ORMAT



Q1 2023

ORMAT TECHNOLOGIES, INC.

EARNINGS CALL

SAFE HARBOR STATEMENT AND NON-GAAP METRICS

THIS PRESENTATION INCLUDES FORWARD-LOOKING STATEMENTS, AND THE DISCLAIMER SHOULD BE READ CAREFULLY

FORWARD-LOOKING STATEMENTS

This presentation, and information provided during any discussion accompanying this presentation, may contain "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. These statements involve estimates, expectations, projections, goals, objectives, assumptions and risks, and activities, events and developments that may or will occur in the future. When used in or during the course of this presentation, the words "may", "will", "could", "should", "expects", "plans", "anticipates", "believes", "estimates", "predicts", "projects", "thinks", "forecasts", "guidance", "continue", "goal", "outlook", "potential," "prospect" or "target", or the negative of these terms or other comparable terminology are intended to identify forward-looking statements, although not all forward-looking statements contain such words or expressions. Such forward-looking statements include, but are not limited to: statements about Ormat Technologies, Inc.'s and its affiliates' ("Ormat") business strategy; statements about Ormat's competitive strengths; statements about Ormat's development and operation of electricity generation, storage and energy management assets, including distributed energy resources; statements about Ormat's other plans, expectations, objectives and targets; statements about Ormat's views on market and industry developments and economic conditions, and the growth of the markets in which Ormat conducts its business; and statements about the growth and diversification of Ormat's customer base and Ormat's future revenues, expenses, earnings, capital expenditures, regional market penetration, electricity generation, and other operational performance metrics, including statements about "target" or "targeted" amounts for 2025 growth (MW) and 2023 operational performance metrics such as growth (MW) and adjusted EBITDA, among others.

All of these and other forward-looking statements made in or during the course of this presentation are made only as of the date hereof and Ormat undertakes no obligation to update or revise any forward-looking statements, whether as a result of new information, future developments or otherwise, except as required by law. Forward-looking statements about "target" or "targeted" amounts represent current goals of Ormat's management and are neither estimates of Ormat's actual results nor financial projections or forecasts that have been prepared in accordance with Securities and Exchange Commission ("SEC") rules or guidelines adopted by the American Institute of Certified Public Accountants.

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These risks, uncertainties and other factors include, but are not limited to, the risks, uncertainties and other factors described in Ormat Technologies, Inc.'s Form 10-K filed with the SEC on February 24, 2023, and from time to time, in Ormat's quarterly reports on Form 10-Q that are filed with the SEC.

NON-GAAP METRICS

RECONCILIATION TO US GAAP FINANCIAL INFORMATION

This presentation includes certain "non-GAAP financial measures" within the meaning of Regulation G under the Securities Exchange Act of 1934, as amended, including EBITDA and Adjusted EBITDA. The presentation of these non-GAAP financial measures is not intended as a substitute for financial information prepared and presented in accordance with GAAP and such non-GAAP financial measures should not be considered as a measure of liquidity or as an alternative to cash flow from operating activities, net income or any other measures of performance prepared and presented in accordance with GAAP. Such non-GAAP financial measures may be different from non-GAAP financial measures used by other companies.

The appendix slides in this presentation reconcile the non-GAAP financial measures included in the presentation to the most directly comparable financial measures prepared and presented in accordance with U.S. GAAP .

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Q1 2023 EARNINGS CALL AGENDA



Delivering strong financial performance

Growing our portfolio

Advancing profitable growth

Committed to a sustainable future

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01

FINANCIAL PERFORMANCE

SOLID FINANCIAL PERFORMANCE

Q1 2023

Highlights

Revenues
$185.2M
+0.8%

Gross margin
41.1%
+300 bps

Adjusted EBITDA[1]
$123.5M
+14.5%

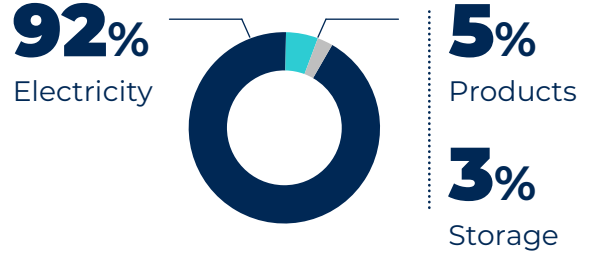
EPS/Adj. EPS
$0.51/0.51
+54.5% / +45.7%

Revenue by segment

Electricity
$170.3M
+4.8%

Products
$10.0M
(31.4)%

Storage
$4.9M
(25.6)%



(1) For key financial results and non –GAAP financial measures reconciliation please see the appendix slides.
(2) EPS refers to earnings per diluted share
(3) Net income attributable to the Company's stockholders for Q1 2023 was $29.0 M compared to $18.4M in Q1 2022. Adjusted net income attributable to the Company's stockholders for the Q1 2023 was $0.51M compared to $19.9M in Q1 2022.

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SOLID FINANCIAL PERFORMANCE

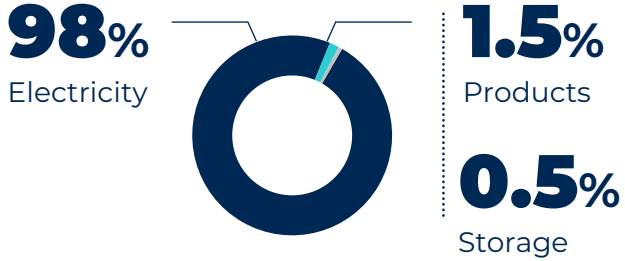
Q1 2023

Gross Margin by segment

Total	Electricity	Products	Energy Storage
41.1%	**44.4%**	**6.9%**	**(3.6)%**
+300 bps	+260 bps	–	-1,710 bps

Adjusted EBITDA[1] by segment

Total	Electricity	Products	Energy Storage
$123.5M	**$120.8M**	**$1.9M**	**$0.8M**
+14.5%	+18.4%	(3.0)%	(80.1)%



(1) For key financial results and non –GAAP financial measures reconciliation please see the appendix slides.

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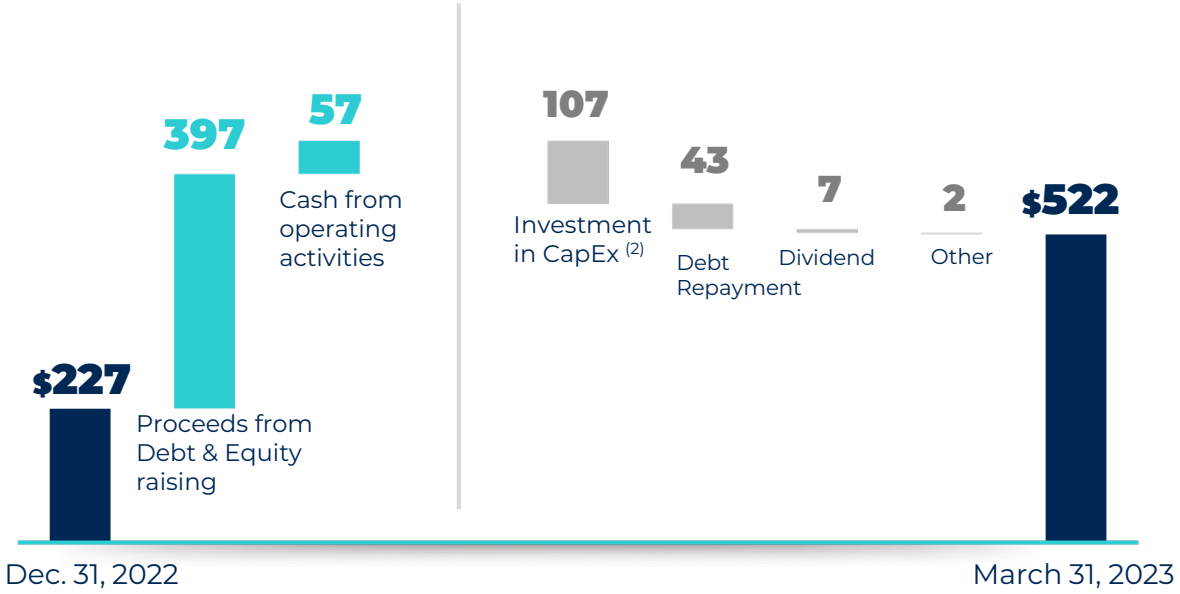
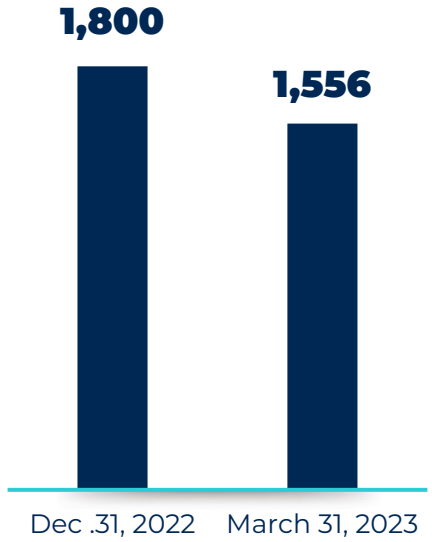
CASH AND NET DEBT

Cash and Cash Equivalents, Marketable Securities and restricted cash and Cash Equivalents ($M)



Net Debt[1] ($M)



Successfully raised **$297M** of equity

Successfully raised **$100M** of new debt

4.14% Average interest rate of our debt portfolio

(1) For key financial results and non –GAAP financial measures reconciliation please see the appendix slides
(2) Includes $11 million for maintenance CapEx.

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MAINTAINING A STRONG CAPITAL POSITION
TO SUPPORT ACCELERATED GROWTH

Access to multiple sources of liquid capital[1]

$494M
Expected capital needs for Q2-Q4 2023[1]

~$1.1B
Total liquidity[4]

$150M
Cash Tax benefits Reduces our capital needs[2]

3.4X
Net debt to Adj. EBITDA[3]

40%
Net debt to capitalization[3]



(1) Case flow from operation, credit facilities, issuance of debt, equity offering, project finance and tax equity transactions
(2) For details on capital needs please see appendix slides
(3) For key financial results and non–GAAP financial measures reconciliation please see the appendix slides
(4) Cash, cash equivalents, restricted cash and available lines of credit

02

OPERATIONAL UPDATE

- Electricity update
- Product backlog
- Energy storage
- Regulatory tailwind



ELECTRICITY OPERATION

Global portfolio reached 1,101 MW [1,2]

25MW
North Valley
COD

6MW
Brady solar
COD

4.8%
revenue increase[3]

3.4%
generation increase[4]

Robust and balanced portfolio

1. **816 MW** U.S.
2. **40 MW** Guatemala
3. **38 MW** Honduras
4. **15 MW** Guadeloupe
5. **150 MW** Kenya
6. **42 MW** [1] Indonesia



(1)Include Ormat's 12.75% share in Sarulla complex
(2)Includes 43MW of Solar PV
(3)Due to new power plants offset by lower rates at Puna
(4)Due to new power plants mainly offset by lower generation at the OREG facilities

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ELECTRICITY OPERATION UPDATES



01

Puna, Hawaii

Generation reached 28MW
Successful drilling campaign

Signed new PPA
Awaiting PUC approval

02

Heber complex, California

Improved performance
following operation of
Heber 2 repowering

Newly built Heber 1 is expected to be **completed in Q2 2023**

03

Olkaria, Kenya

Increased capacity
Stands at 127 MW

Continue our efforts to increase generation levels

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PRODUCT BACKLOG

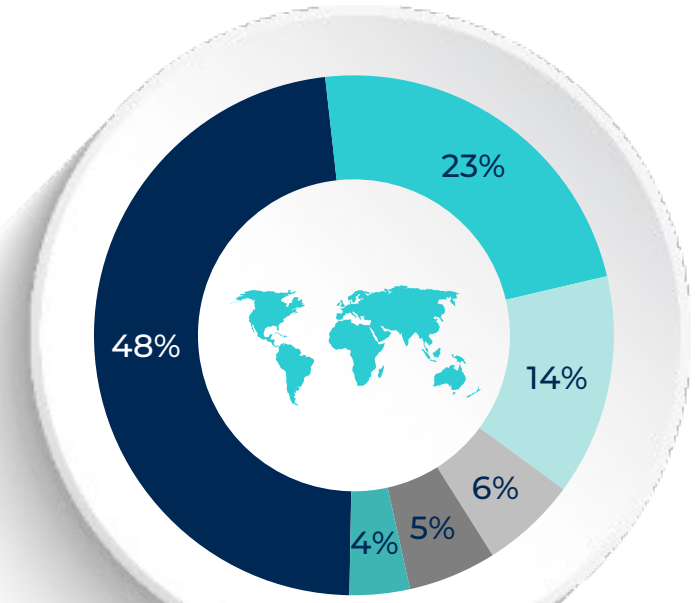
3RD PARTY CONTRACTS

$147M
Backlog[1]

221%
Increase vs. Q1 2022

94%
Geothermal contracts

Approx.
$40M
New contracts signed[2]



Geographic Breakdown

- New Zealand
- Indonesia
- Other[3]
- Philippines
- Guatemala
- Japan



1) Backlog as of May 9th, 2023.. The backlog Includes revenues for the period between April 1, 2023, and May 9, 2023.
2) YTD 2023
3) Other includes USA, Israel, Germany, Taiwan etc.

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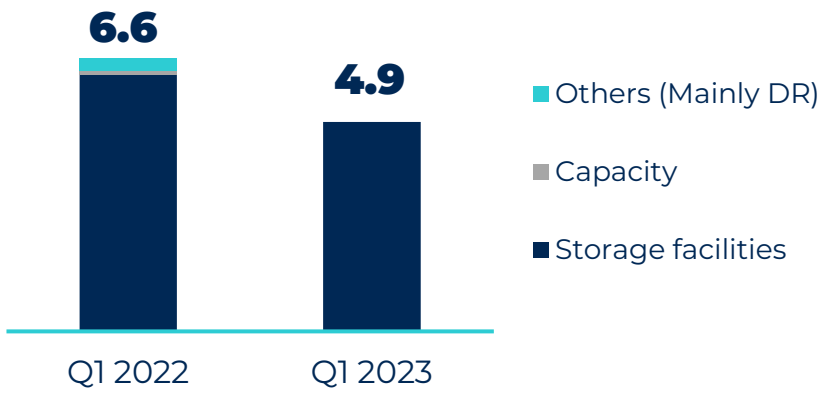
ENERGY STORAGE

$0.8M
Adjusted EBITDA

19 MW/MWh
New facilities



Storage Segment Revenues Breakdown ($M)



107MW/215MWh

1. **35MW/140MWh**
   CA
2. **60MW/60MWh**
   East cost
3. **10MW/10MWh**
   TX
4. **2MW/5MWh**
   VT

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REGULATORY ENVIRONMENT



US

Contribution of IRA benefits in Q1 2023

$4.8M

PTC[1] impact on EBITDA

$1.6M

Transferable ITC reduced tax expense

INTERNATIONAL

New legislation in Turkey: new opportunities to the **product segment**

Government approved new Feed in tariff for local developers and additional incentives that sum up to approx. $118/MWh

1. PTC includes $1.8M transferable PTC and $3.0M PTC related to tax equity transaction, mainly for CD4

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03

ADVANCING PROFITABLE GROWTH



ROBUST GROWTH PLAN

1.8GW - 1.86GW
2025 portfolio target

55% - 60%
Expected MW growth vs 2022

Significantly increase solar & geothermal capacity

Accelerate storage capacity to establish leading position in the U.S. storage sector

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2025 GROWTH TARGET
BY SEGMENTS

	GEOTHERMAL & SOLAR ENERGY	ENERGY STORAGE
YE 2025 TARGET	**1,300MW-1,330MW**	**500MW-530MW** **1,070 MWh-1,140 MWh**
MW ADDITION (VS 2022)	**230MW-260MW**	**412MW-442MW**
MW GROWTH	**21%-24%**	**468%-502%**

Change in MW growth is compared to a 1,070MW Electricity portfolio and an 88 MW storage portfolio in YE 2022



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GEOTHERMAL DEVELOPMENT

Project	Projected Capacity (MW)	Expected COD	PPA
U.S - North Valley	25	✓	✓
U.S. – Dixie Valley	6	Q2 2023	✓
U.S - Heber Complex	8	Q2 2023	✓
Guatemala - Zunil	5	H2 2023	✓
U.S – Beowawe Repowering	6	Q3 2024	✓
Indonesia - Ijen	15[1]	Q4 2024	✓
Guadeloupe- Bouillante	10	H1 2025	Under negotiation
U.S. – Puna expansion	8	2025	Awaiting PUC approval
U.S. - North Valley 2	10	2026	✓
U.S – Dixie Meadows	12	suspended	✓

✓ Commercial operation was completed



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SOLAR DEVELOPMENT

Project	Projected Capacity (MW)	Expected COD	PPA
U.S. - Brady Solar	6	✔	✓
U.S. - Steamboat Solar	7	Q3 2023	✓
U.S. – North Valley Solar	6	Q3 2023	✓
U.S. – Steamboat Hills Solar	4	Q3 2023	✓
U.S. – Beowawe Solar	6	H1 2024	✓
U.S. – McGinness Hills Solar	14	H2 2024	✓

✔ Commercial operation was completed

YE 2023:
23 MW from 4 projects



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ENERGY STORAGE DEVELOPMENT

Project	Projected Capacity (MW)	Projected MWh	Expected COD	PPA
NJ - Howell	7	7	✓	Merchant
OH – Bowling Green	12	12	✓	Capacity PPA and Merchant
TX - Upton	25	25	Q2 2023	Merchant
NJ - Andover	20	20	Q2 2023	Merchant
CA – Pomona 2	20	40	Q3 2023	Capacity PPA and Merchant
NJ – East Flemington	20	20	Q4 2023	Merchant
CA - Bottleneck	80	320	Q1 2024	Full Tolling
NJ – Montague	20	20	Q4 2024	Merchant

✓ Commercial operation was completed



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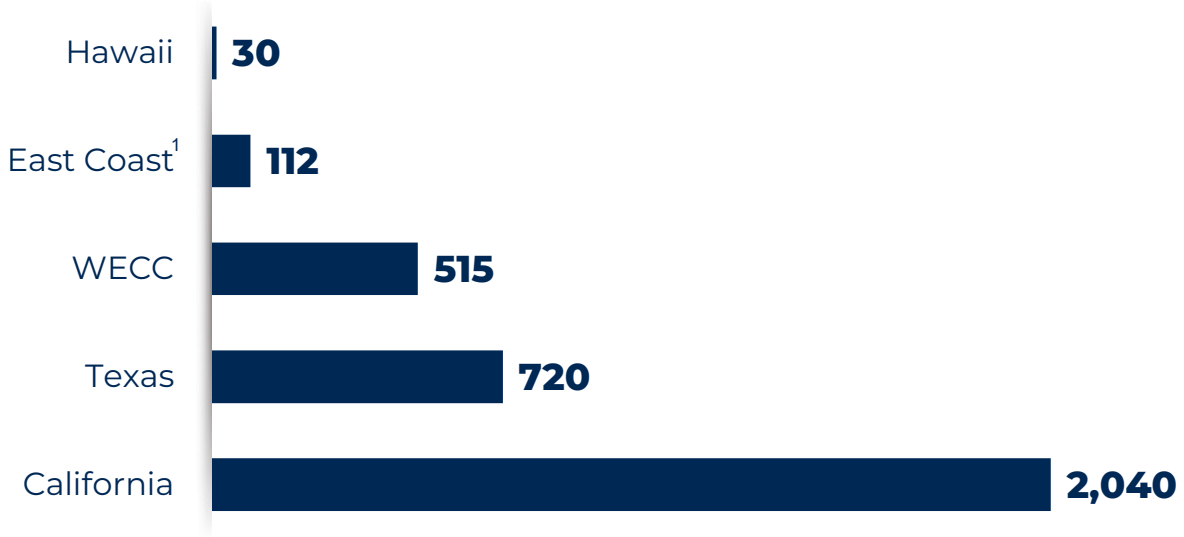
ENERGY STORAGE PIPELINE

~3.4GW
potential capacity of U.S. storage pipeline

37
named prospects



1) East coast market includes PJM, ISO-NE, NYISO



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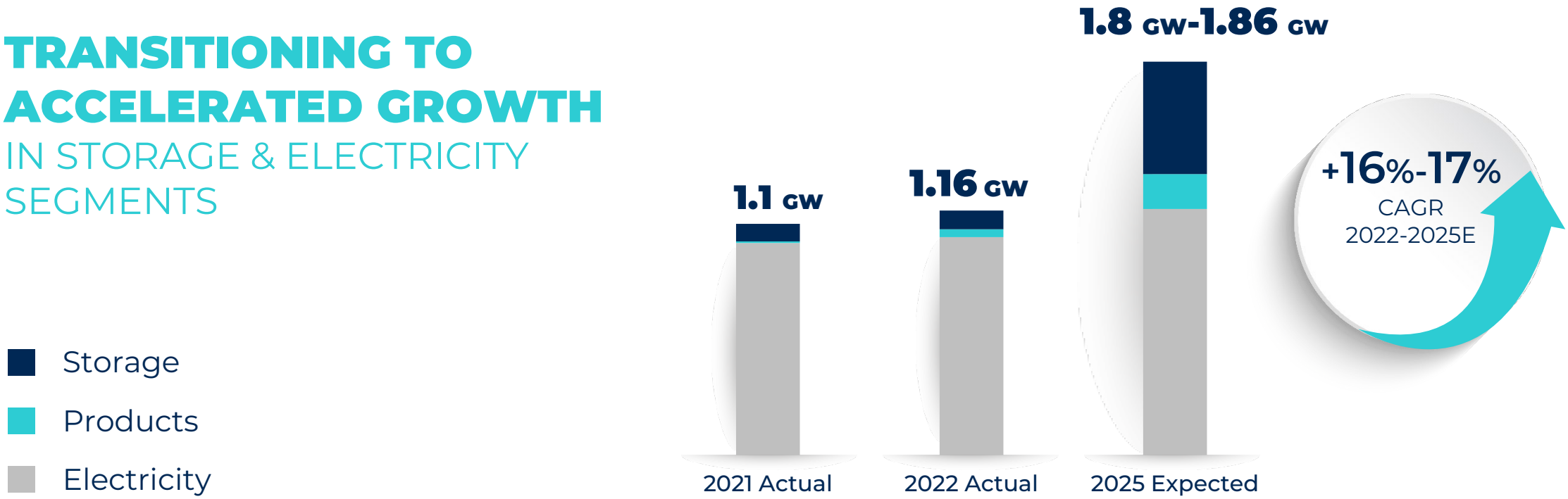
2023 GUIDANCE ($M)

Total revenues	Electricity	Products	Storage	Adjusted EBITDA[1]
823-858	**670-685**	**120-135**	**33-38**	**480-510**
+12%-17%	+6%-8%	+68%-89%	+7%-23%	+10%-17%

TRANSITIONING TO ACCELERATED GROWTH
IN STORAGE & ELECTRICITY SEGMENTS



(1) For key financial results and non –GAAP financial measures reconciliation please see the appendix slides.

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04

COMMITTED TO A SUSTAINABLE FUTURE

ESG INITIATIVES

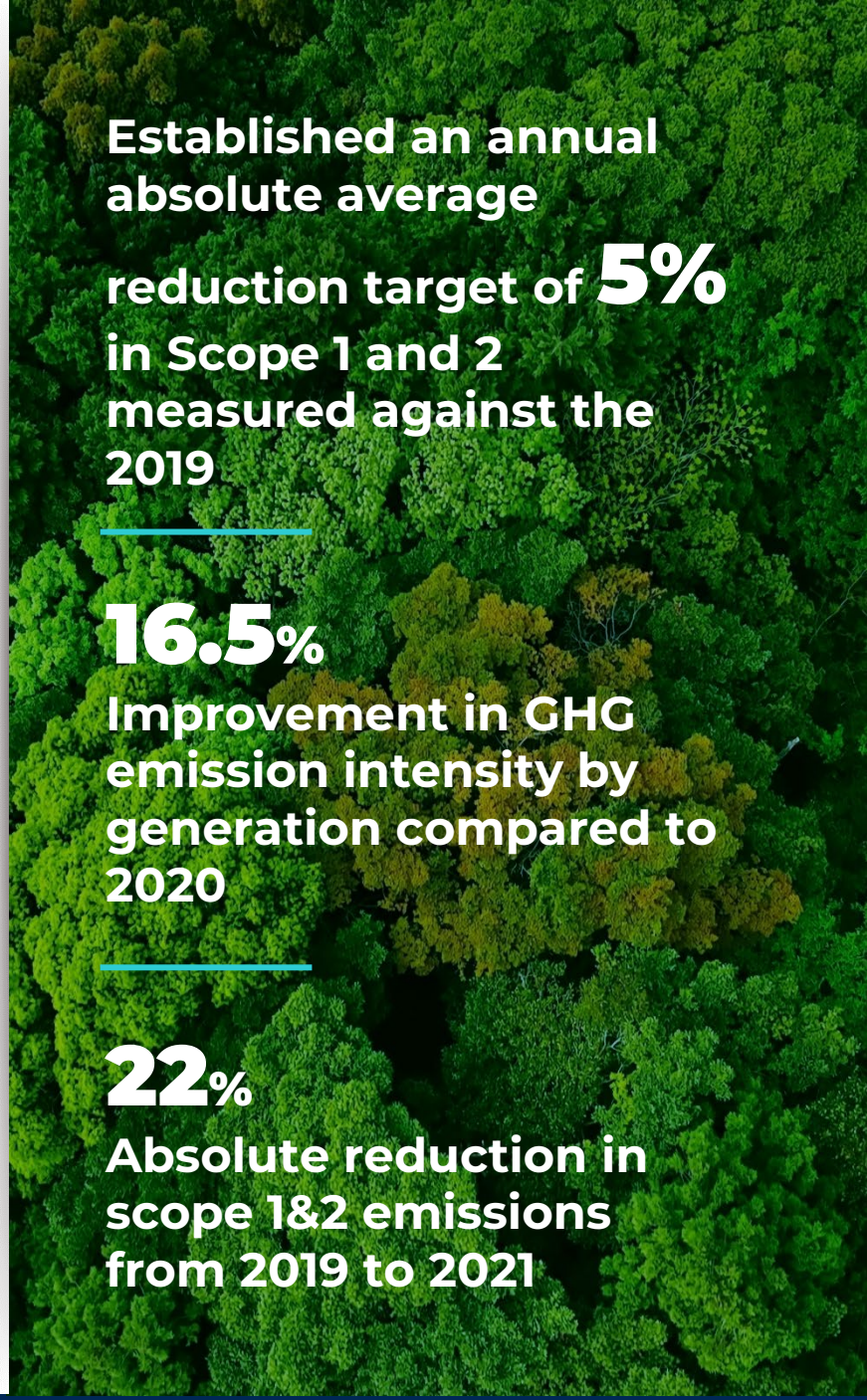
We are moving to strengthen our ESG commitments

01 Building our approach and policy on significant valuable issues

02 We issued our ESG report, the fourth in accordance with GRI standards and the second according to SASB framework.

03 Established a new ESG committee within our board of directors, which is responsible for overseeing our ESG strategy and initiatives

04 Conducting a climate risk analysis to better understand and mitigate the potential impacts of climate change on our business



Established an annual absolute average reduction target of 5% in Scope 1 and 2 measured against the 2019

16.5%
Improvement in GHG emission intensity by generation compared to 2020

22%
Absolute reduction in scope 1&2 emissions from 2019 to 2021

SUMMARY AND Q&A



SUMMARY:

STRENGTHENING THE FOUNDATION, PREPARING FOR FASTER GROWTH

01

Executing on our growth plans

expecting new 170MW in 2023

02

Delivered strong Q1 results

driven by new assets and IRA benefits

03

Strong tailwinds

support renewable and storage energy

04

Recovery in Product segment backlog

backlog stands at $147 million

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THANK YOU

COMMITTED TO CONTINUED PROFITABLE GROWTH

IR@ORMAT.COM



PAYMENT OF PRINCIPAL DUE BY PERIOD ($M)
AVERAGE INTEREST RATE: 4.14%

	Q2-2023	Q3-2023	Q4-2023	Year 2023
Long-term non-recourse debt & limited recourse debt	15.1	14.4	15.8	45.3
Long-term loans (full recourse)	46.0	23.2	18.3	87.5
Finance Liability	0.0	10.3	0.0	10.3
Total	**$61.1**	**$47.9**	**$34.1**	**$143.1**

	Remaining Total	2023	2024	2025	2026	2027	Thereafter
Long-term non-recourse debt & limited recourse debt (27.6%)	579.7	45.3	63.8	64.7	60.9	57.5	287.5
Long-term Loans (full-recourse) (40.7%)	856.1	87.5	110.7	110.7	110.7	110.7	325.6
Finance Liability (11.2%)	236.1	10.3	96.4	10.1	15.2	14.8	89.3
Convertible senior notes (20.5%)	431.3	-	-	-	-	431.3	-
Total [1]	**$2103.1**	**$143.1**	**$270.9**	**$185.6**	**$186.8**	**$614.3**	**$702.4**

(1) Before classification of deferred financing costs in the amount of $22.8M
(2) We assume lines of credit are renewed

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CAPEX FOR 2023

($M)	ACTUAL INVESTED IN Q1 2023	TOTAL CAPEX FOR Q2-Q4 2023
Electricity Segment	**96**	**302**
Construction & Enhancements – fully released	56	122
Development enhancement, drillings and Exploration	12	89
Puna restoration (including drilling)	7	18
Olkaria recovery, partially released for construction (including drilling)	10	24
Maintenance CapEx	11	49
Storage Segment	**8**	**175**
Product Segment	**3**	**17**
Total	**106[1]**	**494**

(1) Excludes BD investments

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P&L HIGHLIGHTS

	Q1 2023	Q1 2022	Change (%)	
GAAP MEASURES				
Revenues ($M)				
Electricity	170.3	162.5	4.8	%
Product	10.0	14.6	(31.4)	%
Energy Storage	4.9	6.6	(25.6)	%
Total Revenues	**185.2**	**183.7**	**0.8**	**%**
Gross Profit ($ millions)	**76.1**	**69.9**	**7.8**	**%**
Gross margin (%)				
Electricity	44.4 %	41.8 %	260 bps	
Product	6.9 %	6.9 %	0 bps	
Energy Storage	(3.6)%	13.5%	-1,710 bps	
Gross margin (%)	**41.1 %**	**38.1%**	**300 bps**	
Operating income ($M)	53.2	45.1	17.9	%
Net income attributable to the Company's stockholders	**29.0**	**18.4**	**57.5**	**%**
Diluted EPS ($)	**0.51**	**0.33**	**54.5**	**%**
NON-GAAP MEASURES[1]				
Adjusted Net income attributable to the Company's stockholders	**29.0**	**19.9**	**45.8**	**%**
Adjusted Diluted EPS ($)	**0.51**	**0.35**	**45.7**	**%**
Adjusted EBITDA1 ($M)	**123.5**	**107.9**	**14.5**	**%**

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RECONCILIATION OF EBITDA AND ADJUSTED EBITDA

(DOLLARS IN THOUSANDS)

	Three Months Ended March 31,	
	2023	**2022**
Net income	33,461	22,793
Adjusted for:		
Interest expense, net (including amortization of deferred financing costs)	21,780	20,739
Income tax provision (benefit)	8,885	10,163
Adjustment to investment in an unconsolidated company: our proportionate share in interest expense, tax and depreciation and amortization in Sarulla	2,982	2,124
Depreciation and amortization	52,396	46,769
EBITDA	**119,504**	**102,588**
Mark-to-market gains or losses from accounting for derivative	993	277
Stock-based compensation	2,990	2,814
Write-off related to Storage projects and activity	-	1,825
Allowance for bad debt	-	115
Merger and acquisition transaction costs	-	249
Adjusted EBITDA	**123,487**	**107,868**

We calculate EBITDA as net income before interest, taxes, depreciation, amortization and accretion. We calculate Adjusted EBITDA as net income before interest, taxes, depreciation, amortization and accretion, adjusted for (i) mark-to-market gains or losses from accounting for derivatives, (ii) stock-based compensation, (iii) merger and acquisition transaction costs, (iv) gain or loss from extinguishment of liabilities, (v) cost related to a settlement agreement, (vi) non-cash impairment charges; (vii) write-off of unsuccessful exploration activities; and (viii) other unusual or non-recurring items. We adjust for these factors as they may be non-cash, unusual in nature and/or are not factors used by management for evaluating operating performance. We believe that presentation of these measures will enhance an investor's ability to evaluate our financial and operating performance. EBITDA and Adjusted EBITDA are not measurements of financial performance or liquidity under accounting principles generally accepted in the United States, or U.S. GAAP, and should not be considered as an alternative to cash flow from operating activities or as a measure of liquidity or an alternative to net earnings as indicators of our operating performance or any other measures of performance derived in accordance with U.S. GAAP. Our Board of Directors and senior management use EBITDA and Adjusted EBITDA to evaluate our financial performance. However, other companies in our industry may calculate EBITDA and Adjusted EBITDA differently than we do.

Starting in the fourth quarter of 2022, we include accretion expenses related to asset retirement obligation in the adjustments to net income when calculating EBITDA and adjusted EBITDA. The presentation of EBITDA and adjusted EBITDA includes accretion expenses for the fiscal year ended December 31, 2022, however the prior years have not been recast to include accretion expenses as the amounts were immaterial.

The table above reconciles net income to EBITDA and Adjusted EBITDA for the three months periods ended March 31, 2023, and 2022.

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RECONCILIATION OF ADJUSTED NET INCOME ATTRIBUTABLE TO THE COMPANY'S STOCKHOLDERS AND ADJUSTED EPS

	Three Months Ended March 31,	
	2023	**2022**
(in millions, except for EPS)		
GAAP Net income attributable to the Company's stockholders	**$29.0**	**$18.4**
Write-off of related to Energy Storage projects and activity	—	1.4
Adjusted Net income attributable to the Company's stockholders	**$29.0**	**$19.9**
GAAP diluted EPS	**0.51**	**0.33**
Write-off of related to Energy Storage projects and activity	—	0.02
Diluted Adjusted EPS	**0.51**	**0.35**

We calculate Adjusted Net Income and Adjusted Diluted EPS as Net Income Attributable to the Company's Stockholders and Diluted EPS, respectively, adjusted for costs that are unusual or non-recurring in nature. We adjust for these factors as they may be non-cash or unusual in nature and/or are not factors used by management for evaluating operating performance. We believe that presentation of these measures will enhance an investor's ability to evaluate our financial and operating performance. The use of Adjusted Net income attributable to the Company's stockholders and Adjusted EPS is intended to enhance the usefulness of our financial information by providing measures to assess the overall performance of our ongoing business. The tables reconciles Net income attributable to the Company's stockholders and Adjusted EPS for the three-month periods ended March 31, 2023, and 2022.

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RECONCILIATION OF NON-GAAP FINANCIAL MEASURES

	March 31, 2023
Cash and cash equivalents, marketable securities and Restricted cash (in millions $)	
Cash and cash equivalents	415
Restricted cash and cash equivalents	107
Total cash and cash equivalents, marketable securities and Restricted cash (in millions $)	**522**
current portion:	
Limited and non-recourse	63
Full recourse	111
Finance liabilities	15
Total current portion of long-term debt:	**190**
Long-term debt, net of current portion:	
Limited and non-recourse:	504
Full recourse	742
Finance liabilities	221
Convertible senior notes	421
Total long-term debt, net of current portion:	**1,889**
Total Debt	**2,078**
Full recourse	1,274
Limited and non-recourse	568
Finance liability	236
Total Debt	**2,078**
Net Debt (in millions)	**1,556**
Total Equity	2,337
Net Debt to Capitalization (Total Equity) (%)	**40%**
Net Debt (in millions)	1,556
Adjusted EBITDA (in millions)	451
Net Debt to Adjusted EBITDA[1] (x)	**3.4x**

(1) Reflects LTM Adjusted EBITDA.

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