Rates of equipment, freight, and logistics costs

The company contracted with strategic suppliers in advance, in agreements with attractive terms relative to present market prices



## Dollar and euro strengthening against the shekel

Positive effect expected on the company's revenues in Europe and the United States. The company has protective transactions hedging its exposure in purchasing deals





Israel



The Company's system  
at Kfar Menahem



# Doral Israel competitive advantages



## innovation

Groundbreaking technologies integrated  
with the company's facilities

Collaboration with H2PRO, agrivoltaic plants



## Energy storage

Massive integration of energy storage

Storage at kibbutz cooperative communities, large consumers,  
solar + storage projects, stand-alone storage



## Electricity supply

Sale of green energy to company clients

Energy production, management, and delivery to company clients\*

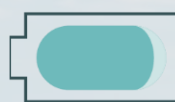
\* According to the principles of the hearing 'Market model for production and storage facilities connected or integrated with the distribution grid' of Meeting 628 of 14.03.2022. For further details regarding the hearing, see Section 1.9.4 of the periodic report. Note that a decision has not yet been made by the Israel Electricity Authority regarding the hearing, and that there is no certainty that a decision will in fact be made and/or that it will be made such as to permit supply in the stated manner.



**853** MWp  
Ground-mounted  
projects And/or  
combined with storage  
(538) MWp



**+**  
**2,076**  
MWh  
(1,333) MWp



**262** MWp  
High voltage  
(147) MWp



**914** MWp  
Dual-use facilities  
(524) MWp



Backlog of facilities in Israel

Approx. 2 GWp

Approx. 63% commercially  
operated, under construction  
and in advanced development <sup>3,4</sup>

Total storage capacity

Approx. 2 GWh

# Doral supplies green electricity



## Competitive advantages:

- ✓ **Control over the entire value chain from a supplier that is a producer\***
- ✓ **Integrated storage** (solar fields with integrated storage, stand-alone storage, storage for large consumers)
- ✓ **Start date for delivery to company clients - 1.6.2022**

\* According to the principles of the hearing 'Market model for production and storage facilities connected or integrated with the distribution grid' of Meeting 628 of 14.03.2022. For further details regarding the hearing, see Section 1.9.4 of the periodic report. Note that a decision has not yet been made by the Israel Electricity Authority regarding the hearing, and that there is no certainty that a decision will in fact be made and/or that it will be made such as to permit supply in the stated manner.





# The electricity market in the United States<sup>4</sup>

\*<https://www.bloomberg.com/news/articles/2022-04-26/ebay-hp-join-firms-in-lobbying-push-on-clean-energy-tax-credits>

\*\* For further details, see section 1.3 of the quarterly report

Doral has a mature<sup>7</sup> backlog of projects with capacity of **Approx. 1.8 GWp<sup>3</sup>**

**Approx. 17 GWp<sup>3</sup>** installed in the US in 2021 in the solar utilities category

## Tax benefit plan of approximately \$325B\*

Expansion of the benefit package is being considered, which would enlarge and expand the federal tax credit for solar, wind, and storage facilities

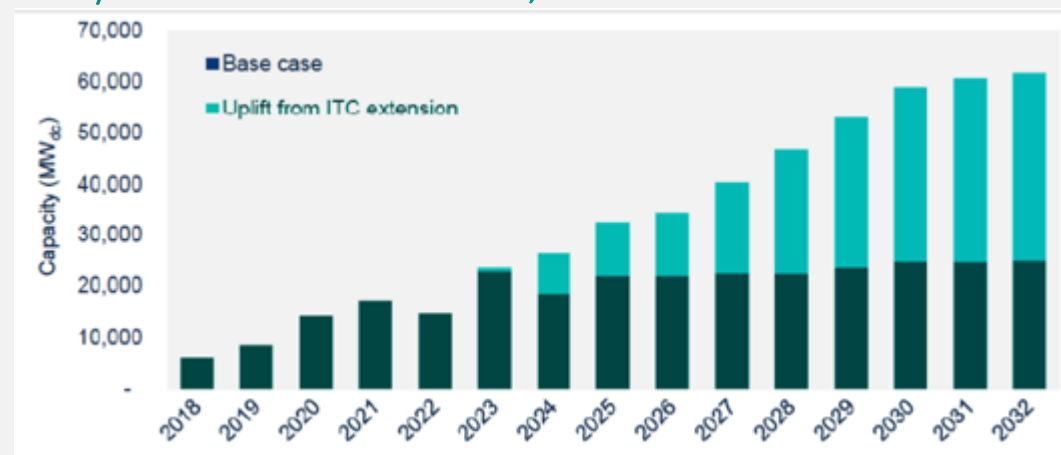
## The US Department of Trade is investigating imports of equipment from East Asian countries

Initial findings of the investigation are expected to be released by August 2022. There are no commitments to purchase panels from these countries in most of the company's ventures. The company estimates that its exposure is minor, and no delay or substantial impact is expected on the pace of project execution or on timelines for commercial operation\*\*

## PJM power grid connection survey reform

The goal of the reform is to streamline the procedures for approving applications; inception is expected at the beginning of 2023. The company does not expect delays in the projects in advanced development on the PJM grid that it is promoting\*\*

Utility PV installations and forecast, 2018-2032



Source: Wood Mackenzie\*\*



# Business Card



Independent entrepreneurship and development of projects –  
A competitive advantage



## Control of the entire value chain

Experienced and professional staff, direct transactions with landowners.

Self-initiation, development, financing, construction and long-term operation of the projects



1.8 GWp<sup>7</sup> in signed PPAs

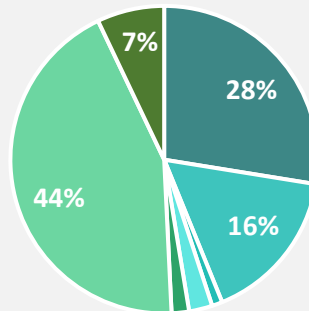
At high prices

**USD 1.5 billion**

Projected total revenue from the agreements over 15 years<sup>4</sup>

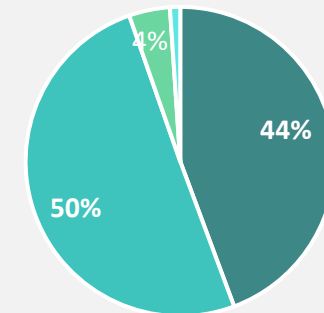


## Operations in various leading electricity markets in the USA



■ PJM ■ MISO ■ SERC ■ NYISO ■ NEISO ■ SPP ■ ERCOT

## Various generation technologies



■ Solar ■ Solar + Storage ■ Storage ■ Wind

# PPAs signed at a capacity of approximately 1,800 MWp



**March 2021**

PPA on Indiana North project with **AEP**

**July 2021**

PPA on Indiana South project with **AEP**

**October 2021**

Construction work **launch ceremony** - Indiana North

**March 2022**

EPC agreement and **construction work start order** - Indiana North

**March 2022**

PPAs with **AEP and Constellation** for the Central Indiana project

**March 2022**

PPA with **AEP** for the Goonies project in Pennsylvania

FFO*	EBITDA*	Revenues*	Capacity
NIS 273 million	NIS 479 million	NIS 568 million	~1.8 GWp



# Total Project Capacity<sup>9</sup>

11.1 GWp<sup>3</sup>

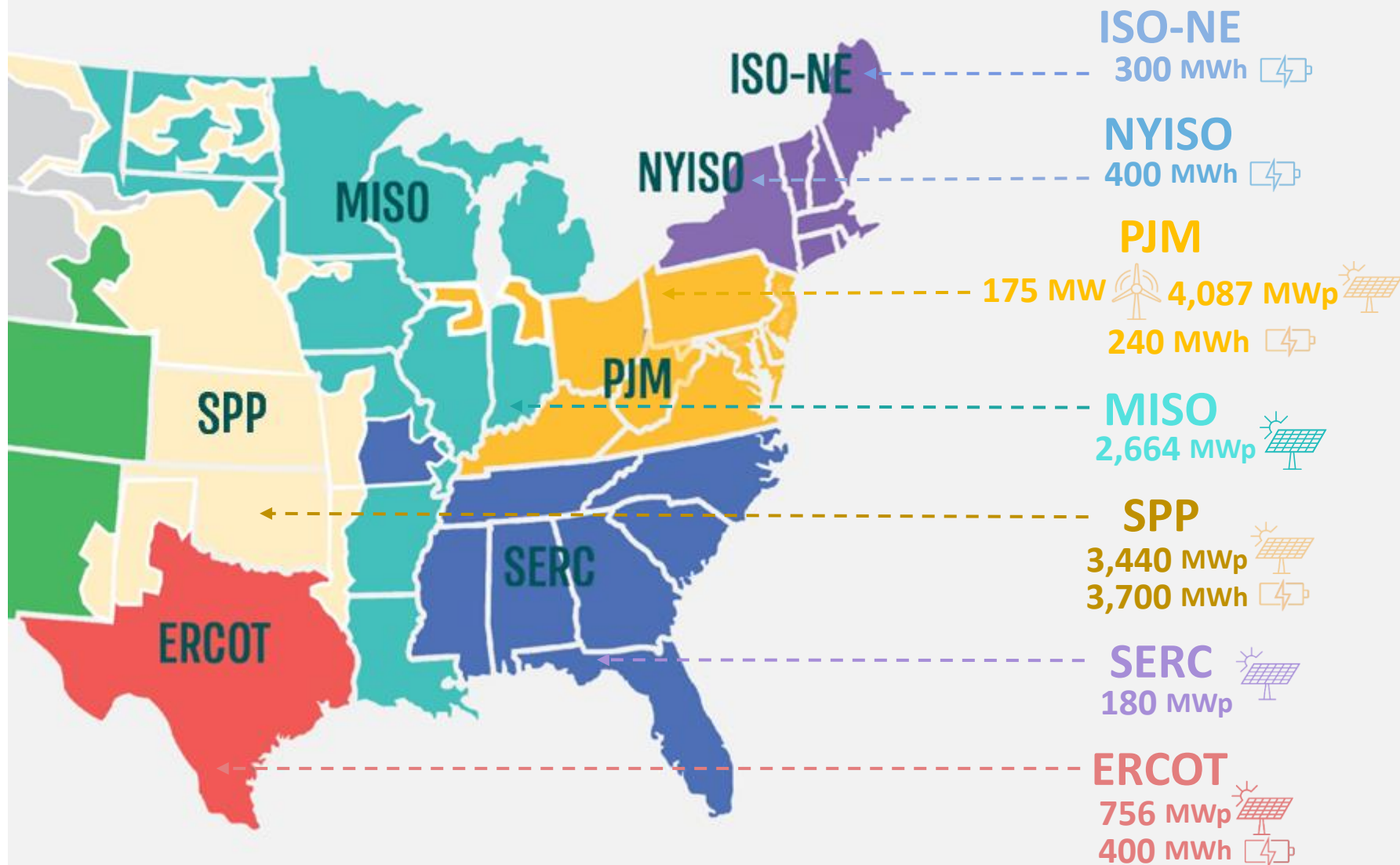
+

Storage capacity

5 GWh<sup>3</sup>



Activity in the Leading and Most Liquid and Marketable Electricity Grids<sup>3</sup>



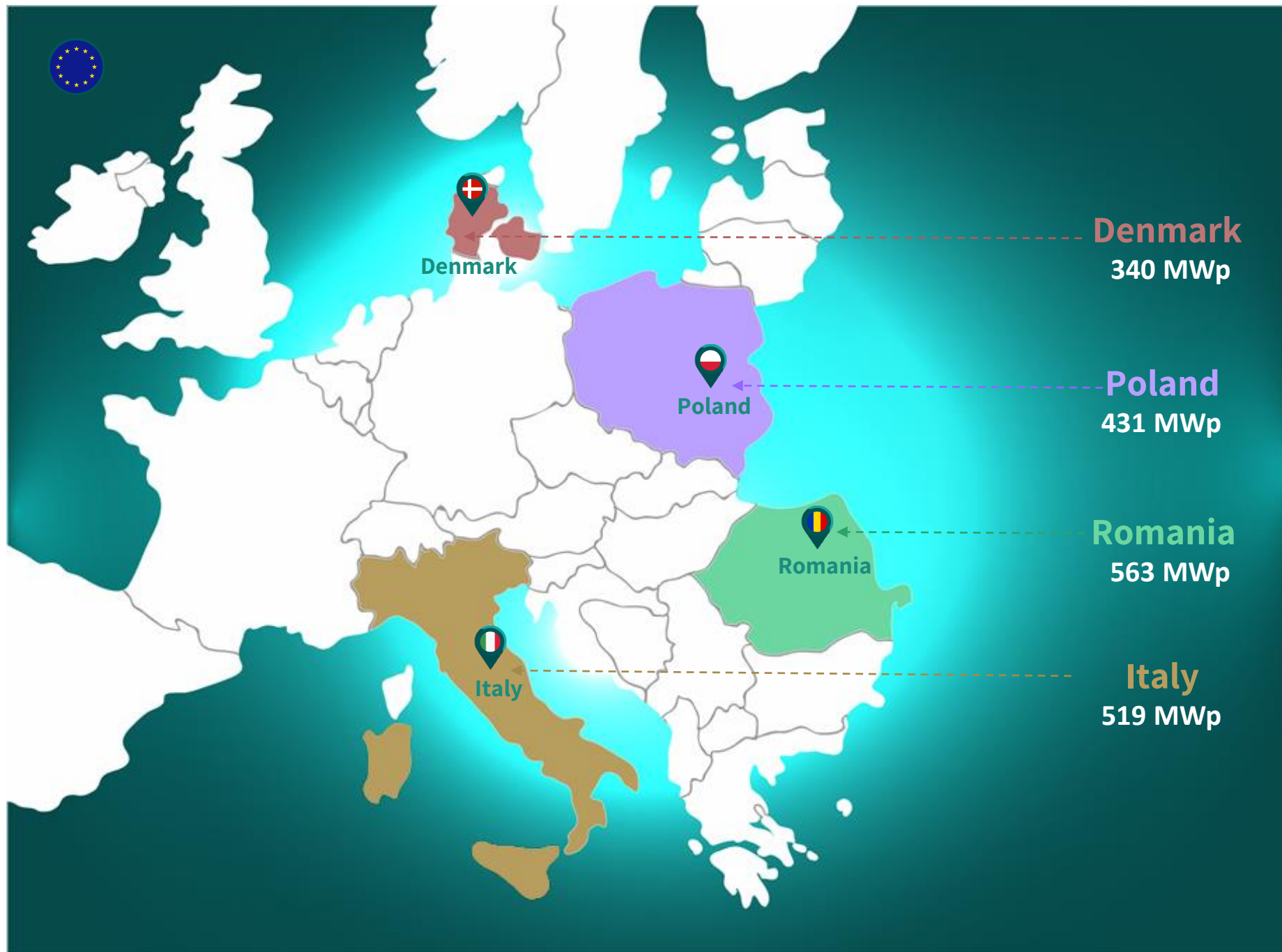


The Company's systems  
in Poland



# Europe Project Capacity<sup>9</sup>

1.85 GWp<sup>3, 4</sup>

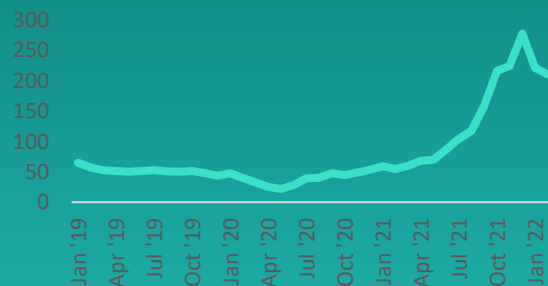




# The Company's Operations in Europe

Development of solar fields

Electricity prices in Italy  
(EUR/MW)



<https://www.statista.com/statistics/1267548/italy-monthly-wholesale-electricity-price/>

Publication of REPowerEU\*  
program outline  
for the energy strategy of the  
continent, in view of the energy  
crisis and the war in Ukraine

Significant rise in electricity prices  
in Europe

60 MWp ready to connect/in the  
process of construction in Poland  
and Italy

120 MWp in advanced<sup>3,4</sup>  
development in Poland

Initial development of green  
hydrogen production projects<sup>4</sup>



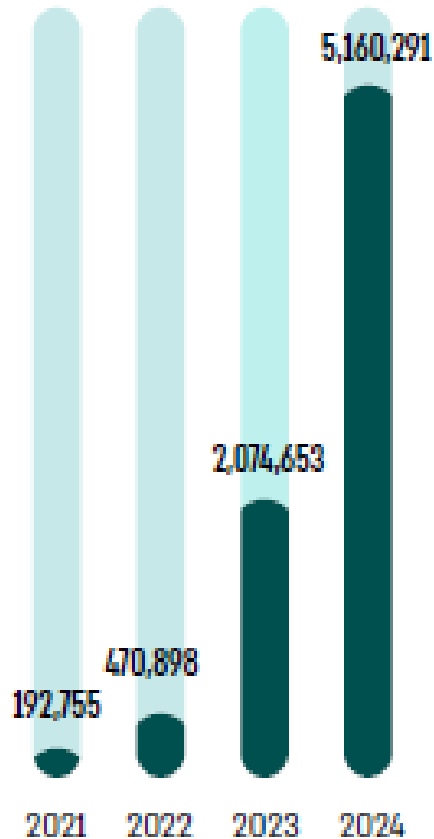
LIW Project  
in Poland



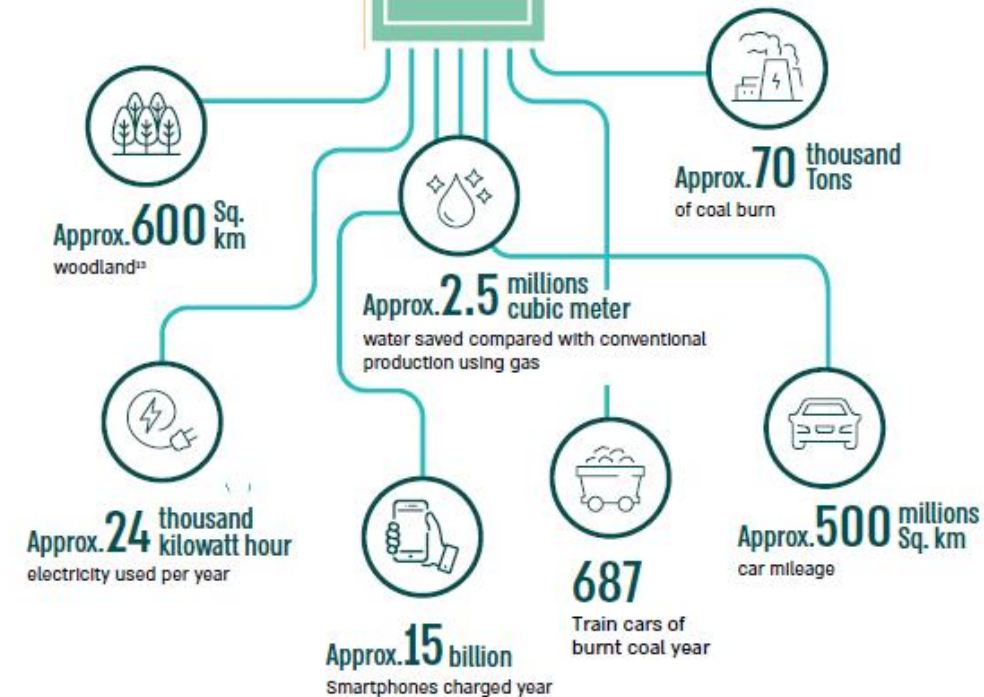
# Doral releases its first ESG corporate responsibility report



## Prevention of emissions in carbon dioxide equivalents (tones)\*



## Savings made possible by green electricity production in the company's projects in 2021



\*[https://doral-energy.com/wp-content/uploads/280522\\_beH\\_GSE\\_laroD/2022/05Final-fdp.1](https://doral-energy.com/wp-content/uploads/280522_beH_GSE_laroD/2022/05Final-fdp.1)

# Hydrogen Green

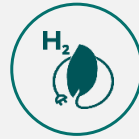
The way to achieving a **zero carbon emissions** target

**DORAL**

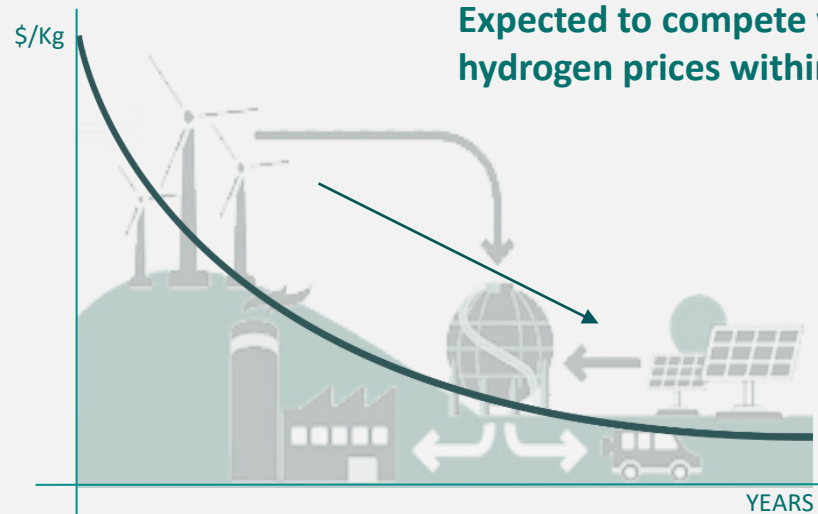


**Doral will establish the first green hydrogen project in Israel**

In collaboration with H2Pro at the Yotvata project, as part of a pilot financed by the Ministry of Energy and Chief Scientist



**Expected to compete with blue hydrogen prices within two years\***



**The green hydrogen price is expected to decrease in the coming years\***  
(Set according to electricity prices, efficiency and electrolysis costs)



**Leading technologies**

Investment in groundbreaking technologies in the industry

**H2PRO, Verdagy**



**Green hydrogen applications:**

- Transport applications
- Industrial applications
- Long-term storage



# Doral-Tech Investment Portfolio

## Circular economy

.....



## Green hydrogen

.....



## Waste 2 Energy

.....



## Energy storage and batteries

.....



Winner of BloombergNEF's Pioneer Award

# Doral-Tech Collaborations

## Our investment partners include

Schneider  
Electric



Shell  
Ventures

HITACHI

khosla ventures



GS  
칼텍스



TOYOTA AI  
VENTURES

orbia  
ventures



TEMASEK



## Strategic



Bar-Ilan University  
אוניברסיטת בר-אילן



Inauguration of the  
Sustainability and  
Energy Center



Financing of  
Groundbreaking  
research



Agrivoltaics pilot  
project



# Doral Environmental Infrastructures

## Environmental technologies

**Doral promotes environmental infrastructure technologies:**

- **Keilot** - application of off grid solutions
- **Paulee Cleantec** - organic waste treatment and turning it into Organo Mineral fertilizer
- **Zohar** - "on site" household waste treatment technology that eliminates the need to transport and bury waste



## Waste 2 Energy

- **Agricultural and industrial waste treatment**  
2 commercially operated facilities and 6 facilities under advanced development and under development
- **Total of NIS 14 million revenue annually**<sup>4</sup>  
Expected from connected and under construction assets
- **Non-stop operations 24/7**  
The facilities operate irrespective of the seasons of the year and time of day

### Expansion of operations in Europe:

**An MOU has been signed for the acquisition of the Italian company Eco Consul**, which engages in waste2energy and treatment of various types of waste

Total revenue from Eco's operations in 2021 was NIS 55 million<sup>4</sup>

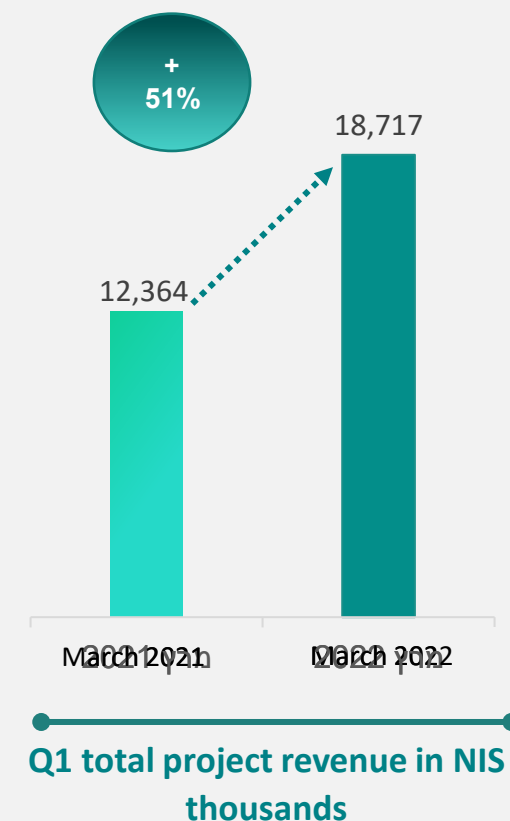
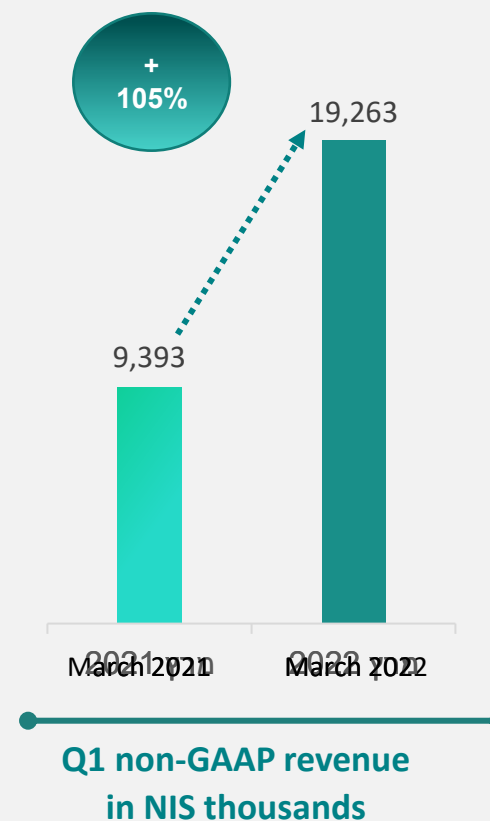
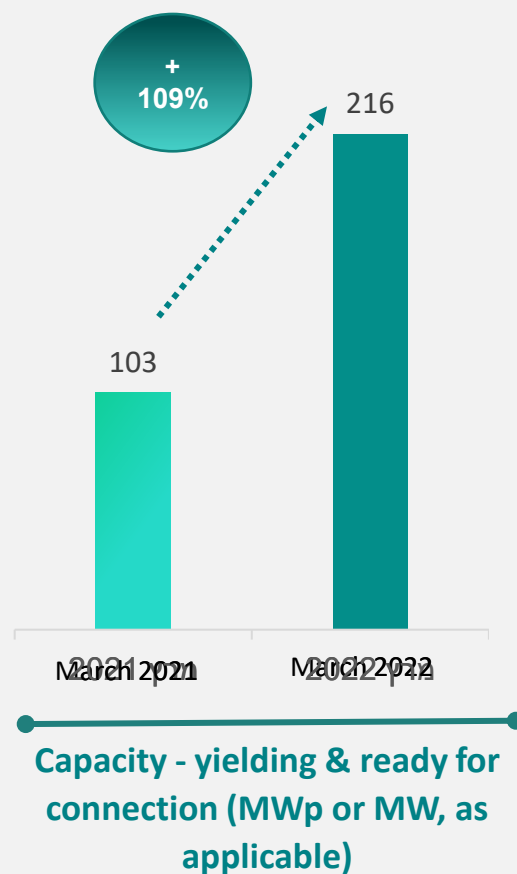
# Key Financials<sup>4,5</sup>

Concurrently with the promotion and construction of its major flagship projects, the company has continued its growth trend and reinforced the financial foundations of its operations



Liquid balances (in NIS thousands)  
as at 31/3/2022\*  
**521,819**

Total shareholders' equity (in NIS thousands)  
Attributed to owners as at 31/3/2022  
**497,217**



\* Excluding corporations accounted for using the equity method



# Key Financial Data



## Key data of the consolidated statements of financial position (NIS thousands)<sup>2</sup>

	31.12.2021	31.3.2021	31.03.2022
Cash and cash equivalents	601,466	175,524	440,022
Other current assets	285,501	45,342	345,998
Non-current assets	769,720	436,295	890,131
<b>Total assets</b>	<b>1,656,687</b>	<b>657,161</b>	<b>1,676,151</b>
Current maturities	6,940	2,233	7,347
Other current liabilities	111,497	25,392	91,325
Debentures and long-term loans	795,547	192,759	823,235
Other liabilities	30,090	27,737	35,960
<b>Total liabilities</b>	<b>944,074</b>	<b>248,121</b>	<b>957,867</b>
<b>Total equity</b>	<b>712,613</b>	<b>409,040</b>	<b>718,284</b>
<b>Total liabilities and equity</b>	<b>1,656,687</b>	<b>657,161</b>	<b>1,676,151</b>

# Key Financial Data

Project data (in NIS millions) <sup>5</sup>				
	March 31, 2022 data (assuming a full year of activity)	Plus construction, pre-construction and tariff guarantees	Total	Company's share
Revenue	137	952	1,089	473
EBITDA	112	745	857	366
FFO	90	475	565	252



Key data of consolidated statements of income and other comprehensive income (NIS thousands) <sup>2</sup>				
IFRS Non-GAAP	Q1'2022	Q1'2021	2021	<b>IFRS Non-GAAP</b> <ul style="list-style-type: none"> <li>Property, plant &amp; equipment model</li> <li>Proportionate consolidation</li> </ul>
Revenue	19,263	9,393	56,578	
Expenses, net of financing	33,453	14,071	77,447	
Financing income (expenses), net	6,527	(1,852)	(15,503)	
Profit (loss) for the period	(7,663)	(2,826)	(36,372)	
Comprehensive profit (loss) for the period	1,582	(2,400)	(49,010)	

IFRS GAAP	Q1'2022	Q1'2021	2021	<b>IFRS GAAP</b> <ul style="list-style-type: none"> <li>Financial asset model</li> <li>Equity value</li> </ul>
Revenue	9,507	48,682	121,583	
Expenses, net of financing	23,904	49,020	135,864	
Financing income (expenses), net	9,128	2,209	(12,225)	
Profit (loss) for the period	(5,269)	1,871	(26,506)	
Comprehensive profit (loss) for the period	3,976	5,624	(39,144)	



# |Comments

**1** The Company's targets for 2025-2026 are forward-looking information which is materially based on the Company's expectations and assessments regarding economic, industry-specific and other developments and the interaction between them. These targets may not materialize or may materialize in a materially different manner to the Company's projections due, among other things, to factors beyond the Company's control such as difficulty in obtaining financing sources required to develop the Company's operations, difficulty in setting up the different types of systems, difficulty in obtaining the permits required to set up the systems, changes in regulation, electricity tariffs and setting up costs of the systems, delays in publication of tenders, continuation of the Covid-19 crisis and the resulting restrictions imposed (or to be imposed), etc., so as to cause the Company to reach the conclusion that setting up the systems is not economically feasible, and/or materialization of any of the risk factors listed in Section 1.26 of the Periodic Report.

**2** The financial data are based on the Company's financial statements in the Periodic Report and in relation to the financial statements presented alongside them.

**3** The project capacity data were calculated based on the tables in Section 1.4 of the annual report and they should be read together, bearing in mind all working assumptions, forecasts and reservations set out in that section.

**4** The Company's assessments regarding the characteristics of the electricity markets in the different territories, tariffs, guarantees tariff periods, capacities, commercial operation dates, construction costs, leverage rates, revenues, EBITDA, FFO, holding rates and the first representative operating year are forward-looking information, as defined in the Israel Securities Law, based on the Company's assessments as at the date of this report. These assessments are based on the Company's plans in respect of any current system and courses of action in the different markets, which may not materialize or may materialize in a materially different manner due to factors beyond the Company's control, such as delays in obtaining the permits required to set up the systems, receiving responses from limited negative or positive distributors, delays in the development of the electricity grid, delays or difficulties in entering into development agreements with the Israel Land Authority, changes in construction costs, including unforeseen expenses or exchange rate fluctuations, changes in regulation tariffs and/or market prices, delays in construction, changes in legal provisions and/or regulations, changes in financing policy and/or costs, changes in tender publication dates, system deficiencies, changes in weather, operational problems, changes in electricity tariffs to system consumers or system costs, changes in the volume of electricity consumption by system consumers, changes in tax rates, changes in the different electricity sectors, continuation of Covid-19 and the resulting restrictions imposed (or to be imposed), or materialization of any of the risk factors listed in Section 1.26 of the Periodic Report for 2021, which contains information is presented in this report by way of reference.

If the Company fails to execute the projects it promotes (or any of them), its main exposure will be derecognition of amounts invested (and to be invested) until that date.

**5** Projected revenue/EBIDTA/FFO for a representative year. For the calculation method of the revenue, FFO and EBITDA figures, see Section 1.4(b) of the Quarterly report.

**6** The capacity of the facilities to be constructed under the solar + storage arrangements will take into consideration, among other things, the distributor responses to be received from IEC for each site, which may include restrictions on electricity supply to the grid at certain times. This and other information is expected to affect the detailed engineering plan of the facilities, and consequently, their expected results.

**7** See Section 1.4 of the quarterly report, "Details regarding projects under construction, pre-construction, and in advanced development after signature of PPA."

**8** For further information about the "impact of global trends on the Company's operations in the short term", see Section 1.8.8 of the annual report.

**9** Project capacities presented on this slide are in various stages of entrepreneurship and development, ready for connection, under construction, pre-construction, in advanced development, or in entrepreneurship. For further information, see Section 1.4 of the quarterly report.

**10** Data presented on this slide are based on forecasts included in the detailed tables as released in the board of directors' report, under the following generic assumptions. With regard to projects commercially activated after 31.3.2022 and projects ready for connection, annual results were taken, proportionally, from the end of the latest quarter specified as the expected date of commercial operation in each cluster. With regard to projects under construction and/or after winning a competitive proceeding or PPA, annual results were taken proportionally in each cluster, as follows: if the expected commercial operation date is "2022" - from the middle of Q4 2022; if the expected commercial operation date is "2022-2023" - from the end of Q2 2023; if the expected commercial operation date is "2023" - from the end of Q3 2023; and if the expected commercial operation date is "2024" - from the end of Q3 2024.

# DORAL

Renewable energy driven by people

● ISRAEL ● USA ● EUROPE ● DORAL TECH ● EI ENVIRONMENTAL INFRASTRUCTURES

[michal@doral-energy.com](mailto:michal@doral-energy.com) | [www.doral-energy.com](http://www.doral-energy.com)