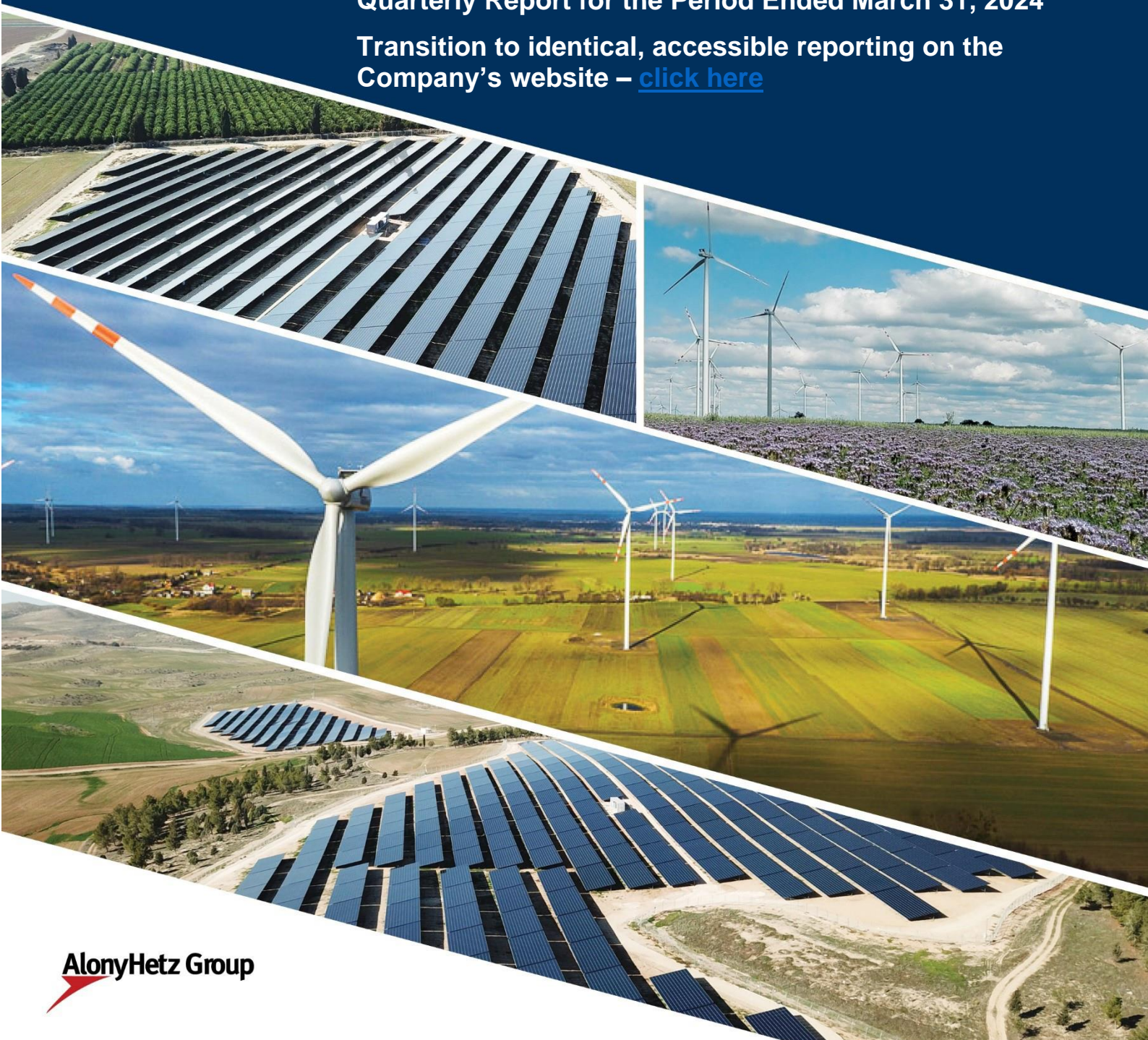


Energix – Renewable Energies Ltd.

Quarterly Report for the Period Ended March 31, 2024

Transition to identical, accessible reporting on the Company's website – [click here](#)





Energix – Renewable Energies Ltd.
Consolidated Interim Financial Statements
As of March 31, 2024
(Unaudited)

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Energix – Renewable Energies Ltd. (the “Company”)
Board of Directors' Report Concerning the State of the Company's Affairs

The Company's Board of Directors is pleased to present its report concerning the state of the Company's affairs for the three months ended March 31, 2024 (the “**Reporting Period**” and the “**Report Date**”, respectively). The information specified in this report also constitutes an update in accordance with Regulation 39A of the Securities Regulations (Periodic and Immediate Reports) 1970 (hereinafter: the “**Regulations**”), and additional information as of May 19, 2024 (the “**Report Approval Date**”).

Any reference to the “Company” or the “Group” in this report means the Company and/or the Company through its wholly owned subsidiaries and/or partnerships.

The Board of Directors' Report and the updates included therein have been prepared based on the assumption that the reader is in possession of the Company's periodic report for 2023, which was published on March 6, 2024 (reference number 2024-01-022716) (the “**Annual Report**”) and in particular, Parts A and C of the Annual Report – Financial Statements (the “**Annual Financial Statements**”).

Part A – The Board of Directors' Explanation of the Company's Business Situation

1. Summary description of the Company's activity

Energix – Renewable Energies Ltd. (“**Energix**” or the “**Company**”) was incorporated in Israel on December 7, 2006 as a private company. In May 2011, the Company became a public company, and its securities were listed for trading on the Tel Aviv Stock Exchange Ltd. (the “**Stock Exchange**”). Alony Hetz Properties and Investments Ltd. (“**Alony Hetz**”) has been the Company's controlling shareholder since it was founded.¹

As of the Report Date and as of the Report Approval Date, the Company is engaged, independently and through wholly controlled subsidiaries (hereinafter, jointly: the “**Group**”), in the, development, financing, construction, management and operation of facilities for the production of electricity from renewable energy sources, storage and sale of electricity produced by those facilities, with the intention of holding them over the long-term.

As part of the Company's overall activities in Israel, USA and Poland, the total capacity of its systems in the Photo-voltaic and Wind Energy Segments as of the Report Approval Date amounts to 1.3GW+34MWh (storage) in commercial operation, 742MW+312MWh (storage) in projects under construction and pre-construction, and 480MW+48MWh (storage) in projects in advanced stages of development. The Company also has projects under development in the photo-voltaic segment and in the wind energy segment with total capacity of 6.3GW, and projects under development in the storage segment with total capacity of 6.9GWh.²

Unless expressly stated otherwise, any reference to the Company and its activities is described on the level of the Group.

For more information regarding the Company's activity, see section 1 in Part A of the Annual Report – Description of the Corporation's Business, section 4 below, and Note 1.a. in Part C of the Annual Financial Statements.

¹To the best of the Company's knowledge, as of the Report Approval Date, Alony Hetz is a company without a control core. For more information, see Regulation 21A in Part D of the Annual Report – Additional Details.

²**Commercially active projects** are projects whose construction has been completed, and where the electricity produced therein is transmitted to the relevant power grid; **Projects under construction or in pre-construction** are projects of the Company which are currently under construction, or whose construction is expected to begin in the near future; **Projects in advanced stages of development** include the series of Company projects which the Company estimates can reach a financial closing or readiness for construction within the next 12 months, or projects in **development** stages which have won a guaranteed tariff; **Projects in stages of development** include the series of Company projects in various stages of development, which may mature into projects under construction, regarding which the Company has ties to the land, and regarding which the Company is working to obtain, or already has, the permits and authorizations which are required for their construction. **The series of mature projects** includes commercially active projects, projects under construction and in pre-construction, and projects in advanced stages of development .

2. **Major Events During the Reported Period and as of the Report Approval Date:**

2.1 Strong Q1 results* and forecast reconfirmed: Company revenues in the first quarter amounted to NIS 230 million, 26% increase compared to NIS 183 million in revenues in the corresponding period last year. Revenue growth is primarily due to increase in projects in commercial operation and increase in revenues from existing facilities. EBITDA amounted to NIS 167 million, 22% increase compared to EBITDA of NIS 137 million in the corresponding period last year.

Net income attributable to Company shareholders in the first quarter amounted to NIS 79 million, compared to NIS 76 million in the corresponding period last year.

The Company reconfirmed its forecast for 2024. For more information see section 4.2 below.

* Comparison of results against the corresponding period last year is an economic analysis. Therefore, with respect to the corresponding period last year, the results took into account the *pro rata* share for Q1 only, out of compensation received for unwinding of forward transactions in Poland, for all of 2023. For more information see section 4.5 below.

For more information about unwinding of forward transactions in Poland, see Note 10(B)(4)b and c to the 2023 financial statements.

For analysis of quarterly results compared to the year-ago quarter, see section 4.5 below. For more information about operating results, see sections 4.5 and 4.6 below.

2.2 Strategic collaboration (sale of electricity and green certificates, provision of Tax Equity Partner investment): As of the Report Approval Date, the Company is in advanced negotiations (approaching signing) for long-term strategic collaboration with respect to its future operations in the USA, after a wholly owned US subsidiary of the Company signed, an MOU in December 2023. As part of this strategic collaboration, subject to signing of binding agreements and subject to terms and conditions thereof, the subsidiary would sell to the strategic partner the electricity and green certificates generated by future Company projects in the USA, expected to be in commercial operation as from 2025, with initial capacity of 1.5 GW or more (except for other projects where the Company has a prior commitment to sell electricity to third parties). Furthermore, the strategic partner would provide the Tax Equity Partner investment to projects subject to this contracting (including by way of transfer), so as to reflect the maximum ITC tax credit rate to which these projects are entitled. For more information see the Company's immediate report dated December 18, 2023 (reference no. 2023-01-137034), included herein in its entirety, by way of reference, *mutatis mutandis*.

2.3 Signing of non-binding MOU to acquire a project portfolio in the USA with capacity in excess of 1.2GWp and storage capacity in excess of 1.2GWh: In April 2024, the Company signed an MOU with a leading global energy company, for the acquisition of full interest in a portfolio of photo-voltaic projects with capacity in excess of 1.2GWh on the PJM network. These projects also have the potential for integration of storage facilities with capacity in excess of 1.2GWh.

The expected acquisition cost is USD 62 million payable upon closing, and an additional fee for each project upon reaching start of construction, up to a total of USD 58 million. Should storage facilities be integrated, the seller would be entitled to additional consideration of up to USD 16 million.

According to information provided to the Company, most of the projects are in advanced development stages and should be in commercial operation by 2025-2027. Furthermore, the Company believes that most of the projects will be eligible for a 50% ITC tax benefit.

For more information, see the Company's immediate report dated April 14, 2024 (reference no. 2024-01-042342), included herein in its entirety by way of reference, and Note 7 to the financial statements.

2.4 Closing of the acquisition of 2 projects in Pennsylvania with total capacity of 200MWp: The transaction closed in April 2024, after the Company signed an amendment to the power purchase agreement of the projects to a top tier US company, with improved terms. The total acquisition cost amounted to USD 23 million (of which USD 13 million for acquisition of the ownership, and the balance – for reimbursement of construction costs). The Company believes that these projects will be in commercial operation by the second half of 2025.

2.5 Closing of financing transaction and Tax Equity Partner investment with respect to E3 project cluster (Virginia 3 and PA1): In April 2024, the Company closed the financing transaction and Tax Equity Partner investment with respect to the E3 project cluster, with total capacity of 412MWp, amounting to USD 530 million.

As of the Report Approval Date, the Company believes that it is entitled to receive an additional amount of up to USD 100 million of ITC tax benefit for use of local content. Of this amount, the Company is striving to receive USD 75 million through sale of the tax benefits, even prior to enactment of binding regulations in this regard (based on approvals obtained for this purpose). The Company would strive to receive the balance of USD 25 million subject to enactment of binding regulations.

For more information, see the Company's immediate report dated April 7, 2024 (reference no. 2024-01-033544), included herein in its entirety by way of reference, and Note 7 to the financial statements.

2.6 Negotiations to obtain financing amounting to USD 620 million for construction of project cluster E4 in the USA: The Company is in negotiations to obtain financing, including a bridge loan, a back leverage loan and ITC Tax Equity Partner investment (including by way of sale of the tax benefit), amounting to USD 620 million, to finance construction of project cluster E4, with capacity of 410 MWp.

2.7 Promotion of future development pipeline in Poland due to regulatory change: The newly established government in Poland, whose policy is supportive of renewable energies, has resulted in regulatory changes in the electricity market, which may increase the pace of renewable energy project connection to the power grid in Poland. These changes primarily involve expansion of electricity connections to the grid from electricity generation facilities, including those using renewable energies. Therefore, the Company is promoting projects in various stages of development, so as to obtain connection approvals for projects with capacity of up to 900MW. After the report date, the Company received approval for connection to the power grid of a project under development for the construction of a wind farm with capacity of 39MW.

2.8 Connection of first storage project in Israel: In April 2024, the Company marked a milestone in its operations, with the connection of its first solar facility with integrated storage. As of the report issue date, this facility regularly provides electricity, in conformity with agreements signed with Electra Power. This facility is the first in a pipeline of integrated solar and storage projects, which should be in commercial operation by 2024–2025.

For more information about contracting by the Company and Electra Power, see section 7.1(B) in Part A of the 2023 annual report "Description of the Corporation's Business", and Note 10(B)(1) to the annual financial statements.

Acquisition of minority partner's interest in operations in Israel as part of the joint venture: After the report date, the Company closed the acquisition of non-controlling interest of a developer with whom the Company had established the joint venture in Israel, for total consideration amounting to NIS 42 million (including development fee).

2.9

Upon acquisition of this non-controlling interest, the Company now holds 100% interest in Company-owned projects in all 3 territories where the Company operates.³

Reference to forward-looking information

It is clarified that the provisions of this Board of Directors' Report, above and below, include, from time to time, reference to forecasts, estimates, approximations or other information pertaining to a future event or matter, which are uncertain to materialize, and which are not under the control of the Company and/or the Group, and

³ Other than holdings by landowners in Israel, as stipulated by the Israel Land Administration, and other than a minority partner in clean wind energy (aran) project.

which therefore constitute Forward-Looking Information, as this term is defined in section 32a of the Securities Law, 1968 (“Forward Looking statement”).

Accordingly, any reference in this Board of Directors' Report to “forward-looking information” means any forecast, estimate, approximation, or other information which refers to future events or matters, the materialization of which is uncertain and is not under the exclusive control of the Company and/or the Group. This information is based on knowledge which is available to the Company or to the Group as of the Report Approval Date, or on information which was published in external sources, and may change, inter alia, depending on and due to the Company's series of projects in the relevant periods, and the Company's ability to build them, as well as the effects of business–economic and regulatory variables, and of the general risk factors which are characteristic of the Company's activity. Accordingly, the actual results in respect of such information may differ significantly from the presented information or from the results which have been estimated on the basis of the information, or are implied by such information, and which are included in this Board of Directors' Report.

3. Dividend

The Company's Board of Directors, in its meeting on March 8, 2021, resolved to adopt a multi-year dividend policy, in consideration of the Company's continued growth, and in accordance with its needs. For more information regarding the Company's dividend policy, see section 4 in Part A of the Annual Report – Description of the Corporation's Business.

Based on policy adopted and in accordance to the Board of Directors' resolution regarding dividend distribution in 2024, on May 19, 2024 the Company announced a dividend distribution for the second quarter of 2024, of NIS 0.10 per share (for a total of NIS 55 million), payable in June 2024. For more information about dividend distribution by the Company in 2024, see Note 7E to the financial statements.

4. Main data regarding the Company's operations:

Presented below is the Company's pipeline of projects as of the Report Approval Date:

The Company's project pipeline – May 2024



Total project pipeline

8.8GW+7.3GWh

6.3GW
+
6.9GWh



Mature pipeline

2.5GW+0.4GWh

480MW
+
48MWh

742MW
+
346MWh

1,287MW
+
34MWh



Commercial
Operation



Under construction/
pre-construction



Advanced development
Expected construction time
within 12 months



Sollar, wind and
storage development

4.1. information regarding the Company's operating systems, systems under construction, systems in pre-construction and systems in development stages, as of the Report Approval Date:

For the purpose of providing a general overview of the Company's activity, presented below are tables presenting a summary description of projects in commercial operation, under construction, in pre-construction and in development stages:

The information presented below on all matters associated with future dates, as well as the Company's forecasts regarding costs, revenues and projected results, constitutes Forward-Looking Information, as defined in this report, which is based, inter alia, on the Company's estimates and the information which was available to it as of the Report Approval Date, in respect of the relevant periods.

The figures presented in the tables are in millions of NIS (unless stated otherwise), and the results presented in the tables do not include the impact of IFRS 16 or the impact of the amendment to IAS 23, as specified in Note 3 to the Annual Financial Statements.

Projects in commercial operation

Projects whose construction has been completed, and whose produced electricity is being transmitted to the relevant power grid:

Country	Technology	Capacity (MW)	Revenue source	Original construction cost	Project finance facility	Project results for the three-month period ended March 31, 2024 (NIS in millions)				Forecasted project results in 2024 (NIS in millions)				Company's share
						Revenues	Gross profit	Project-specific FFO	Net cash flows after debt service / cash distribution to the Tax Equity Partner in the USA	Revenues	Gross profit	Project-specific FFO	Net cash flows after debt service /cash distribution to the Tax Equity Partner in the USA	
Israel (1)	Photo-voltaic	330MWp	Sale to the Israeli Electric Corporation at a fixed, CPI-linked tariff, for a period of 20-23 years after the date of commercial operation	1,200	1,195	32	24	18	8	150-160	115-123	92-98	35-39	100%
Poland (2,3,9,10)	Wind	301MW	Electricity – sale on the power exchange or in accordance with fixed price agreements. Green certificates – sale on the exchange or in long-term agreements.	1,579	784	162	144	134	134	555-575	480-500	443-459	413-421	100%
Poland (4)	Photo-voltaic	13MWp	Sale on the market (including fixed price transactions) and/or CPI-linked tender price	34	–	1	1	1	1	4	4	4	4	100%
USA – clusters E1 and E2 (Virginia Projects 1 and 2) (5,6,7)	Photo-voltaic	224MWp	Electricity – Sale at a fixed price for a period of 12-15 years, or sale to the electric corporation at market prices, in parallel with a 6 and 12 year hedging transaction. Green certificates – sale at a fixed price over a period of 12-15 years.	569	312	9	6	1	1	54-59	43-47	26-30	10-12	100%
USA cluster E3 (Virginia Projects 3 and Pennsylvania) (8,10)	Photo-voltaic	412MWp	Electricity – Sale at a fixed price for a period of 12-15 years, or sale to the electric corporation at market prices, in parallel with a 6 and 12 year hedging transaction. Green certificates – sale at a fixed price over a period of 12-15 years.	1,257	1,094	19	16	15	15	140-150	118-124	61–66	30-36	100%
Total projects in commercial operation		1,280		4,640	3,385	222	191	169	159	903-948	760–798	626–657	492-512	

- 1) The above information includes projects with a capacity of 23MW from competitive proceeding 4, the construction of which was completed, and which have been connected to the power grid, but are not yet transmitting electricity in practice.
- 2) The wind farms Banie 3 and Sepopol won guaranteed, CPI-linked tenders (as of the Report Date – PLN 280-300 per 1MWh), for 15 years, in respect of electricity output at an average rate of 65% of the expected power generated by each of the wind farms. For Company entry into the tender regulation after the Report Date, see Note 10b(4)(d)(3) to the annual financial statements.

- 3) The wind farm Banie 4 was awarded a guaranteed, CPI-linked tenders (as of the Report Date – PLN 295-305 per 1MWh), for 15 years, in respect of electricity output at an average rate of 80% of the expected power generated. The Company has the possibility to choose not to enter into the tender regulation, and to waive the guaranteed tariff until February 2025. A decision on the matter will be made depending on the state of the power market and the electricity prices at that time, inflation forecasts, etc.
- 4) As of the Report Approval Date, the Lubanowo project awaits a fixed generation license Project expenses during the testing phase were capitalized to system cost.
- 5) The agreement vis-à-vis the Tax Equity Partner in the USA (for more information, see Note 10B(2)(b)b to the Annual Financial Statements) determined, inter alia, the rate of cash distribution between the Company and the Tax Equity Partner during a period of 5 years, after which 95% of the cash flows are expected to be used by the Company. In the above table, the Company's share in cash flows is presented net of the payment of the Tax Equity Partner's share.
- 6) In Virginia Projects 2, the Tax Equity Partner's undertaking applies to 5 of the 6 projects. In the sixth project, the Company is using the tax benefits, in the amount of USD 10 million, for its own use.
- 7) The original construction cost represents cost to third parties, including financing expenses during the construction period, tax payments in respect of development and construction profits, less the Tax Equity Partner's investment in respect of the tax credit (ITC).
- 8) Projects under construction in Virginia and Pennsylvania with capacity of 412MWp are based on the assumption that the Tax Equity Partner's investment will be at 40%–50%, pursuant to the IRA. As of the Report Approval Date, the Company believes that it is entitled to receive up to USD 100 million for realizing the additional tax benefit for use of local content. Of this amount, the Company is striving to receive up to USD 75 million through sale of the tax benefits, even prior to enactment of binding regulations in this regard (based on approvals obtained for this purpose). The Company would strive to receive the balance of USD 25 million subject to enactment of binding regulations.
In the reported period, most E3 projects were operating in a testing period. Accordingly, through commercial operation, the financing expenses with respect to the project loan during the testing period were capitalized to system cost. Thus, FFO during the testing period excludes financing expenses in respect of the project.
- 9) As of the Report Approval Date, the Company is in negotiations to obtain long-term project financing for the Banie 1+2 and Ilawa wind farms, with capacity of 119MW, on non-recourse basis, of up to PLN 850 million.
- 10) The financial data are based on an exchange rate of NIS 3.71 to USD 1, and on an exchange rate of NIS 0.93 to PLN 1. Actual figures are based on the exchange rates specified in Note 2c.
- 11) Capacity information: wind – in MW; photo-voltaic – in MWp; storage – in MWh.

*** Includes forward looking statement which is based, inter alia, on the electricity prices as of the Report Approval Date.**

Projects under construction and in pre-construction

Projects of the Company which are under construction or whose actual construction is expected to begin in the near future:

Country	Project	Technology	Capacity (MW)	Revenue source	Electricity sale tariff per 1KWh (in NIS)	Projected construction costs	Project finance facility	Projected date of commercial operation	Cost invested as of the Report Date	Projected project results in the first full year of operation				Company's share in the project
										Revenues	Gross profit	FFO	Net cash flows after debt service / cash distribution to the Tax Equity Partner in the USA	
Israel	Clean Wind Energy (1)	Wind	104MW	Sale to the Israeli Electric Corporation at a fixed, CPI-linked tariff, for 20 years after the date of commercial operation	0.303	650-750	Up to 650	12 months after work resumption	519	93-101	77-83	58-62	30-34	80.5%. Share in results and in net cash flows – 100%
	Photo-voltaic projects including storage (8,9)	Photo-voltaic	111MWp Includes storage capacity of 346MWh	In accordance with the power purchase agreements with the distributors and sale to the customer at a CPI-linked fixed tariff, for 23 years after start of commercial operation		580-620	Up to 500	In 2024-2025	406	62-67	50-54	27-31	13-15	100%
	First competitive proceeding for ultra-high voltage systems (7)	Photo-voltaic	87MWp	CPI-linked fixed tariff for 23 years	0.162	240-280	Up to 255	Second half of 2024	224	22-26	16-20	9-13	2-4	100%
Poland	PV project in Poland 30MW	Photo-voltaic	30MWp	Sale on the market (including fixed price transactions) and/or CPI-linked tender price		80-95	To be determined	Second half of 2024	–	10-14	8-10	8-10	8-10	100%
USA (2,3,5,6,10)	E4 project cluster	Photo-voltaic	410MWp	Electricity – Long-term agreement for sale, at a fixed price, to the utility or to the end customer, or sale to the utility at market prices, in parallel with a long-term hedging transaction. Green certificates – Long-term sale agreement at a fixed price		1000-1100	To be determined	In 2024-2025	439	145-155	120-128	120-128	120-128	100%
Total projects under construction and in pre-construction			742MW Includes storage capacity of 346MWh						1,589	332 – 363	271 – 295	222 – 244	173 – 191	

1) In accordance with the series of agreements which were signed between the Company and the Clean Wind Energy Project, and the revenue forecast, the Company's share in the cash flows is 100% until the repayment of all of the liabilities to the Company. After all of the liabilities towards the Company have been repaid, the distributable cash flows will be distributed to the owners

in accordance with their respective shares. As of the Report Approval Date, construction work on this project has yet to resume. For more information see Note 10(5) to Part C of the annual report – financial statements.

- 2) The agreement vis-à-vis the Tax Equity Partner in the USA includes the specification of the rate of cash distribution between the Company and the Tax Equity Partner during a period of 5 years, after which 95% of the cash flows are expected to be used by the Company. In the above table, the Company's share in the net cash flows is presented after the payment of the Tax Equity Partner's expected share.
- 3) The construction cost represents cost to third parties, including financing expenses during the construction period, tax payments in respect of development and construction profits, less the Tax Equity Partner's investment in respect of the tax benefit (ITC).
- 4) Capacity information: wind – in MW; photo-voltaic – in MWp; storage – in MWh.
- 5) The financial data are based on an exchange rate of NIS 3.71 to USD 1, and on an exchange rate of NIS 0.93 to PLN 1.
- 6) In Virginia projects under construction with capacity of 410MWp, based on the assumption that the Tax Equity Partner's investment will be at 40%–50%, pursuant to the IRA. Note that as of the Report Issue Date, final regulations for the Local Content credit have yet to be made public. For more information, see section 6.1(i) below.
- 7) Until the date of commercial operation, the winning tariff was linked to the exchange rate and the CPI. On the winning date, the tariff was NIS 0.156 per installed 1KWp.
- 8) Includes project with capacity of 8.7MWp + 34MWh, connected in May 2024.
- 9) The Company's estimate regarding the projected results from these projects is based on the power purchase agreements which have been signed, or on the Company's estimates regarding the range of electricity prices which are expected for the projects, within the framework of power purchase agreements which will be signed in the future.
- 10) The cost which has been invested as of the Report Date is before deducting the Tax Equity Partner's investment in respect of the tax benefit (ITC), which had not yet been received as of the approval date of the report.

*** Includes forward looking statement which is based, inter alia, on the electricity prices as of the Report Approval Date.**

Projects in advanced development

Projects in advanced development include the series of Company projects which the Company estimates can reach a financial closing or readiness for construction within the next 12 months, or projects in development stages which have won a guaranteed tariff;

Country	Project	Technology	Capacity (MW)	Revenue source	Projected date of commercial operation	Status	Projected construction costs	Cost invested as of the Report Date	Projected income in first year of full operation	Company's share in the project
Poland	Wind – Poland	Wind	68MW	Sale on the market (including fixed price transactions)	In 2025	The site has a building permit.	420-440	6	85-95	100%
	PV – Poland	Photo-voltaic	95MWp	Sale on the market (including fixed price transactions)	First half of 2025	In final planning stages	250-290	9	33-43	100%
	Storage – Poland	Storage	Storage capacity of 48MWh	Sale on the market (including fixed price transactions) and/or availability tender price	First half of 2025	In final planning stages	35-55	–	11-15	100%
USA	PV – USA (1,3)	Photo-voltaic	317MWp	Electricity – Long-term agreement for sale, at a fixed price, to the utility or to the end customer, or sale to the utility at market prices, in parallel with a long-term hedging transaction. Green certificates – Long-term sale agreement at a fixed price	In 2025-2026	In final planning stages	870-960	173	123-133	100%
Total in advanced development:			480MW Includes storage of 48MWh				1,575 – 1,745	189	252 – 286	

- 1) Based on the assumption that the Tax Equity Partner's investment will be at 40%–50%, pursuant to the IRA. Note that as of the Report Issue Date, final regulations for the Local Content credit have yet to be made public. The original construction cost represents cost to third parties, including financing expenses during the construction period, tax payments in respect of development and construction profits, less the Tax Equity Partner's investment in respect of the tax credit (ITC).
- 2) Capacity information: wind – in MW; photo-voltaic – in MWp; storage – in MWh.
- 3) The financial data are based on an exchange rate of NIS 3.71 to USD 1, and on an exchange rate of NIS 0.93 to PLN 1.

*** Includes forward looking statement, which is based, inter alia, on the electricity prices as of the Report Approval Date.**

Initiated projects

Initiated projects include the Company's series of projects in various stages of development, which may mature into projects under construction, in which the Company has ties to the land, and in which the Company is working to obtain, or already has, the permits and authorizations which are required for their construction:

Country	Technology	Capacity (MW) (1)
Israel	Photo-voltaic	565 MWp
	Storage	500 MWh
USA	Photo-voltaic	4,800 MWp
	Storage	6,000 MWh
Poland	Wind	670 MW
	Photo-voltaic	290 MW
	Storage	400 MWh
Total photo-voltaic and wind projects in development stages		6,325 MW
Total storage projects in development stages		6,900 MWh

1) Capacity information: wind – in MW; photo-voltaic – in MWp; storage – in MWh.

*** Includes Forward-Looking statement**

For additional information regarding the Company's activity and the projects which it owns, see section 7 in Part A of the Annual Report– “Description of the Company’s Business”, section 4 in Part A of the Annual Report – Board of Directors’ Report, and Notes 9 and 15 to the Annual Financial Statements.

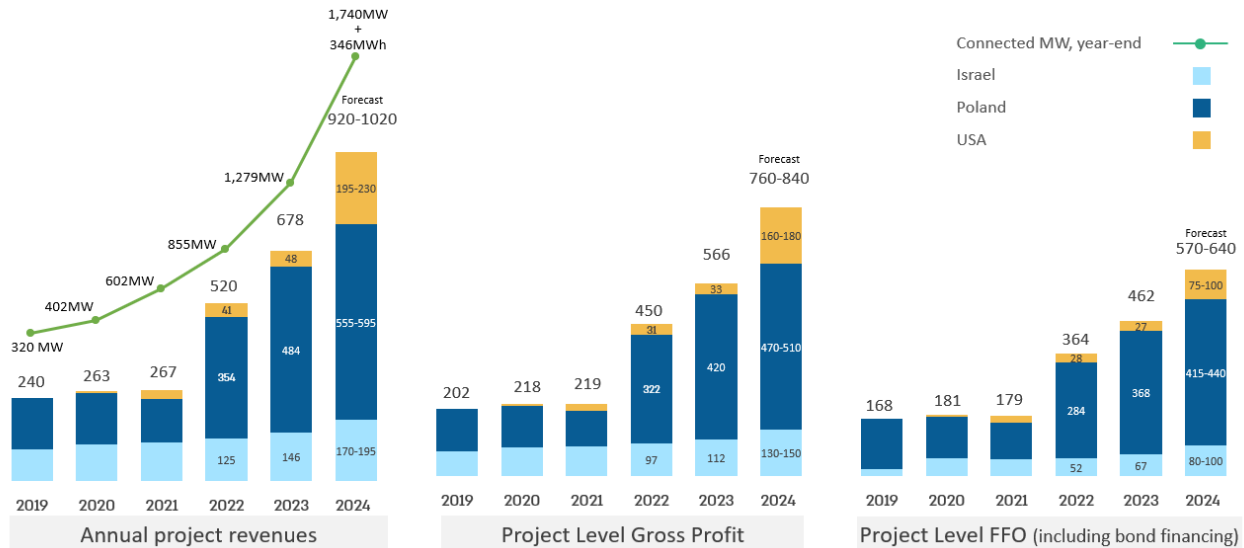
4.2. Operating results and forecasts as of the Report Approval Date:

Development of the Company's Operating Results

The following are the Company's results and forecasts for the systems in its possession, in millions of NIS

Company's Results And 2024 Forecast

The following are the Company's results and forecasts with respect to its projects, in NIS millions*



For the assumptions used in Company's assessment of its results and forecasts for 2023-2024, see section 4.2 of the report of the board of directors that was published on May 20, 2024, (Ref. No. 2024-01-049012)
 The revenue forecast for 2024 includes income from projects in commercial operation amounting to 890-980 million NIS, and from projects under construction amounting to 30-40 million NIS.

The 2024 revenue forecast includes revenues from projects in commercial operation amounting to NIS 890-980 million, and from projects under construction amounting to NIS 30-40 million.

The aforementioned forecasts for 2024 constitute forward-looking statement .

Actual results may differ significantly from the results which are estimated or implied based on the above information, entirely or partially, depending on the actual scopes of production and actual electricity prices and there is no certainty that the electricity prices will remain at the price level which served as the basis for calculating the forecasts.

Clarifications:

- a) Definitions: **“Project-specific gross profit”** – Profit from projects (excluding general and administrative expenses, and development expenses) before financing, taxes, depreciation and amortization; **“Project-specific FFO”** – cash flow from project-specific current operations Calculated as project-specific gross income less cash flow finance expenses during the period of commercial operation, including cash flow finance expenses in respect of bonds (including cross currency swap transactions in respect thereof), less current taxes.
- b) The Company's results are presented according to the Company's share in the cash flow from the projects (effective rate of cash flows, while taking into account senior shareholder's loans which the Company has given to the project entities), while neutralizing the effect of IFRS 16 – Leases. As from

the report date, the Company is entitled to 100% of cash flow in projects across all 3 territories in which the Company operates.

- c) Data in forecasts for 2024 are in accordance with the Company's actual results for the first quarter of 2024 and in conformity with Company expectations, as of the Report Approval Date, based, *inter alia*, on the following assumptions:
- Operating results are based on the Company's projects in commercial operation, and the Company's estimates regarding the commercial operation date its projects which, as of the present date, are under construction, in pre-construction and in advanced development, and the financing transactions with respect thereto, including cash interest expenses in respect of the bonds (Series A and B):
 - Exchange rates which were used to calculate the forecast:
 - i. PLN 1 to NIS 0.93
 - ii. USD 1 to NIS 3.71

- d) Sensitivity analysis of Company projected results for 2024:

Different variables, mostly including weather conditions and production ability, market prices of electricity in the USA, and market prices of electricity and green certificates in Poland, as well as changes in the PLN and USD exchange rates, may have a significant impact on the Company's operating results in 2024.

Presented below is a partial sensitivity analysis in respect of these variables (each pertaining to itself only, without cross changes) which the Company made in the 2024 forecast, in light of the fixed price transactions which the Company performed (in millions of NIS):

1. Output:

A change of 10% in electricity output in Poland would affect the Company's revenues by NIS 14 million.

A change of 10% in electricity output in the USA would affect the Company's revenues by NIS 14 million.

A change of 10% in electricity output in Israel would affect the Company's revenues by NIS 17 million.

2. Prices:

A change of 10% in the market price of electricity in Poland would affect the Company's revenues by NIS 7 million.

A change of 10% in the market price of green certificates in Poland would affect the Company's revenues by approximately NIS 4 million.

A change of 10% in the market price of electricity in the USA would affect the Company's revenues by NIS 1 million.

3. Exchange rates:

A change of 10% in the PLN/NIS exchange rate would affect the Company's revenues by NIS 57 million.

A change of 10% in the USD/NIS exchange rate would affect the Company's revenues by NIS 21 million.

The projected results are also sensitive to the grid connection dates of projects under construction, in pre-construction and in advanced stages of development. These connection dates are not under the Company's exclusive control, and depend, *inter alia*, on the receipt of various permits and regulatory approvals.

* Includes Forward-Looking statement

4.3. Stock exchange indices

The Company's shares are listed for trading on the Tel Aviv Stock Exchange Ltd. As of the Report Approval Date, it is one of the companies on the Tel Aviv 35 Index. Additional stock exchange indices on which the Company's securities are listed include TA Cleantech, TA 125, TA 125 – Clean Climate, TA Industry, TA Sector – Balance, TA Global–Blue Tech, TA Tech–Elite, TA Technology, TA – 35 USD, TA Rimon, TA – Energy Infrastructures and TA All–Share.

The Board of Directors' explanation of the Company's business situation, results of operations, shareholders' equity, cash flows and other matters

4.4. Statement of Financial Position

Presented below are the main items in the statement of financial position, in thousands of NIS:

	As of March 31, 2024	As of December 31 2023
	NIS in thousands	
	(Unaudited)	(Audited)
Assets		
<u>Current assets</u>		
Cash and cash equivalents	698,455	567,667
Dedicated deposit	3,681	3,627
Restricted cash	635,123	624,588
Trade and other receivables	208,194	186,928
Green certificates	24,591	11,798
Total current assets	1,570,044	1,394,608
<u>Non-current assets</u>		
Long-term pledged deposit and restricted cash	9,928	9,037
Right-to-use asset and fixed assets	667,784	529,847
Connected electricity generation systems	5,612,583	5,216,735
Systems under construction and development	2,258,368	2,370,899
Other receivables	108,623	87,026
Deferred tax assets, net	190,364	202,726
Total non-current assets	8,847,650	8,416,270
Total assets	10,417,694	9,810,878
Liabilities and equity		
<u>Current liabilities</u>		
Short-term credit from financial institutions	1,278,373	854,259
Current maturities of long-term loans	129,900	119,967
Current maturities of lease liabilities	32,623	28,696
Current maturities of bonds	74,871	74,871
Trade and other payables	699,521	750,399
Short-term liability in respect of agreement with Tax Equity Partner	224,453	220,676
Total current liabilities	2,439,741	2,048,868
<u>Non-current liabilities</u>		
Loans from financial institutions	3,018,071	2,864,220
Bonds and convertible bonds	945,147	979,852
Lease liability and other long-term liabilities	1,033,415	856,362
Long-term liability in respect of agreement with Tax Equity Partner and others	592,643	601,135
Deferred tax liability, net	86,567	89,287
Total non-current liabilities	5,675,843	5,390,856
Equity		
Total equity attributable to the owners of the Company	2,300,344	2,369,967
Non-controlling interests	1,766	1,187
Total equity	2,302,110	2,371,154
Total liabilities and equity	10,417,694	9,810,878

Main explanations regarding the changes in the statement of financial position:

Cash and cash equivalents – As of the Report Date, these amounted to NIS 698 million, compared to NIS 568 million at end of 2023, an increase of NIS 130 million. The increase is primarily due to positive operating cash flows, amounting to NIS 163 million, as well as long-term and short-term loans obtained from financial institutions, amounting to NIS 532 million. The increase was offset by investments in project construction and development in the USA, Israel and Poland, amounting to NIS 323 million, partial redemption of bonds, long-term loans and hedging instruments, amounting to NIS 72 million, and dividends distributed to shareholders, amounting to NIS 165 million.

Restricted cash – the short-term restricted cash balance is with respect to cash received from the Tax Equity Partner in Projects E3, used to repay the construction loan after the Report Date.

Green certificates – As of the Report Date, the balance amounted to NIS 25 million, compared to NIS 12 million as of the end of 2023, an increase of NIS 13 million. The increase is due to certificates generated by US projects connected in the reported period, and to current generation offset by decrease in inventory due to decrease in prices of non-hedged green certificates as of the Report Date.

Trade receivables and other accounts receivable – As of the Report Date, the balance amounted to NIS 208 million, compared to NIS 187 million at the end of 2023, an increase of NIS 21 million. The increase is primarily due to project connection in the USA during the period and to changes to working capital.

Connected electricity generation systems – As of the Report Date, the balance amounted to NIS 5,613 million, compared to NIS 5,217 million as of the end of 2023, an increase of NIS 396 million. The increase is primarily due to the commercial operation of projects in the USA, offset by current depreciation amounting to NIS 41 million.

Systems under construction and in development – As of the Report Date, the balance amounted to NIS 2,258 million, compared to NIS 2,371 million as of the end of 2023, a decrease of NIS 113 million. The decrease is due to reclassification of US projects which commenced commercial operation, offset by investment in development and construction of projects in the USA and in Israel.

Other accounts receivable – As of the Report Date, the balance amounted to NIS 109 million, compared to NIS 87 million at the end of 2023, an increase of NIS 22 million. The increase was primarily due to increase in the value of interest hedging transactions in the USA and in the value of CAP options hedging the Wibor interest rate in Poland.

Short-term borrowing from financial institutions – As of the Report Date, the balance amounted to NIS 1,278 million. The increase is due to a short-term loan balance of NIS 300 million obtained in the reported period, and to increase in a construction loan of NIS 120 million, obtained for project construction in the USA, which was repaid after the report date out of the Tax Equity Partner investment.

Trade payables and other accounts payable – As of the Report Date, the balance amounted to NIS 700 million, compared to NIS 750 million as of the end of 2023, a decrease of NIS 50 million, primarily due to decrease in liabilities to equipment suppliers and construction contractors for projects in the USA whose construction has been completed, offset by increase in balance of tax authorities as of the Report Date.

Liability in respect of agreement with Tax Equity Partner (short and long-term) and others – As of the Reporting Date, the balance amounted to NIS 817 million, compared to NIS 822 million at end of 2023, a decrease of NIS 5 million. The decrease is primarily due to current repayments (mostly by way of tax benefits) of liabilities to the Tax Equity Partner with respects to Virginia Projects 1 and Virginia Projects 2, offset by investment made by the Tax Equity Partner with respect to Virginia 1 and Virginia 2 projects, offset by Tax Equity Partner investment with respect to project cluster E3.

Loans from financial institutions and current maturities of loans – As of the Report Date, the balance amounted to NIS 3,148 million, compared to NIS 2,984 million at the end of 2023, an increase of NIS 164 million. The increase was primarily due to withdrawal from project finance facility of photo-voltaic projects with integrated storage in Israel, offset by current loan principal repayments.

Bonds and convertible bonds – As of the Report Date, the balance amounted to NIS 1,020 million, compared to NIS 1,055 million as of the end of 2023, a decrease of NIS 35 million. The decrease was mostly due to repayment of principal of bonds (Series A).

Lease liability and other long-term liabilities – As of the Reporting Date, the balance amounted to NIS 1,033 million, compared to NIS 856 million at the end of 2023, an increase of NIS 177 million, primarily due to increase in lease liabilities with respect to new project construction in the USA and in Israel and to increase in the value of financial liabilities with respect to electricity hedging transactions in the USA.

Equity – As of the Report Date, equity attributable to Company shareholders amounted to NIS 2,300 million, compared with NIS 2,370 million as of December 31, 2023. The change in equity was mostly due to net income attributable to Company equity holders, amounting to NIS 80 million, decrease in capital reserve from translation differences (including hedging of investment in foreign operations) of NIS 11 million and increase in capital reserve from cash flow hedging amounting to NIS 6 million, partly offset by a dividend payment amounting to NIS 165 million, and recognition of a contingent liability in respect of success fees in respects to the acquisition of all of the Tax Equity Partner's interest in the US Joint Venture.

4.5. Operating results

Below are operating results, with revenues attributed *pro rata* to unwinding of fixed price transactions recognized in the first quarter of 2023, for the three-month period ended March 31, 2024:

	For the Three Month Period Ending March 31		Change from Previous Quarter	
	2024	2023	Thousands of NIS	%
	Thousands of NIS			
	<i>Unaudited</i>			
<u>Revenues</u>				
Revenues from the sale of electricity	200,371	123,905	76,466	62%
Revenues from the production of Green Certificates	22,177	19,209	2,968	15%
Other revenues, including from construction and cancellation of price fixing transactions for the period	7,932	40,042	(32,110)	80%
Total revenues	230,480	183,156	47,324	26%
<u>Expenses</u>				
Operating expenses	23,881	17,865	6,016	34%
Impairment of green certificates	1,828	82	1,746	2120%
Payroll, HQ and others	26,984	24,598	2,386	10%
development and construction expenses	11,272	3,414	7,858	230%
	63,965	45,959	18,006	39%
Profit before financing, taxes, depreciation and amortization (EBITDA)	166,515	137,197	29,318	21%
Depreciation and amortization	(41,631)	(31,967)	(9,664)	30%
Profit before financing and taxes	124,884	105,230	19,654	19%
Financing expenses, net	(41,631)	(19,767)	(21,864)	111%
Profit after financing, net	83,253	85,463	(2,210)	-3%
Taxes on income	(20,658)	(26,053)	5,395	-21%
Tax revenues from tax Equity partner	17,470	16,613	857	5%
Profit for the period	80,065	76,023	4,042	5%
Profit for the period attributed to Company shareholders	79,486	76,323	3,163	4%
Loss for the period attributed to minority rights	579	(300)	879	-293%
Total profit for the period	80,065	76,023	4,042	5%

Presented below are the main operating results, in thousands of NIS:

	For the three month period ended March 31		For the year ended December 31,
	2024	2023	2023
NIS in thousands			
	(Unaudited)		(Audited)
Revenues			
Revenues from the sale of electricity	200,371	123,905	454,316
Revenues from the production of green certificates	22,177	19,209	73,638
Other revenues, net	7,932	153,430	153,952
Total revenues	230,480	296,544	681,906
Expenses			
Operating expenses	25,709	17,947	93,920
development, construction and other expenses	11,272	3,414	16,881
Payroll, headquarters and other	26,984	24,598	91,564
	63,965	45,959	202,365
Earnings before interest, taxes, depreciation and amortization (EBITDA)			
	166,515	250,585	479,541
Depreciation and amortization	(41,631)	(31,967)	(152,753)
Profit before financing and taxes	124,884	218,618	326,788
Financing expenses, net	(41,631)	(19,767)	(73,589)
Profit after financing, net	83,253	198,851	253,199
Profit before taxes on income	83,253	198,851	253,199
Taxes on income	(20,658)	(47,619)	(64,583)
Tax income from the Tax Equity Partner	17,470	16,613	69,452
Income for the period	80,065	167,845	258,068
Income for the period attributable to the owners of the Company			
	79,486	168,145	258,257
Loss for the period attributable to non-controlling interest	579	(300)	(189)
Total income for the period	80,065	167,845	258,068

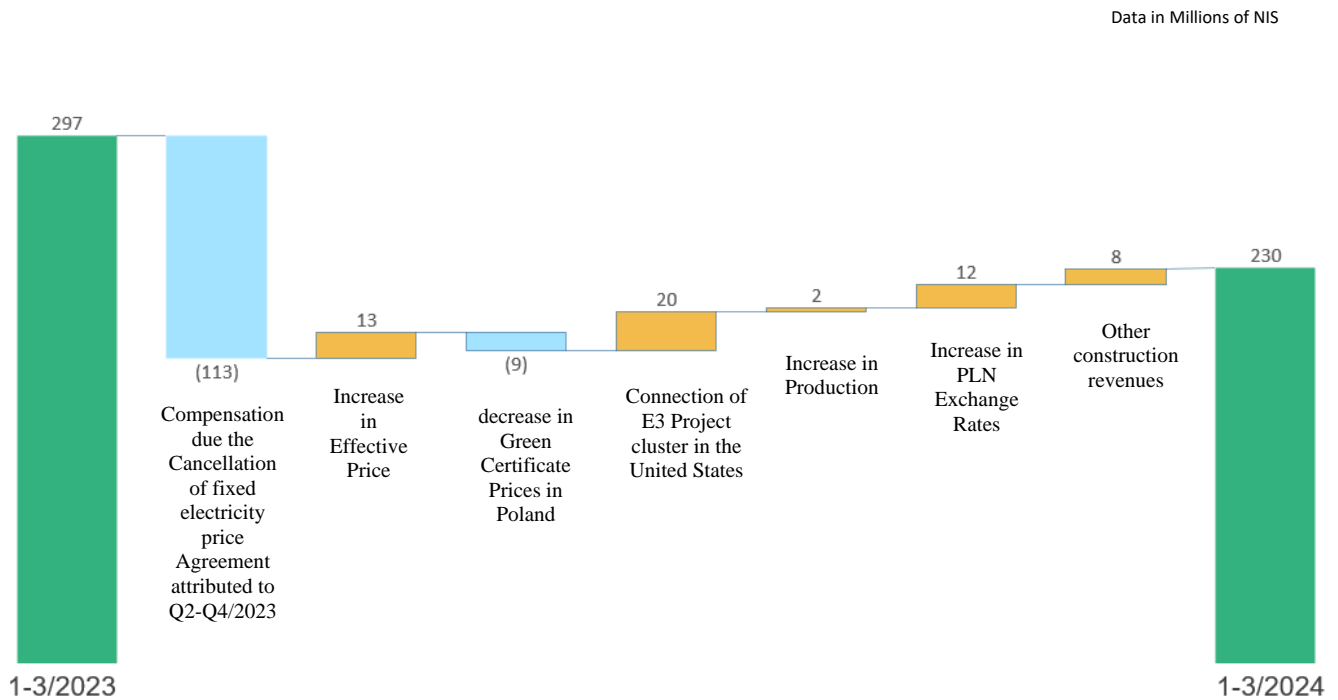
	For the three month period ended March 31		For the year ended December 31,
	2024	2023	2023
Data regarding earnings per share (*)			
Income per share	0.42	0.54	1.24
Earnings before interest, taxes, depreciation and amortization (EBITDA)	0.30	0.46	0.87
FFO per share	0.14	0.19	0.66
Earnings per share – basic	0.14	0.31	0.47

(*) According to the data presented in section 4.4.

4.6. Key explanations for operating results:

Company revenues from the sale of electricity, production of green certificates and other revenues attributed to the first quarter amounted to NIS 230 million, compared to NIS 297 million in the corresponding period last year, a decrease of NIS 67 million.

Presented below is a diagram specifying the main changes in revenue during the first quarter, relative to the corresponding quarter last year:



Operating expenses – Operating expenses in the Report Period amounted to NIS 25 million, compared to NIS 17 million in the corresponding period last year, an increase of NIS 8 million.

The increase was primarily due to operating expenses from projects in Poland yet to be in commercial operation in the corresponding period and to impairment amounting to NIS 2 million of un-hedged green certificates as of the Reporting Date.

Payroll, HQ and other expenses – Payroll, HQ and other expenses in the Reporting Period amounted to NIS 27 million, compared to NIS 25 million corresponding period last year.

The increase in payroll, headquarter and other expenses was due to the growth of the Group's workforce, in light of growth in the scale of operations.

Depreciation and amortization expenses – During the Reporting Period, depreciation expenses amounted to NIS 42 million, compared to NIS 32 million in the corresponding period last year, an increase of NIS 10 million.

The increase was mostly due to depreciation expenses from projects which were not commercially operating in the corresponding period last year.

Net financing expenses – Net financing expenses in the Reporting Period amounted to NIS 42 million, compared to NIS 20 million in the corresponding period last year, a decrease of NIS 22 million.

The increase in net financing expenses was primarily due to long- and short-term loan withdrawals in the Reporting Period, offset by financing income from deposits offset by effect of the CPI increase in Israel of 0.3%, compared to the CPI increase of 1.1% in the corresponding period.

Regarding the impact of the CPI's increase on the Company's results – It is hereby clarified that the projects which are subject to the CPI-linked loans in Israel are at fixed tariffs and are CPI-linked (natural hedging); however, in accordance with accounting principles, the “revaluation” of the future cash flows from the project is not recognized in the Financial Statements, while the linkage of the loan principal is carried immediately against financing expenses.

Tax revenues from Tax Equity Partner – Revenues from the Tax Equity Partner in the Reporting Period amounted to NIS 18 million, compared to NIS 17 million in the corresponding period last year, an increase of NIS 1 million.

Net income attributable to equity holders – In the Reporting Period, the Company recognized net income attributable to equity holders amounting to NIS 80 million, compared to NIS 168 million in the corresponding period last year, a decrease of NIS 88 million.

4.7. Cash flow, liquidity and financing sources

4.7.1 Cash flow

During the Reporting Period, the Group's balance of cash and cash equivalents increased by NIS 130 million. The increase was mostly due to the acceptance of loans and positive cash flows from operations, which were offset by investments in project construction and development, partial repayments of bonds and long-term loans, repayment of financial instruments, and a dividend which was paid to Company shareholders.

The following table summarizes the sources and uses:

	For the three month period ended March 31		For the year ended December 31,
	2024	2023	2023
NIS millions			
	(Unaudited)		(Audited)
Current operations	163	125	506
Sources			
Long-term loan received from financial institutions	147	–	1,685
Short term loans received from banks	385	158	926
Decrease in pledged deposit and restricted cash	–	–	48
Receipt of loan from Tax Equity Partner	–	–	663
Consideration from exercise of share options	10	–	1
	<u>542</u>	<u>158</u>	<u>3,323</u>
Uses			
Investment in electricity generation systems	(323)	(222)	(2,279)
Decrease (increase) in pledged deposit and restricted cash, net	(1)	–	(625)
Settlement of financial instruments	(19)	(62)	(233)
Repayment of long-term loans from financial institutions	(15)	(12)	(180)
Repayment of principal in respect of lease liability	(16)	(6)	(20)
Repayment of bond principal	(37)	(37)	(74)
Credit raising costs	–	(1)	(64)
Investment in other fixed assets	(1)	(2)	(11)
Transaction with non-controlling interest	–	–	(24)
Repayment of loan from Tax Equity Partner	–	–	(11)
Dividend paid to Company shareholders	(165)	(137)	(252)
	<u>(577)</u>	<u>(479)</u>	<u>(3,773)</u>
Total excess sources over uses	128	(196)	56
Balance of cash and cash equivalents at beginning of period	568	465	465
Balance of dedicated deposit at beginning of period	3	34	34
Effect of exchange rate fluctuations on cash and cash equivalents	3	13	17
Balance of cash and cash equivalents at end of period	<u>698</u>	<u>312</u>	<u>568</u>

	For the three month period ended March 31		For the year ended December 31,
	2024	2023	2023
	NIS millions		
	(Unaudited)	(Audited)	
Balance of dedicated deposit at end of period	4	4	4

4.7.2 Cash, cash equivalents and credit facilities

As of the Report Date, the Company's balance of cash and cash equivalents amounted to NIS 698 million, compared to NIS 567 million as of December 31, 2023. The Company also has an additional NIS 9 million, mostly consisting of debt service reserve funds to secure the Group loan repayment, and a designated deposit amounting to NIS 3 million, the use of which is restricted until the Company meets the conditions stipulated in the agreement with the Tax Equity Partner in Virginia Projects 2, as well as restricted cash amounting to NIS 635 million, received from the Tax Equity Partner in E3 projects, to be used for repayment of the construction loan obtained in the Reported Period.

4.7.3 Financing sources

- 4.7.3.1 As of the Report Approval Date, the company's activity is funded by cash flow generated from commercially operational projects, its available cash balances, exercise of share options and withdrawals that were made according to project finance transactions to which the Company is party.
- 4.7.3.2 Management of debt structure – The Company is working to maintain an efficient and adequate leverage ratio which takes into account the interests of both the financial creditors and the Company's shareholders. The Company also strives to create an adequate balance between unsecured debt raisings on the corporate level, the raising of non-recourse project loans on the project entity level, and maintaining bank credit facilities which are available for use at all times.
- 4.7.3.3 The Company's gross financial debt as of the report date amounted to NIS 4,168 billion. The total debt duration is 7.45 years.
- 4.7.3.4 The Company has credit facilities from financial institutions which are used for the provision of guarantees and short-term loans. As of the Report Date, the Company has credit facilities amounting to NIS 807 million, of which USD 50 million (NIS 185 million) from a bank in the USA, used to provide guarantees. Of these credit facilities, NIS 695 million were utilized for guarantees and short-term loans.
- 4.7.3.5 After the Reporting Period, the Company signed on another credit facility, of USD 50 million, with a US bank, to be used primarily for providing guarantees, as well as a short-term loan of up to USD 75 million from a bank in Poland.
- 4.7.3.6 For information regarding project finance facilities, including construction financing facilities, which are available to the Company as of the Report Date, see below:

Country	Project being financed	Status	Estimated amount	See Note
Israel	Systems in competitive proceedings 3 and 4	Signed	Up to NIS 350 million (of which, NIS 344 million has been used)	7b to the financial statements
Israel	Clean wind energy	Signed	Up to NIS 650 million (of which, NIS 18 million has been used)	7d to the financial statements
Israel	Julis ultra-high voltage project	Signed	Up to NIS 255 million (of which, NIS 164 million has been used)	7a to the financial statements
Israel	Photo-voltaic projects including storage (81MWp+ 298MWh)	Signed	Up to NIS 400 million (of which, NIS 143 million has been used)	7a to the financial statements

<u>Country</u>	<u>Project being financed</u>	<u>Status</u>	<u>Estimated amount</u>	<u>See Note</u>
USA	Projects in operation in Virginia (224MWp)	Signed	Up to USD 70 million (of which, USD 65 million has been used)	7c to the financial statements

- 4.7.4** It is noted that the projects Banie 1+2 and Ilawa in Poland has no project finance loan.
- 4.7.5** The Company has a shelf prospectus which allows the Company to raise funds from the public, if needed, in order to finance its operations, which is in effect until May 2025.
- 4.7.6** For information regarding the Company's financing sources, including loans, bonds and capital raising, see Note 14 in Part C of the Annual Financial Statements for 2023, and Notes 7d and 7f to the financial statements.

- **Pledged assets**

For information regarding liens and guarantees provided by the Company as of the Report Date and the date of approval of the Financial Statements, see Note 30 in Part C of the 2023 Financial Statements.

- **Reference to warning signs**

Pursuant to Regulation 10(B)(14) of the Periodic and Immediate Report Regulations, the Company has a working capital shortfall during the twelve-month period in the consolidated and separate financial statements and negative operating cash flow on the separate financial statements. The Company Board of Directors has determined that the working capital shortfall on the Company's financial statements and the negative cash flow on the separate financial statements do not indicate a liquidity issue, in consideration of, inter alia, the Company's cash balances, immediately withdrawable cash balances in commercially active projects, unused credit facilities, and financing facilities, as compared with the Company's current expenses and cash requirements, as well as sources and contractual mechanisms which the Company expects to use to repay short-term loans within the framework of long-term agreements which the Company has signed.

Part B – Exposure to Market Risk and Management Thereof

The Company's Chief Risk Officer is Mr. Asa Levinger, the Company's CEO. For more information regarding the Chief Risk Officer, see Regulation 26A in Part D of the Annual Report – Additional Details.

5. Company policy on market risk management

For information regarding the Company's policy for managing market risks and implementation of the hedging policy that was adopted by the Board of Directors, see Note 31b(3) to the Annual Financial Statements and Note 6a to the Consolidated Financial Statements. As of the Report Date, no changes occurred in the Company's policy relative to that stated in its Annual Financial Statements.

5.1 Linkage bases report

For the linkage bases report as of March 31, 2024 and December 31, 2023, see **Appendix A** below.

5.2 Sensitivity tests

See **Appendix B** hereunder for sensitivity tables for sensitive instruments according to changes in market factors as of March 31, 2024.

5.3 The Corporation's liabilities by payment dates

See **Appendix C** below for information regarding the Corporation's liabilities according to payment dates.

Part C – Corporate Governance Aspects and Updates Concerning the Company's Activities**6. Material events and updates during the Reporting Period and after the Report Date, including in the Company's operating segments:****6.1 Regulatory updates in the USA:**

- (i) **Revised guidelines of US Government with regard to tax benefit for use of local content:** Soon prior to the Report Approval Date, on May 16, 2024, the US Government issued clarifications with regards to calculation of eligibility to the Investment Tax Credit (ITC) for the use of local content, pending publication of the binding regulations. The Company believes that these directives do not change its assessment with regards to eligibility of its projects in the USA to the additional tax benefit.
- (ii) **Stricter conditions for importing panels from China:** After the Report Date, the US regulator continued the trend of stricter conditions for importing solar panels from China, by imposing tariffs on imports of Bi Facial solar panels. This was along with appeals by US equipment manufacturers to the US Government, alleging unfair competition (AD/CVD) in imports of solar panels from other Southeast Asian countries. The Company believes that these stricter conditions, along with the Company's strategic collaboration with US panel supplier First Solar, are supportive of its competitive advantage in the US market.

6.1. Updates regarding Company operations:

- 6.1.1 For more information regarding Company operations and its owned projects and projects under development, see section 7 in Part A of the Annual Report – “Description of the Company's Business”, Notes 9 and 15 to the Annual Financial Statements, as revised from the annual report in the current report, in section 2 above and Notes 5 and 7 to the Consolidated Financial Statements.

7. Corporate governance updates (transactions with controlling shareholders, bonuses and engagements with officers):

- 7.1 Dividend: For information regarding the Board of Directors' resolution, shortly after the approval of the Financial Statements, to distribute dividends in the amount of NIS 0.10 per Company ordinary share, see section 3 above.
- 7.2 For more information about adoption of the 2024 option plan for officers, employees, Board members, advisors and service providers, see section 17.5e in Part A – Description of the Corporation's Business, in the annual report.
- 7.3 For information regarding bonuses, salary updates and equity compensation which were provided to officers during the Reporting Period, see Regulation 21 in Part D of the Annual Report – Additional Details. For information regarding the allocation of options as part of long-term remuneration for the Company's CEO and other employees, see Note 7G to the Consolidated Financial Statements.
- 7.4 In March 2024, the Company Board of Directors, after approval and recommendation by the Audit Committee, approved contracting by the Company of an agreement with Alony Hetz, for sharing inputs for receiving IT services from two employees of the Company's IT Department. For more information, see section B(6) in Note 25 to the annual financial statements.
- 7.5 In May 2024, after the Report Date, the General Meeting of Company shareholders, after approval by the Remuneration Committee and by the Company Board of Directors, approved revision of the Company's remuneration policy with regard to award of long-term equity-based remuneration to an officer and with regard to Board member and officer liability insurance.

8. Effectiveness of Internal Control over Financial Reporting and Disclosure in Accordance with Regulation 38c(a)

For information regarding the quarterly report regarding the Effectiveness of internal control over financial reporting and disclosure pursuant to Regulation 38c(a), see Appendix D below.

9. Disclosure requirements concerning financial reporting of the Corporation

Changes in accounting policies, changes in estimates or correction of errors during the Reporting Period:

The preparation of financial statements requires management of the Company to use estimates or assessments regarding transactions or matters that their final effect on the Financial Statements cannot be accurately determined at the time of their preparation.

For the critical estimates which apply to the Company, and for more information, see Note 2(f) to the Annual Financial Statements and Note 2b to the Consolidated Financial Statements.

10. Additional Information and Events Subsequent to the Report Date

For details regarding events subsequent to the Reporting Date, see sections 2.3, 2.4, 2.5, 2.7 and 2.8 above, and Note 7 to the Consolidated Financial Statements.

The Company's Board of Directors wishes to thank holders of Company securities, for their confidence placed in the Company.

May 19, 2024

Signing Date of the Interim
Financial Statements

Nathan Hetz
Chairman of Board of Directors

Asa Levinger
CEO

Appendices to the Board of Directors' Report concerning the state of the Company's affairs:

- Appendix A** – Linkage Bases Report for Monetary Balances.
- Appendix B** – Sensitivity Tables for Sensitive Instruments as of March 31, 2024, According to Changes in Market Factors.
- Appendix C** – The Corporation's Liabilities by Payment Dates.
- Appendix D** – Quarterly Report Regarding the Effectiveness of Internal Control over Financial Reporting and Disclosure Pursuant to Regulation 38c(a).
- Appendix E** – Details Regarding Liability Certificates Which Were Issued by the Company
- Appendix F** – Rating Reports.

Appendix A – Linkage Bases Report for Monetary Balances

As of March 31, 2024

	EUR	PLN	USD	Unlinked NIS	CPI-linked NIS	Non-financial assets (liabilities)	Total
	NIS in thousands						
<u>Current assets</u>							
Cash and cash equivalents	8,413	217,627	211,978	260,437	–	–	698,455
Dedicated deposit	–	–	3,681	–	–	–	3,681
Restricted cash	–	–	635,123	–	–	–	635,123
Trade receivables	–	38,834	9,410	37,019	–	–	85,263
Green certificates	–	–	10,013	–	–	14,578	24,591
Receivables and debit balances	–	24,000	5,966	3,691	–	50,736	84,393
Hedging financial instruments	–	17,802	20,736	–	–	–	38,538
	<u>8,413</u>	<u>298,263</u>	<u>896,907</u>	<u>301,147</u>	<u>–</u>	<u>65,314</u>	<u>1,570,044</u>
<u>Non-current assets</u>							
Long-term restricted cash	–	701	–	9,227	–	–	9,928
Right-to-use asset	–	–	–	–	–	649,108	649,108
Connected electricity generation systems	–	–	–	–	–	5,612,583	5,612,583
Systems under construction and inventory	–	–	–	–	–	2,258,368	2,258,368
Fixed assets	–	–	–	–	–	18,676	18,676
Other receivables	–	(11,620)	2,234	1,000	8,978	24,095	24,687
Hedging financial instruments	–	55,832	28,104	–	–	–	83,936
Deferred taxes, net	–	–	–	–	–	190,364	190,364
	<u>–</u>	<u>44,913</u>	<u>30,338</u>	<u>10,227</u>	<u>8,978</u>	<u>8,753,194</u>	<u>8,847,650</u>
Total assets	<u>8,413</u>	<u>343,176</u>	<u>927,245</u>	<u>311,374</u>	<u>8,978</u>	<u>8,818,508</u>	<u>10,417,694</u>
<u>Current liabilities</u>							
Short-term credit from financial institutions	–	42,091	784,197	452,085	–	–	1,278,373
Current maturities of long-term loans	–	32,711	31,928	–	65,261	–	129,900
Current maturities of lease liabilities	–	10,098	13,481	–	8,608	–	32,187
Trade payables, other payables	4,906	96,741	295,230	85,525	196	104,457	587,055
Short-term liability in respect of agreement with Tax Equity Partner	–	–	–	–	–	224,453	224,453
Bonds – current maturities	–	–	–	74,871	–	–	74,871
Hedging financial instruments	–	62,212	50,690	–	–	–	112,902
	<u>4,906</u>	<u>243,853</u>	<u>1,175,526</u>	<u>612,481</u>	<u>74,065</u>	<u>328,910</u>	<u>2,439,741</u>
<u>Non-current liabilities</u>							
Liabilities for employee severance benefits	–	–	–	–	–	1,404	1,404
Loans from financial institutions	–	690,666	1,158,706	146,879	1,075,300	(53,480)	3,018,071
Bonds	–	–	–	412,740	–	(3,493)	409,247
Convertible bonds	–	–	–	538,488	–	(2,588)	535,900
Long-term liability in respect of agreement with Tax Equity Partner	–	–	746,580	–	–	(155,341)	591,239
Lease liability	–	132,531	306,561	–	179,475	–	618,567
Other long-term liabilities	–	–	84,478	2,265	–	139,455	226,198
Hedging financial instruments	–	–	188,650	–	–	–	188,650
Deferred taxes	–	–	–	–	–	86,567	86,567
	<u>–</u>	<u>823,197</u>	<u>2,484,975</u>	<u>1,100,372</u>	<u>1,254,775</u>	<u>12,524</u>	<u>5,675,843</u>
Total liabilities	<u>4,906</u>	<u>1,067,050</u>	<u>3,660,501</u>	<u>1,712,853</u>	<u>1,328,840</u>	<u>341,434</u>	<u>8,115,584</u>
Total surplus of assets over liabilities	<u>3,507</u>	<u>(723,874)</u>	<u>(2,733,256)</u>	<u>(1,401,479)</u>	<u>(1,319,862)</u>	<u>8,477,074</u>	<u>2,302,110</u>
Financial derivatives	<u>–</u>	<u>(727,812)</u>	<u>(1,425,160)</u>	<u>2,152,972</u>	<u>–</u>	<u>–</u>	<u>–</u>

As of March 31, 2024

	EUR	PLN	USD	Unlinked NIS	CPI-linked NIS	Non-financial assets (liabilities)	Total
	NIS in thousands						
Surplus of financial assets over financial liabilities (financial liabilities over financial assets)	3,507	(1,451,686)	(4,158,416)	751,493	(1,319,862)	8,477,074	2,302,110
Distribution of non-monetary assets (liabilities), net – by linkage basis	–	1,618,231	4,269,468	2,409,821	179,554	(8,477,074)	–
Surplus of assets over liabilities (liabilities over assets)	3,507	166,545	111,052	3,161,314	(1,140,308)	–	2,302,110

* The Company's surplus of assets over liabilities, excluding liabilities and financial assets measured at fair value, to hedge electricity prices, interest rates and exchange rates, amounted to NIS 295,961 thousand in respect of USD, and NIS 165,460 thousand in respect of PLN.

December 31, 2023

	EUR	PLN	USD	Unlinked NIS	CPI-linked NIS	Non- financial assets (liabilities)	Total
	NIS in thousands						
<u>Current assets</u>							
Cash and cash equivalents	4,357	90,915	394,904	77,491	–	–	567,667
Dedicated deposit	–	–	3,627	–	–	–	3,627
Restricted cash	–	–	624,588	–	–	–	624,588
Trade receivables	–	60,805	3,885	13,777	–	–	78,467
Green certificates	–	–	419	–	–	11,379	11,798
Receivables and debit balances	–	10,111	5,878	10,072	–	43,092	69,153
Hedging financial instruments	–	20,167	19,141	–	–	–	39,308
	4,357	181,998	1,052,442	101,340	–	54,471	1,394,608
<u>Non-current assets</u>							
Long-term restricted cash	–	122	–	8,915	–	–	9,037
Right-to-use asset	–	–	–	–	–	511,443	511,443
Connected electricity generation systems	–	–	–	–	–	5,216,735	5,216,735
Systems under construction and inventory	–	–	–	–	–	2,370,899	2,370,899
Fixed assets	–	–	–	–	–	18,404	18,404
Other receivables	–	48	4,428	1,261	8,759	26,982	41,478
Hedging financial instruments	–	45,017	531	–	–	–	45,548
Deferred taxes, net	–	–	–	–	–	202,726	202,726
	–	45,187	4,959	10,176	8,759	8,347,189	8,416,270
Total assets	4,357	227,185	1,057,401	111,516	8,759	8,401,660	9,810,878
<u>Current liabilities</u>							
Short-term credit from financial institutions	–	–	661,848	192,411	–	–	854,259
Current maturities of long-term loans	–	33,386	19,509	–	67,072	–	119,967
Current maturities of lease liabilities	–	13,077	13,555	–	8,240	–	34,872
Trade payables, other payables	7,750	66,148	424,383	42,920	386	101,760	643,347
Short-term liability in respect of agreement with Tax Equity Partner	–	–	–	–	–	220,676	220,676
Bonds – current maturities	–	–	–	74,871	–	–	74,871
Hedging financial instruments	–	61,518	39,359	–	–	–	100,877
	7,750	174,129	1,158,654	310,202	75,698	322,436	2,048,869
<u>Non-current liabilities</u>							
Liabilities for employee severance benefits	–	–	–	–	–	1,404	1,404
Loans from financial institutions	–	688,661	1,154,588	–	1,080,448	(59,477)	2,864,220
Other long-term liabilities	–	–	82,192	7,277	–	135,594	225,063
Bonds	–	–	–	449,987	–	(3,634)	446,353
Convertible bonds	–	–	–	536,280	–	(2,781)	533,499
Long-term liability in respect of agreement with Tax Equity Partner	–	–	36,665	–	–	563,066	599,731
Lease liability	–	128,324	173,499	–	184,452	–	486,275
Hedging financial instruments	–	6,346	138,678	–	–	–	145,025
Deferred taxes	–	–	–	–	–	89,287	89,287
	–	823,331	1,585,622	993,544	1,264,900	723,459	5,390,857
Total liabilities	7,750	997,460	2,744,276	1,303,746	1,340,598	1,045,895	7,439,726

December 31, 2023

	EUR	PLN	USD	Unlinked NIS	CPI-linked NIS	Non- financial assets (liabilities)	Total
	NIS in thousands						
Total surplus of assets over liabilities	<u>(3,393)</u>	<u>(770,275)</u>	<u>(1,686,875)</u>	<u>(1,192,230)</u>	<u>(1,331,839)</u>	<u>7,355,764</u>	<u>2,371,153</u>
Financial derivatives	<u>–</u>	<u>(901,915)</u>	<u>(1,295,323)</u>	<u>2,197,238</u>	<u>–</u>	<u>–</u>	<u>–</u>
Surplus of financial assets over financial liabilities (financial liabilities over financial assets)	<u>(3,393)</u>	<u>(1,672,190)</u>	<u>(2,982,198)</u>	<u>1,005,008</u>	<u>(1,331,839)</u>	<u>7,355,764</u>	<u>2,371,153</u>
Distribution of non-monetary assets (liabilities), net – by linkage basis	<u>–</u>	<u>1,679,171</u>	<u>3,197,880</u>	<u>2,297,067</u>	<u>181,646</u>	<u>(7,355,764)</u>	<u>–</u>
Surplus of assets over liabilities (liabilities over assets)	<u>(3,393)</u>	<u>6,981</u>	<u>215,682</u>	<u>3,302,075</u>	<u>(1,150,193)</u>	<u>–</u>	<u>2,371,153</u>

**Appendix B – Sensitivity Tables for Sensitive Instruments as of March 31, 2024,
According to Changes in Market Factors**

Presented below is an analysis of the group's sensitivity to foreign currency: The following table details the effect of a 10% change in the exchange rate on the income statement in respect of financial assets and liabilities that are exposed to risk as aforesaid (before the tax effect):

	As of March 31, 2024		
	Increase of 10% Income statement / comprehensive income	Carrying value	Decrease of 10% Income statement / comprehensive income
	NIS in thousands		
In EUR:			
Cash and cash equivalents	841	8,413	(841)
Trade payables, other payables and credit balances	(491)	(4,906)	491
In PLN:			
Cash and cash equivalents	21,763	217,627	(21,763)
Trade receivables, other receivables and debit balances	6,283	62,834	(6,283)
Long-term pledged deposit and restricted cash	70	701	(70)
Hedging financial instruments – forward transaction	(52,067)	(58,113)	52,067
Cap option	7,414	72,727	(7,414)
Hedging financial instruments – CCS	(18,416)	(3,192)	18,630
Other long-term receivables	(1,162)	(11,620)	1,162
Short-term and long-term loans from financial institutions	(76,547)	(765,468)	76,547
Lease liability	(14,263)	(142,630)	14,263
Trade payables, other payables and credit balances	(9,674)	(96,741)	9,674
In USD:			
Cash and cash equivalents	21,198	211,978	(21,198)
Trade receivables	941	9,410	(941)
Green certificates	1,001	10,013	(1,001)
Inventory of assets under construction – contracted assets	63,512	635,123	(63,512)
Dedicated deposit and long-term restricted cash	368	3,681	(368)
Receivables and debit balances	597	5,966	(597)
Interest hedging transactions – IRS	4,486	44,861	(4,486)
Trade payables, other payables and credit balances	(29,523)	(295,230)	29,523
Liability in respect of agreement with Tax Equity Partner	(74,658)	(746,580)	74,658
Short-term loan from financial institutions	(78,420)	(784,198)	78,420
Current maturities of long-term loans	(3,193)	(31,928)	3,193

	As of March 31, 2024		
	<u>Increase of 10% Income statement / comprehensive income</u>	<u>Carrying value</u>	<u>Decrease of 10% Income statement / comprehensive income</u>
	<u>NIS in thousands</u>		
Lease liability	<u>(32,004)</u>	<u>(320,042)</u>	<u>32,004</u>
Other long-term receivables	<u>223</u>	<u>2,234</u>	<u>(223)</u>
Hedging financial instruments – forward transaction	<u>(119,894)</u>	<u>(30,097)</u>	<u>119,894</u>
Other long-term liabilities	<u>(8,448)</u>	<u>(84,478)</u>	<u>8,448</u>
Financial derivatives – Hedging of electricity prices in the USA (SWAP)	<u>(17,680)</u>	<u>(176,801)</u>	<u>17,680</u>
Hedging financial instruments – CCS	<u>(18,705)</u>	<u>(28,462)</u>	<u>18,705</u>
Long-term loans	<u>(115,871)</u>	<u>(1,158,706)</u>	<u>115,871</u>

Analysis of the Group's sensitivity to financial derivatives:

The following table details the impact of the addition or subtraction of 10% in the relevant electricity prices in the USA on comprehensive income in respect of derivative financial instruments which are exposed to the risk of electricity prices changes in the USA (before tax effect):

	As of March 31, 2024		
	<u>Changes to electricity prices in the USA</u>		
	<u>Increase of 10% Comprehensive income</u>	<u>Carrying value</u>	<u>Decrease of 10% Comprehensive income</u>
	<u>NIS in thousands</u>		
Financial derivatives – Hedging of electricity prices in the USA (SWAP)	<u>(49,709)</u>	<u>(176,801)</u>	<u>49,709</u>

Presented below is an analysis of the Group's sensitivity to the Consumer Price Index (CPI):

	As of March 31, 2024		
	<u>Increase of 3% Profit and loss</u>	<u>Carrying value</u>	<u>Decrease of 3% Profit and loss</u>
	<u>NIS in thousands</u>		
Loans from financial institutions	<u>(35,132)</u>	<u>1,140,559</u>	<u>31,450</u>

Analysis of the Group's sensitivity to changes in the interest rate:

The following table details sensitivity tests to the value of the fixed rate loans according to changes in the interest rate:

As of March 31, 2024					
Sensitive instruments	Increase of 10%	Increase of 5%	Fair value	Decrease of 5%	Decrease of 10%
	Loss from the changes (Before tax effect)			Profit from the changes (Before tax effect)	
NIS in thousands					
Fixed rate instruments					
CPI-linked loans in NIS	26,600	13,445	1,114,617	(13,743)	(27,794)
Loans in PLN	8,703	4,431	758,156	(4,597)	(9,367)
Total	35,303	17,876	1,872,773	(18,340)	(37,161)

Appendix C – The Corporation's Liabilities by Payment Dates

Presented below are the Group's liabilities that are payable after March 31, 2024:

	Bonds (Series A) (*)	Convertible bonds (Series B)	Loans from financial institutions	Total	Percentage
Current maturities	80,224	–	1,411,917	1,492,141	27%
Second year	80,224	–	119,729	199,953	4%
Third year	80,224	–	124,670	204,894	4%
Fourth year	80,224	538,488	139,473	758,185	14%
Fifth year and thereafter	200,558	–	2,683,969	2,884,527	51%
Total payments	521,454	538,488	4,479,758	5,539,700	100%
Balance of discount	(3,494)	(2,588)	(53,481)	(59,563)	
Total financial debt	517,960	535,900	4,426,277	5,480,137	

* Including the effect of cross currency swaps. For more information, see Note 6 to the Consolidated Financial Statements.

The net total of off-balance sheet liabilities as of March 31, 2024, in respect of guarantees amounted to NIS 301 million.

Appendix D – Quarterly Report Regarding the Effectiveness of Internal Control over Financial Reporting and Disclosure Pursuant to Regulation 38C(a) for the First Quarter of 2024

Management, under the supervision of the Board of Directors of Energix Renewable Energies Ltd. (hereinafter: the “Corporation”), is responsible for designing and maintaining adequate internal control over financial reporting and disclosure in the Corporation.

In this respect, the members of management are:

1. Asa Levinger, CEO;
2. Tanya Friedman, CFO;

Internal control over financial reporting and disclosure includes controls and procedures in place in the Corporation, which were planned by the CEO and the most senior finance officer or under their supervision, or by whoever actually performs such duties, under the supervision of the Corporation’s Board of Directors, with the aim of providing reasonable assurance regarding the reliability of financial reporting and the preparation of the Financial Statements in accordance with law, and to assure that information the Corporation is required to disclose in the Financial Statements it issues according to law has been collected, processed, summarized and reported at the time and in the manner required by law.

Internal control includes, inter alia, controls and procedures that were determined in order to assure that information the Corporation is required to disclose is accumulated and transferred to management of the Corporation, including the CEO and the most senior finance officer or to whoever performs such duties, so that timely decisions may be made concerning the disclosure requirement.

Because of its inherent limitations, internal control over financial reporting and disclosure is not determined to provide absolute certainty that a misstatement or omission of information will be prevented or detected.

In the quarterly report regarding the effectiveness of internal control over financial reporting and disclosure which was attached to the quarterly report for the period ended March 31, 2024 (hereinafter: the “Last Quarterly Report Regarding Internal Control”), control was found to be effective.

Until the date of this report, the Board of Directors and management have not become aware of any event or matter that could change the assessment of the effectiveness of internal control, as found in the Last Quarterly Report Regarding Internal Control.

As of the Report Date, based on that stated in the last Quarterly Report Regarding Internal Control, and based on information which was brought to the attention of management and the Board of Directors, as aforesaid, internal control is effective.

Officers' Declarations:**(A) Declaration of CEO according to Regulation 38C(d)(1)**

I, Asa Levinger, certify that:

1. I have reviewed the quarterly report of Energix Renewable Energies Ltd. (hereinafter: the "Corporation") for the first quarter of 2024 (hereinafter: the "Reports");
2. Based on my knowledge, the reports do not contain any untrue statement of a material fact or omit to state a material fact which is necessary in order to make the statements which were made, in light of the circumstances under which such statements were made, not misleading in respect of the period covered by the reports;
3. Based on my knowledge, the Financial Statements and other financial information included in the reports, fairly present in all material respects, the financial position, results of operations and cash flows of the Corporation as of the dates and for the periods presented in the reports.
4. I have disclosed, based on my most recent evaluation regarding internal control over financial reporting and disclosure, to the Corporation's Auditors, Board of Directors, and Audit and Financial Statements Review Committees:
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting and disclosure, which could reasonably adversely affect the Corporation's ability to collect, process, summarize or report financial data so as to cast doubt on the reliability of financial the reporting and the preparation of the financial statements in accordance with law; and –
 - b. Any fraud, whether or not material, that involves the CEO, or anyone directly subordinated to the CEO or that involves other employees who have a significant role in internal control over financial reporting and disclosure;
5. I, alone or together with others in the Corporation, declare that:
 - a. I have determined such controls and procedures, or caused such controls and procedures to be determined under my supervision, to ensure that material information relating to the Corporation, including its consolidated corporations within their meaning in the Securities Regulations (Annual Financial Statements), 2010, is made known to me by others in the Corporation and within those consolidated corporations, particularly during the period in which the reports are being prepared; and –
 - b. I have determined such controls and procedures, or caused such controls and procedures to be determined and applied under my supervision, to provide reasonable assurance regarding the reliability of the financial reporting and the preparation of the financial statements in accordance with the provisions of the law, including in accordance with generally accepted accounting principles;
 - c. I have not become aware of the occurrence of any event or matter during the period between the date of the last report (quarterly or periodic, as applicable) and the date of this report, that could change the conclusion of the Board of Directors and management regarding the effectiveness of internal control over financial reporting and disclosure of the entity.

Nothing in the aforesaid derogates from my responsibility or from the responsibility of any other person under the law.

May 19, 2024

Asa Levinger, CEO

Officers' Declarations:**(B) Declaration of the most senior finance officer according to Regulation 38c(d)(2)**

I, Tanya Friedman, declare that:

1. I have reviewed the interim financial statements and the other financial information which is included in the interim reports of Energix Renewable Energies Ltd. (hereinafter: the "Corporation") for the first quarter of 2024 (hereinafter: the "Reports" or the "Interim Reports");
2. Based on my knowledge, the interim financial statements and the other financial information which is included in the interim reports do not contain any untrue statement of a material fact or omit to state a material fact necessary in order to make the statements made, in light of the circumstances under which such statements were made, not misleading in respect of the period covered by the reports;
3. Based on my knowledge, the interim financial statements and other financial information included in the interim reports fairly represent, in all material respects, the financial position, results of operations and cash flows of the Corporation as of the dates and for the periods presented in the reports;
4. I have disclosed, based on my most recent evaluation regarding internal control over financial reporting and disclosure, to the Corporation's Auditors, Board of Directors, and Audit and Financial Statements Review Committees:
 - a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting and disclosure to the extent it relates to the interim financial statements and other financial information included in the interim reports, which could reasonably adversely affect the Corporation's ability to collect, process, summarize or report financial data so as to cast doubt on the reliability of the financial reporting and the preparation of the Financial Statements in accordance with law; and –
 - b. Any fraud, whether or not material, that involves the CEO, or anyone directly subordinated to the CEO or that involves other employees who have a significant role in internal control over financial reporting and disclosure;
5. I, alone or together with others in the Corporation, declare that:
 - a. I have determined such controls and procedures, or caused such controls and procedures to be determined under my supervision, to ensure that material information relating to the Corporation, including its consolidated corporations within their meaning in the Securities Regulations (Annual Financial Statements) 2010, is made known to me by others in the Corporation and within those consolidated corporations, particularly during the period in which the reports are being prepared; and –
 - b. I have determined such controls and procedures, or caused such controls and procedures to be determined and applied under my supervision, to provide reasonable assurance regarding the reliability of the financial reporting and the preparation of the financial statements in accordance with the provisions of the law, including in accordance with generally accepted accounting principles;
 - c. I have not become aware of the occurrence of any event or matter during the period between the date of the last periodic report (quarterly or periodic, as applicable) and the date of this report, which pertains to the interim financial statements or to any other financial information which is included in the interim reports, that could change, in my assessment, the conclusion of the Board of Directors and management regarding the effectiveness of internal control over financial reporting and disclosure of the entity.

Nothing in the aforesaid derogates from my responsibility or from the responsibility of any other person under the law.

May 19, 2024

Tanya Friedman, CFO

Appendix E – Details Regarding Liability Certificates Which Were Issued by the Company

1) Presented below are current data, as of March 31, 2024, in connection with the liability certificates which were issued by the Company:

Figures as of March 31, 2024	Series A (NIS in thousands)	Series B (NIS in thousands)
Par value	484,205	566,602
Carrying amount on the financial statements (according to amortized cost)	484,118	535,900 (*)
Market value	443,290	478,779
Accrued interest	175	267

* Excluding the equity component of convertible bonds amounting to NIS 52,900 thousand, which was carried to equity.

2) Presented below are financial covenants which, if not fulfilled, will grant the holders the right to demand the immediate repayment of the bonds:

Financial ratio	Covenant Series A	Covenant Series B	Value as of the Report Date
Minimum equity	At least NIS 360 million	At least NIS 500 million	NIS 2,300 million
Solo net financial debt to solo net balance sheet	Less than 80% *	Less than 80% *	37%
Net consolidated financial debt (after deducting systems under construction and development) to adjusted EBITDA	No more than 18*	No more than 18*	5.3

* During a period of four consecutive quarters

For more information and information regarding the bonds (Series A) and the convertible bonds (Series B), see Note 14d(7) to the Annual Financial Statements, and Note 7h to the Consolidated Financial Statements.

Appendix F – Rating Reports⁴

1. For the current rating report of Maalot the Israeli Securities Rating Co. Ltd., see immediate report published by the Company on December 27, 2023 (reference number 2023-01-128757).
2. For the current rating report of Midroog Ltd., see immediate report published by the Company on November 6, 2023 (reference number 2023-01-121923).

⁴The information provided in the aforementioned immediate reports was included in this report by way of reference.

Energix – Renewable Energies Ltd.

Consolidated Interim Financial Statements
As of March 31, 2024
(Unaudited)

Auditors' Review Report to the Shareholders of Energix – Renewable Energies Ltd.

Introduction

We have reviewed the attached financial information of **Energix – Renewable Energies Ltd.** and its consolidated companies (hereinafter: the "**Company**"), which includes the consolidated statement of financial position as of March 31, 2024, and the consolidated statements of income and other comprehensive income, changes in equity and cash flows, for the three month period then ended. The Board of Directors and management are responsible for the preparation and presentation of the financial information for these interim periods in accordance with IAS 34, "Interim Financial Reporting", and are also responsible for compiling the financial information for these interim periods in accordance with Chapter IV of the Securities Regulations (Periodic and Immediate Reports), 1970. Our responsibility is to express a conclusion regarding the financial information for these interim periods, based on our review.

Scope of the Review

We have conducted our review in accordance with Review Standard (Israel) 2410 of the Institute of Certified Public Accountants in Israel, "Review of Interim Financial Information by the Entity's Auditor." A review of interim financial information consists of inquiries, mainly with the people responsible for financial and accounting matters, and of the application of analytical and other review procedures. A review is significantly limited in scope compared to an audit which has been prepared according to generally accepted auditing standards in Israel, and therefore does not allow us to become certain that we have become aware of all material issues which may have been identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, we have not become aware of any matter which would have caused us to believe that the aforementioned financial information has not been prepared, in all material respects, in accordance with International Accounting Standard (IAS) 34.

In addition to that stated in the previous paragraph, based on our review, we have not become aware of any matter which would have caused us to believe that the aforementioned financial information does not comply, in all material respects, with the disclosure provisions under Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970.

Brightman Almagor Zohar & Co.
Certified Public Accountants
A Firm in the Deloitte Global Network

Tel Aviv, May 19, 2024

תל אביב - משרד ראשי

מרכז עוריאלי 1 תל אביב, 6701101, ת.ד. 16593 תל אביב 6116402 | טלפון: 03-6085555 | info@deloitte.co.il

משרד נצרת
מרג'י אבן עאמר 9
נצרת, 16100

טלפון: 073-3994455
פקס: 073-3994455
info-nazareth@deloitte.co.il

משרד אילת
המרכז העירוני
ת.ד. 583
אילת, 8810402

טלפון: 08-6375676
פקס: 08-6371628
info-eilat@deloitte.co.il

משרד חיפה
מעלה השחרור 5
ת.ד. 5648
חיפה, 3105502

טלפון: 04-8607333
פקס: 04-8672528
info-haifa@deloitte.co.il

משרד ירושלים
קרית המדע 3
מנדל הר חוצבים
ירושלים, 914510
ת.ח. 45396

טלפון: 02-5018888
פקס: 02-5374173
info-jer@deloitte.co.il

Energix – Renewable Energies Ltd.
Condensed Consolidated Interim Statements of Financial Position

	<u>As of March 31,</u>		<u>As of</u>
	<u>2024</u>	<u>2023</u>	<u>December 31</u>
	<u>NIS in thousands</u>		
	<u>(Unaudited)</u>		<u>(Audited)</u>
Assets			
<u>Current assets</u>			
Cash and cash equivalents	698,455	312,048	567,667
Dedicated deposit	3,681	3,615	3,627
Restricted cash	635,123	–	624,588
Trade receivables and income receivable from customers	85,263	226,201	78,467
Green certificates	24,591	33,707	11,798
Receivables and debit balances	122,931	74,659	108,461
Total current assets	<u>1,570,044</u>	<u>650,230</u>	<u>1,394,608</u>
<u>Non-current assets</u>			
Long-term pledged deposit and restricted cash	9,928	55,749	9,037
Right-to-use asset	649,108	465,979	511,443
Connected electricity generation systems	5,612,583	2,994,238	5,216,735
Systems under construction and development	2,258,368	2,165,005	2,370,899
Other fixed assets	18,676	13,937	18,404
Other receivables	108,623	122,369	87,026
Deferred tax assets, net	190,364	64,393	202,726
Total non-current assets	<u>8,847,650</u>	<u>5,881,670</u>	<u>8,416,270</u>
Total assets	<u>10,417,694</u>	<u>6,531,900</u>	<u>9,810,878</u>

Energix – Renewable Energies Ltd.
Condensed Consolidated Interim Statements of Financial Position

	<u>As of March 31</u>		<u>As of</u>
	<u>2024</u>	<u>2023</u>	<u>December 31</u>
	<u>NIS in thousands</u>		
	<u>(Unaudited)</u>		<u>(Audited)</u>
Liabilities and equity			
<u>Current liabilities</u>			
Short-term credit from financial institutions	1,278,373	158,093	854,259
Current maturities of long-term loans	129,900	78,274	119,967
Current maturities of lease obligations	32,623	21,013	28,696
Current maturities of bonds	74,871	74,871	74,871
Trade payables	353,996	174,597	443,384
Other accounts payable	345,525	278,384	307,015
Short-term liability in respect of agreement with Tax Equity Partner	224,453	78,206	220,676
Total current liabilities	<u>2,439,741</u>	<u>863,438</u>	<u>2,048,868</u>
<u>Non-current liabilities</u>			
Loans from financial institutions	3,018,071	1,286,038	2,864,220
Other long-term liabilities	414,848	270,514	370,087
Bonds	409,247	483,181	446,353
Convertible bonds	535,900	526,316	533,499
Lease liability	618,567	439,581	486,275
Long-term liability in respect of agreement with Tax Equity Partner	591,239	154,312	599,731
Liability for employee severance benefits, net	1,404	772	1,404
Deferred tax liability, net	86,567	96,198	89,287
Total non-current liabilities	<u>5,675,843</u>	<u>3,256,912</u>	<u>5,390,856</u>
<u>Equity</u>			
Share capital	5,491	5,478	5,486
Premium and capital reserves	2,118,630	2,133,786	2,108,076
Retained earnings	176,223	271,211	256,405
Total equity attributable to the owners of the Company	<u>2,300,344</u>	<u>2,410,475</u>	<u>2,369,967</u>
Non-controlling interests	<u>1,766</u>	<u>1,075</u>	<u>1,187</u>
Total equity	<u>2,302,110</u>	<u>2,411,550</u>	<u>2,371,154</u>
Total liabilities and equity	<u>10,417,694</u>	<u>6,531,900</u>	<u>9,810,878</u>

May 19, 2024

**Signing Date of the Interim
Financial Statements**

**Nathan Hetz
Chairman of Board of Directors**

**Asa Levinger
CEO**

**Tanya Friedman
CFO**

The accompanying notes to the Consolidated Interim Financial Statements are an integral part thereof.

Energix – Renewable Energies Ltd.
Consolidated Interim Statements of Income

	For the three month period ended March 31		For the year ended December 31
	2024	2023	2023
	NIS in thousands		
	(Unaudited)	(Audited)	
<u>Revenues</u>			
Revenues from the sale of electricity	200,371	123,905	454,316
Revenues from the production of green certificates	22,177	19,209	73,638
Other revenues, net (*)	7,932	153,430	153,952
	<u>230,480</u>	<u>296,544</u>	<u>681,906</u>
<u>Expenses</u>			
Maintenance of systems and others	25,709	17,947	93,920
development, construction and other expenses	11,272	3,414	16,881
Payroll and related expenses	15,627	14,379	46,254
Administrative, headquarters and other	11,357	10,219	45,310
	<u>63,965</u>	<u>45,959</u>	<u>202,365</u>
Profit before financing, taxes, depreciation and amortization	166,515	250,585	479,541
Depreciation and amortization	<u>(41,631)</u>	<u>(31,967)</u>	<u>(152,753)</u>
Profit before financing and taxes	<u>124,884</u>	<u>218,618</u>	<u>326,788</u>
Financing income	3,545	3,819	27,976
Financing expenses	<u>(45,176)</u>	<u>(23,586)</u>	<u>(101,565)</u>
Financing expenses, net	<u>(41,631)</u>	<u>(19,767)</u>	<u>(73,589)</u>
Profit before taxes on income	83,253	198,851	253,199
Taxes on income	<u>(20,658)</u>	<u>(47,619)</u>	<u>(64,583)</u>
Tax income from the Tax Equity Partner	<u>17,470</u>	<u>16,613</u>	<u>69,452</u>
Income for the period	<u>80,065</u>	<u>167,845</u>	<u>258,068</u>
Total income for the period attributable to:			
Income for the period attributable to the owners of the Company	79,486	168,145	258,257
Income (loss) for the period attributable to non-controlling interest	<u>579</u>	<u>(300)</u>	<u>(189)</u>
Total income for the period	<u>80,065</u>	<u>167,845</u>	<u>258,068</u>
Net earnings per share attributable to the equity holders of the Company (NIS):			
Basic	<u>0.145</u>	<u>0.307</u>	<u>0.471</u>
Diluted	<u>0.144</u>	<u>0.307</u>	<u>0.470</u>
Weighted average share capital used to compute the earnings per share (thousands of shares):			
Basic	<u>549,137</u>	<u>547,809</u>	<u>548,673</u>
Diluted	<u>551,056</u>	<u>547,926</u>	<u>549,299</u>

The accompanying notes to the Consolidated Interim Financial Statements are an integral part thereof.

Energix – Renewable Energies Ltd.
Consolidated Interim Statements of Comprehensive Income (Loss)

	For the three month		For the year
	period ended March 31		ended
	2024	2023	December 31
	NIS in thousands		
	(Unaudited)		(Audited)
Income for the period	80,065	167,845	258,068
Other comprehensive income items that after initial recognition in comprehensive income were or will be transferred to the income statement			
Foreign currency translation differences for foreign operation	32,359	108,907	224,072
Loss in respect of cash flow hedge – time value of money, net of tax	6,111	(642)	16,602
Income (loss) from foreign currency differences in respect of derivatives which were designated for the hedging of investments in subsidiaries which constitute foreign operations, net of tax	(21,202)	(86,361)	(195,149)
Change in the fair value of cash flow hedging instruments, net of tax	(12,421)	23,394	22,941
Total comprehensive income for the period	84,912	213,143	326,534
Total comprehensive income (loss) attributable to:			
Owners of the Company	84,333	213,443	326,723
Non-controlling interests	579	(300)	(189)
Total comprehensive income (loss) for the period	84,912	213,143	326,534

The accompanying notes to the Condensed Consolidated Interim Financial Statements are an integral part thereof.

Energix – Renewable Energies Ltd.
Consolidated Interim Statements of Changes in Equity

For the three months ended March 31, 2024 (unaudited)

	Share capital	Premium	Receipts on account of options and conversion component of bonds	Capital reserve from cash flow hedge	Capital reserve from cash flow hedge – time value of money	Reserve in respect of translation differences, including hedging of net investment in a foreign operation	Capital reserve from transactions with non-controlling interest	Capital reserve from transactions with controlling shareholders	Retained earnings (accumulated loss)	Total equity attributable to the shareholders of the Company	Non-controlling interests	Total equity
	NIS in thousands											
Balance as of January 1, 2024	5,486	2,280,979	53,028	(18,465)	(35,520)	(92,777)	(79,681)	512	256,405	2,369,967	1,187	2,371,154
Income (loss) for the period	–	–	–	–	–	–	–	–	79,486	79,486	579	80,065
Other comprehensive income (loss) for the period	–	–	–	(12,421)	6,111	11,157	–	–	–	4,847	–	4,847
Exercise of share options (*)	5	5,707	–	–	–	–	–	–	(308)	5,404	–	5,404
Dividend to Company shareholders	–	–	–	–	–	–	–	–	(164,668)	(164,668)	–	(164,668)
Share-based payment	–	–	–	–	–	–	–	–	5,308	5,308	–	5,308
Capital recovery for non-controlling interest	–	–	–	–	–	–	–	–	–	–	–	–
Balance as of March 31, 2024	5,491	2,286,686	53,028	(30,886)	(29,409)	(81,620)	(79,681)	512	176,223	2,300,344	1,766	2,302,110

The accompanying notes to the Consolidated Interim Financial Statements are an integral part thereof.

Energix – Renewable Energies Ltd.
Consolidated Interim Statements of Changes in Equity

For the three months ended March 31, 2023 (unaudited)

	Share capital	Premium	Receipts on account of options and conversion component of bonds	Capital reserve from cash flow hedge	Capital reserve from cash flow hedge – time value of money	Reserve in respect of translation differences, including hedging of net investment in a foreign operation	Capital reserve from transactions with non-controlling interest	Capital reserve from transactions with controlling shareholders	Retained earnings (accumulated loss)	Total equity attributable to the shareholders of the Company	Non-controlling interests	Total equity
NIS in thousands												
Balance as of January 1, 2023	5,478	2,270,732	53,028	(41,406)	(52,122)	(121,702)	(20,555)	512	234,665	2,328,630	1,658	2,330,288
Income (loss) for the period	–	–	–	–	–	–	–	–	168,145	168,145	(300)	167,845
Other comprehensive income (loss) for the period	–	–	–	23,394	(642)	22,547	–	–	–	45,299	–	45,299
Dividend paid to Company shareholders	–	–	–	–	–	–	–	–	(136,952)	(136,952)	–	(136,952)
Share-based payment	–	–	–	–	–	–	–	–	5,353	5,353	–	5,353
Capital recovery for non-controlling interest	–	–	–	–	–	–	–	–	–	–	(283)	(283)
Balance as of March 31, 2023	5,478	2,270,732	53,028	(18,012)	(52,764)	(99,155)	(20,555)	512	271,211	2,410,475	1,075	2,411,550

(*) The amount includes an increase in equity due to the exercise of employee options.

The accompanying notes to the Consolidated Interim Financial Statements are an integral part thereof.

Energix – Renewable Energies Ltd.
Consolidated Interim Statements of Changes in Equity

For the year ended December 31, 2023 (audited)

	Share capital	Premium	Receipts on account of options and conversion component of bonds	Capital reserve from cash flow hedge	Capital reserve from cash flow hedge – time value of money	Reserve in respect of translation differences, including hedging of net investment in a foreign operation	Capital reserve from transactions with non-controlling interest	Capital reserve from transactions with controlling shareholders	Retained earnings (accumulated loss)	Total equity attributable to the shareholders of the Company	Non-controlling interests	Total equity
NIS in thousands												
Balance as of January 1, 2023	5,478	2,270,732	53,028	(41,406)	(52,122)	(121,702)	(20,555)	512	234,665	2,328,630	1,658	2,330,288
Income (loss) for the year	–	–	–	–	–	–	–	–	258,257	258,257	(189)	258,068
Other comprehensive loss for the year	–	–	–	22,941	16,602	28,925	–	–	–	68,468	–	68,468
Acquisition of subsidiary	–	–	–	–	–	–	–	–	–	–	20,820	20,820
Exercise of share options (*)	8	10,247	–	–	–	–	–	–	(703)	9,552	–	9,552
Dividend paid to Company shareholders	–	–	–	–	–	–	–	–	(252,005)	(252,005)	–	(252,005)
Share-based payment	–	–	–	–	–	–	–	–	16,191	16,191	–	16,191
Change in non-controlling interest	–	–	–	–	–	–	(59,126) (**)	–	–	(59,126)	(20,820)	(79,946)
Capital recovery for non-controlling interest	–	–	–	–	–	–	–	–	–	–	(282)	(282)
Balance as of December 31, 2023	<u>5,486</u>	<u>2,280,979</u>	<u>53,028</u>	<u>(18,465)</u>	<u>(35,520)</u>	<u>(92,777)</u>	<u>(79,681)</u>	<u>512</u>	<u>256,405</u>	<u>2,369,967</u>	<u>1,187</u>	<u>2,371,154</u>

(*) The amount includes an increase in equity due to the exercise of employee options.

The accompanying notes to the Consolidated Interim Financial Statements are an integral part thereof.

Energix – Renewable Energies Ltd.
Consolidated Interim Statements of Cash Flows

	For the three month period ended March 31		For the year ended December 31
	2024	2023	2023
NIS in thousands			
	(Unaudited)		(Audited)
Cash flows – current operations			
Income for the period	80,065	167,845	258,068
Expenses not involving cash flows (Appendix A)	82,908	90,556	184,985
	162,973	258,401	443,053
Changes in working capital (Appendix B)	377	(133,802)	62,760
Net cash from current operations	163,350	124,599	505,813
Cash flows – investing activities			
Investment in electricity generation systems	(322,847)	(222,153)	(2,279,206)
Increase in pledged deposit	–	–	(625,310)
Decrease in pledged deposit and restricted cash	(1,540)	(270)	48,589
Settlement of (investment in) in financial derivatives	(18,893)	(61,728)	(232,820)
Investment in other fixed assets	(1,411)	(1,595)	(10,537)
Net cash used in investing activities	(344,691)	(285,746)	(3,099,284)
Cash flows – financing activities			
Share based compensation	10,312	–	942
Repayment of principal in respect of lease liability	(16,039)	(6,241)	(20,493)
Credit raising costs	–	(1,260)	(64,345)
Transaction with non-controlling interest	–	–	(24,243)
Capital recovery for non-controlling interest	–	–	(282)
Repayment of bond principal	(37,247)	(37,247)	(74,493)
Receipt of short-term loans from banks	385,519	158,000	925,857
Receipt of loan from Tax Equity Partner	–	–	662,629
Repayment of loan from Tax Equity Partner	(881)	–	(11,381)
Long-term loan received from financial institutions	146,929	–	1,685,541
Repayment of loans from financial institutions	(15,119)	(11,984)	(179,561)
Dividend paid to Company shareholders	(164,668)	(136,952)	(252,005)
Net cash from financing activities	308,806	(35,684)	2,648,166
Change in change in cash and cash equivalents and in designated cash	127,465	(196,831)	54,695
Balance of cash and cash equivalents at beginning of period	567,667	465,119	465,119
Balance of dedicated deposit at beginning of period	3,627	34,435	34,435
Effect of exchange rate fluctuations on cash and cash equivalents	3,377	12,940	17,045
Balance of cash and cash equivalents at end of period	698,455	312,048	567,667
Balance of dedicated deposit at end of period	3,681	3,615	3,627

The accompanying notes to the Consolidated Interim Financial Statements are an integral part thereof.

Energix – Renewable Energies Ltd.
Consolidated Interim Statements of Cash Flows

	For the three month		For the year
	period ended March 31		ended
	2024	2023	December 31
	2023		
	NIS in thousands		
	(Unaudited)	(Audited)	
<u>Appendix – Adjustments Required to Present</u>			
<u>Cash Flows from Operating Activities</u>			
a. Expenses (income) not involving cash flows:			
Financing expenses, net	30,870	9,337	29,484
Non cash maintenance expenses	–	(1,061)	–
Revaluation of loans, deposits and marketable securities, net	(1,694)	11,541	3,600
Depreciation and amortization	47,603	35,377	169,634
Tax expenses (income) recognized in net income for the period	821	30,555	(33,221)
Share-based compensation	5,308	4,807	15,488
	<u>82,908</u>	<u>90,556</u>	<u>184,985</u>
b. Changes in assets and liabilities items (changes in working capital):			
Decrease (increase) in trade receivables and other receivables and debit balances	(12,065)	(122,734)	32,174
Decrease (increase) in inventory of green certificates	(12,685)	(9,702)	12,932
Increase (decrease) in trade payables and other payables and credit balances	25,127	(1,366)	17,654
	<u>377</u>	<u>(133,802)</u>	<u>62,760</u>
<u>Non-cash activity</u>			
Contingent consideration in transaction with non-controlling interest	–	–	80,500
Receivables from non-cash exercise of share options	4,038	–	8,932
Investment in electricity generation facilities against supplier credit and payables	42,129	52,256	440,014
Increase of clearing and restoration provision against systems under construction	–	–	64,055
Increase in right-to-use asset against lease liability due to new lease agreements	138,949	60,046	119,741
<u>Additional information</u>			
Interest paid in respect of current operations	40,526	12,989	90,351
Interest received in respect of current operations	10,126	3,038	15,835
Taxes paid (received), net	2,367	–	28,352
Interest paid in respect of properties under construction	657	14,211	47,135

The accompanying notes to the Condensed Consolidated Interim Financial Statements are an integral part thereof.

Energix – Renewable Energies Ltd.
Notes to the Consolidated Interim Financial Statements
(Unaudited)

Note 1 – General

A. General description of the Company and its operations

Energix – Renewable Energies Ltd. (the “**Company**”) is a public company whose securities have been listed for trading on the Tel Aviv Stock Exchange since May 2011. The Company is engaged in the, development, construction, financing, management and operation of systems for the production and storage of electricity from renewable energy sources, with the aim of holding such systems as the owner over the long-term. The Company's controlling shareholder is Alony Hetz Properties and Investments Ltd. (hereinafter: “**Alony Hetz**”).

The Company's activities are divided into the following segments:

(i) **Activities to generate electricity using photo-voltaic technology (the “Photo-voltaic Segment”), including storage capabilities** – As of the Report Date, the Company has activities in the Photo-voltaic Segment in Israel, the USA and Poland.

(ii) **Activities to generate electricity from wind energy (the “Wind Energy Segment”)** – As of the Report Date, the Company has activities in the Wind Energy Segment in Israel and in Poland.

For additional information regarding the operating segments, see Note 5 below.

As part of the Company's overall activities in Israel, USA and Poland, the total capacity of its systems in the Photo-voltaic and Wind Energy Segments as of the Report Approval Date amounts to 1.3GW+34MWh (storage) in commercial operation, 742MW+312MWh (storage) in projects under construction and pre-construction, and 480MW+48MWh (storage) in projects in advanced stages of development. The Company also has projects under development in the photo-voltaic segment and in the wind energy segment with total capacity of 6.3GW, and projects under development in the storage segment with total capacity of 6.9GWh.⁵

B. The Iron Swords War and its impact on the company's operations.

For information about the Iron Swords War and its impact on the company's operations, see Note 1b and Note 10 to the annual financial statements.

C. Definitions: Except where otherwise stated, the definitions in these Financial Statements are the same as those in the Consolidated Annual Financial Statements.

⁵**Commercially active projects** are projects whose construction has been completed, and where the electricity produced therein is transmitted to the relevant power grid; **Projects under construction or in pre-construction** are projects of the Company which are currently under construction, or whose construction is expected to begin in the near future; **Projects in advanced stages of development** include the series of Company projects which the Company estimates can reach a financial closing or readiness for construction within the next 12 months, or projects in **development** stages which have won a guaranteed tariff; **Projects in stages of development** include the series of Company projects in various stages of development, which may mature into projects under construction, regarding which the Company has ties to the land, and regarding which the Company is working to obtain, or already has, the permits and authorizations which are required for their construction. **The series of mature projects** includes commercially active projects, projects under construction and in pre-construction, and projects in advanced stages of development .

Energix – Renewable Energies Ltd.
Notes to the Consolidated Interim Financial Statements
(Unaudited)

Note 2 – Basis of Preparation

- A. These consolidated interim financial statements have been prepared in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting, and do not include all the information required for full annual financial statements. They should be read in conjunction with the Financial Statements as of and for the year ended December 31, 2023 (the 'Annual Financial Statements'). These reports were also prepared in accordance with the disclosure provisions in Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970."

These consolidated interim financial statements were authorized for issue by the Company's Board of Directors on May 19, 2024.

- B. The preparation of the consolidated interim financial statements in conformity with IFRSs requires Company management to make judgments, estimates, and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income, and expenses. It is hereby clarified that actual results may differ from these estimates. The Company adopted accounting policies, presentation rules, and calculation methods identical to those implemented in the Company's Annual Financial Statements for 2023.

C. Exchange rates and linkage base

Balances in foreign currency, or linked thereto, are included in the Financial Statements according to the representative exchange rates which were published by the Bank of Israel and by the Central Bank of Poland as of the Report Date.

Balances linked to the Consumer Price Index are presented according to the last known index at the end of the Reporting Period (the index for the month preceding the month of the Report Date), or according to the index in lieu for the last month of the Reporting Period (the index for the month of the Report Date), in accordance with the terms of the transaction.

Presented below are information regarding the Consumer Price Index and the exchange rates of the following currencies vs. the NIS, and regarding the increase (decrease) of the Consumer Price Index and changes in the exchange rates of the following currencies vs. the NIS:

	As of March 31 / for the month of March		As of December 31 / for the month of December	Change during the three month period ended March 31		Change during the year ended December 31,
	2024	2023	2023	2024	2023	2023
	%					
Consumer Price Index (According to base 2000)						
In Israel (index in lieu)	149.18	145.24	147.78	0.95	1.19	2.96
In Israel (known index)	148.34	144.68	147.92	0.29	1.08	3.34
Exchange rate vs. the NIS						
PLN	0.92	0.84	0.92	0.30	5.19	14.91
EUR	3.97	3.94	4.00	(0.79)	4.87	6.54
USD	3.68	3.62	3.63	1.49	2.73	3.07

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Note 3 – Significant Accounting Policies Applied in the Condensed Interim Financial Statements

The management's discretion, when implementing the group's accounting policy and the key assumptions used in estimates involving uncertainty, as well as the presentation principles and calculation methods, are consistent with those employed in preparing the annual financial reports.

New financial reporting standards, interpretations which have been published, and amendments to standards

IFRS 18 "Presentation and Disclosure in Financial Statements" (hereinafter: "IFRS 18")

On April 9, 2024, IFRS 18 was issued, superseding IAS 1 "Presentation of Financial Statements" (hereinafter: "IAS 1"). The objective of the standard is to improve how entities provide information to users of their financial statements.

The standard is focused on the following:

1. Income statement layout – presentation of specified subtotals and categorization on the income statement.
2. Requirements re improvement of information grouping and ungrouping on the financial statements and in the notes.
3. Presentation of information regarding performance benchmarks specified by management ("MPM"), which are not based on accounting standards (non-GAAP) in notes to the financial statements.

Moreover, upon implementation of IFRS 18, further revisions of other IFRS standards would become effective, including to IAS 7 "Statement of Cash Flows", designed to improve inter-entity comparison. These changes primarily include the following: use of subtotal for operating income, as the sole starting point for implementation of the indirect method for reporting cash flows provided by current operations, and elimination of the alternatives for election of accounting policy with regard to presentation of interest and dividends. Therefore, with certain exceptions, interest and dividends received would be included under cash flows provided by investment operations, and interest and dividends paid would be included under financing operations.

The standard would become effective for annual reporting periods starting on or after January 1, 2027. The standard is applied retrospectively with specific transition provisions. Early adoption is permitted.

The Company is reviewing the impact on the financial statements of IFRS 18, including impact of revisions of other IFRS standards due to application thereof.

Note 4 – Seasonality

Sunlight and wind speed in different seasons naturally have an effect on the output of the photo-voltaic systems and wind farms. As regards the photo-voltaic activity, in the spring and summer, in which the sunlight is stronger, the output of the photo-voltaic systems is higher. In the fall and winter, in which the sunlight is relatively weak, the output of the systems decreases. In regards to the wind energy activity, the production of electricity is subject to changes in wind patterns over the seasons of the year, according to the specific area in which the turbines are located, and also to variations in wind patterns between the years. Based on the wind measurements which were made in the area of the Company's wind farms in Poland, the expectation is that the autumn and winter periods (first and fourth quarters), which are characterized by strong winds, will be the months of increased output in the wind farms. It is hereby clarified that actual weather conditions during a certain period may have a significant impact on the ability of the Company's facilities to produce electricity, and accordingly on its operating results as well, whether in the Photo-voltaic Segment or in the Wind Energy Segment.

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Note 5 – Information Regarding Operating Segments

The basis of segmentation and the measurement basis for segment income / loss are the same as those presented in Note 29 regarding operating segments in the Annual Consolidated Financial Statements.

The segment results are presented after reversal of effects of IFRS 16 and of the amendment to IAS 23, i.e. rent payments are presented under operating rent expenses (rather than under depreciation expenses and financing expenses), without taking into account the discounting of non-specific borrowing costs for systems under construction. This is in accordance with the information which was reviewed by the Company's Chief Operating Decision Maker (CODM). Adjustments due to the cancellation of the effects of the aforementioned standards on the segmental results are presented under the column for adjustments.

	For the three month period ended March 31, 2024							
	Photo-voltaic		Wind		Total reportable segments	Unallocated revenues (expenses)	Adjustments	Total consolidated
	Israel	USA	Poland	Israel (*)				
	NIS in thousands							
	(Unaudited)							
Revenues from the sale of electricity	32,009	17,099	150,845	–	199,953	418	–	200,371
Revenues from the production of green certificates	3	11,059	11,115	–	22,177	–	–	22,177
Other revenues, net	902	–	–	–	902	7,030	–	7,932
Maintenance expenses development, construction and other expenses	(5,555)	(11,789)	(19,652)	–	(36,996)	150	11,137	(25,709)
Payroll and related expenses, administrative, headquarters and other expenses	(2,135)	(9,784)	(4,220)	(4,646)	(5,973)	(5,299)	–	(11,272)
Profit (loss) before financing, taxes, depreciation and amortization	25,224	5,258	138,088	(4,646)	163,924	(8,546)	11,137	166,515
Depreciation and amortization	(9,505)	(8,790)	(13,846)	–	(32,141)	(932)	(8,558)	(41,631)
Financing expenses, net	(15,165)	(8,756)	(14,941)	(1,093)	(39,955)	(5,849)	4,173	(41,631)
Profit (loss) before taxes on income	554	(12,288)	109,301	(5,739)	91,828	(15,327)	6,752	83,253
Taxes on income	–	–	–	–	–	(20,658)	–	(20,658)
Tax income from the Tax Equity Partner	–	17,470	–	–	17,470	–	–	17,470
Net income (loss)	554	5,182	109,301	(5,739)	109,298	(35,985)	6,752	80,065
Assets of reportable segments and other operations – connected	895,481	3,145,905	1,478,691	–	5,520,077	–	92,506	5,612,583
Assets of reportable segments and other operations – under construction	795,025	807,311	76	531,362	2,133,774	75,840	48,754	2,258,368
Other amounts	267,231	1,088,475	416,726	24,973	1,797,405	111,852	637,486	2,546,743
Total consolidated assets	1,957,737	5,041,691	1,895,493	556,335	9,451,256	187,692	778,746	10,417,694
Liabilities of reportable segments and other operations	2,584,407	2,738,404	1,265,079	49,203	6,637,093	800,013	678,478	8,115,584
Total consolidated liabilities	2,584,407	2,738,404	1,265,079	49,203	6,637,093	800,013	678,478	8,115,584

(*) Projects under construction and in pre-construction.

(**) Including non-recurring development expenses of NIS 1 million in respect of operations in the USA, and NIS 4 million in respect of operations in Israel.

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Note 5 – Data Regarding Operating Segments (Continued)

For the three month period ended March 31, 2023

	Photo-voltaic		Wind		Total reportable segments	Unallocated revenues (expenses)	Adjustments	Total consolidated
	Israel	USA	Poland	Israel (*)				
	NIS in thousands (Unaudited)							
Revenues from the sale of electricity	30,268	6,750	86,789	–	123,807	98	–	123,905
Revenues from the production of green certificates	–	1,547	17,662	–	19,209	–	–	19,209
Other revenues, net	670	–	152,760	–	153,430	–	–	153,430
Maintenance expenses	(6,637)	(3,109)	(11,749)	–	(21,495)	(1,397)	4,945	(17,947)
development expenses	(3)	(3,409)	(2)	–	(3,414)	–	–	(3,414)
Payroll and related expenses, administrative, headquarters and other expenses	(1,004)	(9,406)	(1,822)	–	(12,232)	(12,366)	–	(24,598)
Profit (loss) before financing, taxes, depreciation and amortization	23,294	(7,627)	243,638	–	259,305	(13,665)	4,945	250,585
Capital gains from sale of consolidated partnership	–	–	–	–	–	–	–	–
Depreciation and amortization	(8,785)	(6,725)	(11,377)	(14)	(26,901)	(717)	(4,349)	(31,967)
Financing expenses, net	(16,836)	(2,555)	(7,635)	–	(27,026)	(6,187)	13,446	(19,767)
Profit (loss) before taxes on income	(2,327)	(16,907)	224,626	(14)	205,378	(20,569)	14,042	198,851
Taxes on income	–	–	–	–	–	(47,619)	–	(47,619)
Tax income from the Tax Equity Partner	–	16,613	–	–	16,613	–	–	16,613
Net income (loss)	(2,327)	(294)	224,626	(14)	221,991	(68,188)	14,042	167,845
Assets of reportable segments and other operations – connected	936,588	933,829	1,123,821	–	2,994,238	–	–	2,994,238
Assets of reportable segments and other operations – under construction	396,949	980,769	275,421	386,339	2,039,478	125,527	–	2,165,005
Other amounts	146,431	133,467	541,445	16,046	837,389	69,290	465,978	1,372,657
Total consolidated assets	1,479,968	2,048,065	1,940,687	402,385	5,871,105	194,817	465,978	6,531,900
Liabilities of reportable segments and other operations	1,196,877	627,240	945,245	24,363	2,793,725	856,252	470,373	4,120,350
Total consolidated liabilities	1,196,877	627,240	945,245	24,363	2,793,725	856,252	470,373	4,120,350

(*) Projects in construction and advanced stages of development .

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Note 5 – Information Regarding Operating Segments (continued)

For the year ended December 31, 2023

	Photo-voltaic		Wind		Total reportable segments	Unallocated revenues (expenses)	Adjustments	Total consolidated
	Israel	USA	Poland	Israel (*)				
	NIS in thousands							
(Audited)								
Revenues from the sale of electricity	147,479	39,510	263,215	–	450,204	4,112	–	454,316
Revenues from the production of green certificates	754	8,620	64,264	–	73,638	–	–	73,638
Other revenues, net	1,192	–	152,760	–	153,952	–	–	153,952
Maintenance expenses	(32,191)	(14,655)	(63,629)	–	(110,475)	(2,980)	19,535	(93,920)
development expenses	(2,712)	(9,523)	–	(4,646)	(16,881)	–	–	(16,881)
Payroll and related expenses, administrative, headquarters and other expenses	(3,186)	(28,637)	(10,768)	–	(42,591)	(48,973)	–	(91,564)
Profit (loss) before financing, taxes, depreciation and amortization	111,336	(4,685)	405,842	(4,646)	507,847	(47,841)	19,535	479,541
Depreciation and amortization	(45,796)	(29,555)	(52,782)	–	(128,133)	(3,024)	(21,596)	(152,753)
Financing expenses, net	(46,470)	(14,238)	(20,061)	(1,201)	(81,971)	(25,183)	33,565	(73,589)
Profit (loss) before taxes on income	19,070	(48,478)	332,999	(5,847)	297,743	(76,048)	31,504	253,199
Taxes on income	–	–	–	–	–	(64,583)	–	(64,583)
Tax income from the Tax Equity Partner	–	69,452	–	–	69,452	–	–	69,452
Net income (loss)	19,070	20,974	332,999	(5,847)	367,195	(140,631)	31,504	258,068
Assets of reportable segments and other operations – connected	905,773	2,740,001	1,486,464	–	5,132,238	–	84,497	5,216,735
Assets of reportable segments and other operations – under construction	730,704	983,122	25,239	517,604	2,256,669	63,948	50,282	2,370,899
Other amounts	292,742	982,588	275,978	19,361	1,570,669	141,397	511,178	2,223,244
Total consolidated assets	1,929,219	4,705,711	1,787,681	536,965	8,959,576	205,345	645,957	9,810,878
Liabilities of reportable segments and other operations	2,010,106	2,804,226	1,206,210	32,723	6,053,265	830,192	556,268	7,439,725
Total consolidated liabilities	2,010,106	2,804,226	1,206,210	32,723	6,053,265	830,192	556,268	7,439,725

(*) Projects in construction and advanced stages of development .

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Note 6 – Financial Instruments

A. Hedge transactions:

Further to that stated in Note 31b(3) and 3c(4) to the Consolidated Annual Financial Statements, the Group uses various derivative financial instruments in order to manage the exposures to changes in currency rates, interest rates and electricity prices.

The Group has financial derivatives which are measured at fair value as follows:

(1) Financial derivatives to hedge the net investment in a foreign operation:

(a) Hedging of net investment in a foreign operation in Poland –

As of the Report Date, the Company has hedging transactions amounting to PLN 789 million. The hedges are implemented through forward transactions and cross currency swaps in the amount of approximately PLN 216 million, as specified in Note 14d(8)(a) to the Annual Consolidated Financial Statements, with the aim of hedging the Group's exposure to effects of changes in the exchange rate on the net investment in Poland. For additional information, see Note 31b(3)(a)(1) and Note 3c(4)(c) to the Consolidated Annual Financial Statements.

(b) Hedging of net investment in a foreign operation in the USA –

As of the Report Date, the Group has hedging transactions in the amount of USD 387 million, to hedge the Company's exposure to changes in the value of its investment in the United States, due to changes in the exchange rate. The hedge is being implemented through forward transactions and through a cross currency swap in the amount of approximately USD 54 million, as specified in Note 14d(8)(a) to the Annual Consolidated Financial Statements.

(2) Financial derivatives for cash flow hedging:

(a) Hedging of electricity prices –

As of the Report Date, the Group is engaged in a transaction with Shell to hedge the prices of electricity which it will sell within the framework of Virginia Projects 1, as well as transactions to hedge electricity prices in 4 of the 6 projects of Virginia Projects 2, vis-à-vis a leading energy company and/or another end consumer. The Group also has transactions to hedge electricity prices in 3 projects with total capacity of 77MWp which are in operation and in advanced development stages with a leading energy company. For more information, see Note 7b to these financial statements, and Note 9b(2)(b), Note 9b(2)(c), Note 31(3)(b) and Note 3c(4)(b) to the Consolidated Annual Financial Statements.

(b) Hedging of project loans at variable interest in Poland –

As of the Reporting Date, the Group has interest rate caps in connection with project loans at variable interest in Poland, to hedge against changes in the WIBOR interest rate over 2%, in respect of 70% of the total amount of loans for terms of 5 and 7 years (after start of commercial operation). For additional information, see Note 14d(6), Note 31b(3)(b) and Note 3c(4)(b) to the Consolidated Annual Financial Statements.

(c) Fixed interest transactions in variable interest project loans in the USA –

As of the Report Date, the Group has executed interest rate swap transactions in connection with project loans at variable interest in the USA, in which it swapped the variable SOFR interest rate with a weighted fixed interest rate of 3.4% and 4%, in respect of 100% of the loan amounts, for a term of 22 years and 15 years (after start of commercial operation). For additional information, see Note 14d(6) to the Annual Consolidated Financial Statements.

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B. Presentation according to fair value:

The financial instruments of the Group consist primarily of cash and cash equivalents, pledged and dedicated deposits and restricted cash, trade receivables, derivatives, other receivables and payables and credit balances, trade payables, short-term credit, loans, bonds, convertible bonds and other long-term liabilities. The Group believes that the carrying amount of the aforesaid financial assets and liabilities, as presented in the Financial Statements, is close or identical to their fair value, with the exception of loans from financial institutions bearing fixed interest, the bonds (Series A), and the liability component of the convertible bonds (Series B) below.

	<u>As of March 31</u>		<u>As of</u>
	<u>2024</u>	<u>2023</u>	<u>December 31</u>
	<u>NIS in thousands</u>		
	<u>(Unaudited)</u>		<u>(Audited)</u>
Financial assets at fair value			
Derivatives:			
Financial derivatives (foreign currency swap transactions) designated for hedging	907	22,851	861
Financial derivatives (cap option) designated as interest rate hedge	72,727	87,610	63,145
Financial derivatives (IRS contract) designated as interest rate hedge	47,131	–	10,825
Financial derivatives (swap contract) to hedge electricity prices in the USA	1,661	–	5,684
Financial derivatives (foreign currency forward transactions) designated for hedging	49	1,280	4,341
	<u>122,475</u>	<u>111,741</u>	<u>84,856</u>
Financial liabilities at fair value			
Derivatives:			
Financial derivatives (foreign currency swap transactions) designated for hedging	32,561	30,982	33,461
Financial derivatives (swap contract) to hedge electricity prices in the USA	178,462	160,657	121,967
Financial derivatives (interest rate swap transactions) designated for hedging	2,271	–	7,510
Financial derivatives (foreign currency forward transactions) designated for hedging	88,257	127,991	82,963
	<u>301,551</u>	<u>319,630</u>	<u>245,901</u>

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The Company's derivatives are measured at fair value level 2, except for a financial derivative (swap contract) for hedging electricity prices in the USA, which is measured at fair value level 3, as specified below:

	As of March 31
	2024
	NIS in thousands
	(Unaudited)
<u>Instruments measured at level 3 – financial derivatives (swap contract) to hedge electricity prices in the USA</u>	
As of December 31, 2023	(116,283)
Capital reserve from translation differences	(1,738)
Amounts carried to the statement of income during the period	(1,276)
Amounts carried to other comprehensive income during the period	(57,504)
As of March 31, 2024	(176,801)

Contingent consideration in respect of transaction with non-controlling interest in the USA

Description of the measured instrument	Fair value as of March 31, 2024	Valuation technique	Discount rate
	NIS in thousands		
Contingent consideration	84,478	Cash flow discounting	5.2%-5.4%

Presented below are data regarding the fair value of financial liabilities whose carrying value is not a reasonable approximation of fair value:

Financial liabilities (excluding CCS)	March 31, 2024		December 31, 2023	
	Fair value	Carrying value including interest (*)	Fair value	Carrying value including interest (*)
	NIS in thousands			
	(Unaudited)		(Audited)	
Marketable bonds (Series A)	443,290 (**)	484,560	482,135 (**)	524,846
Convertible bonds (Series B) – liability component	486,022 (***)	535,900	483,581 (***)	533,499
Loans from financial institutions	3,116,188 (***)	3,201,452	2,898,056 (***)	3,043,665
Total	4,045,500	4,221,912	3,863,772	4,102,009

(*) After deducting the deductible balance

(**) Fair value at level 1

(***) Fair value at level 2

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Note 7 – Additional Information Regarding Events During the Reporting Period and Events Subsequent to the Report Date

A. Projects in the photo-voltaic and photo-voltaic + storage segment in Israel

(1) Acquisition of entire interest of minority partner in Israel joint venture – Further to Note 15a(2)(a) and (b), after the Report Date, as part of a comprehensive agreement to settle all disputes between the Company and the developer holding minority interest in the Israel joint venture (30% of equity and 9% of cash flow), the Company acquired the entire interest of this developer, for total consideration amounting to NIS 42 million (including with respect to development services). After acquisition of this minority interest, the Company wholly owns its operations in the photo-voltaic segment in Israel (except for interest owned by landowners which provided land to the Company, as required by ILA).

(2) Projects under construction and in pre-construction:

a) **Julis ultra-high voltage project with a capacity of 87MWp:** Further to Note 15b(1)(c) to the Annual Financial Statements, the Company is currently in the process of performing the construction works in the project, following the approval of the project, by the Israeli government, as a national infrastructure project.

As of the Report Date, the Company has recognized assets in the amount of NIS 224 million in respect of this project, which was recorded under the item for systems under construction and development .

For more information about this project, see table in Note 9a to the Annual Financial Statements and Note 14c regarding project construction financing.

b) **Winning projects in competitive proceeding 2 for construction of photo-voltaic facilities with integrated storage capacity (81MWp and 298MWh):** Further to Note 9b(1)(c)2 to the Annual Financial Statements, during the Reporting Period and as of the Report Approval Date, the Company began construction work on these projects for generating photo-voltaic power with integrated storage, of which, after the Report Date, one integrated facility is in commercial operation, with capacity of 8.7MWp + 34MWh, pursuant to agreements for the sale of electricity signed by the Company with respect to projects with this capacity. After the Report Date, this project was converted to market regulation, and as from May 2024, the electricity generated by this project is sold to a private distributor – Electra Power Supergas Ltd.

Project construction financing – Further to Note 11 to the financial statements, in the Reporting Period, the Company withdrew NIS 143 million of the total facility of up to NIS 400 million for project construction financing, available to the Company pursuant to the project construction financing agreement signed in March 2024.

As of the Report Date, the Company has recognized assets in the amount of NIS 344 million in respect of the projects which are addressed in this competitive proceeding, which was recorded under the item for systems under construction and development .

c) **Project with capacity of 30 MWp, with integrated storage capacity of 48 MWh:** Further to Note 9b(1)(d) to the Annual Financial Statements, in the Reporting Period and through the Report Approval Date, the Company began construction work on this project. Furthermore, after signing an MOU for construction of this project, the Company is in advanced negotiations to sign a project construction financing agreement amounting up to NIS 100 million, on non-recourse basis.

As of the Report Date, the Company has recognized assets in the amount of NIS 31 million in respect of this project, which was recorded under the item for systems under construction and development .

For additional details regarding the Company's activity in the photo-voltaic and in the photo-voltaic and storage segments in Israel, see Notes 9b(1), 14c, 14d(3) and 15a(1) to the Annual Reports.

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B. Projects in the photo-voltaic segment in the USA

- (1) **Strategic collaboration for sale of electricity, green certificates and Tax Equity Partner investment** – As of the Report Approval Date, the Company is in advanced negotiations (pending signing an agreement) to establish long-term strategic collaboration on future Company projects in the USA, with capacity of at least 1.5GW, expected to reach commercial operation as from 2025 (except for other projects for which the Company has prior obligation to sell electricity to third parties). This collaboration would include the sale of electricity and green certificates generated by these Company's projects, and a commitment by the strategic partner to provide the ITC Tax Equity Partner investment for these projects. For more information, see Note 15 to the annual financial statements.
- (2) **Projects in commercial operation –**
 - a) **E3 projects (Virginia 3 and PA1, with total capacity of 412 MWp)** – Further to Note 10b(2)3 and Notes 11c, 11d(2)b. and 11g.3) to the annual financial statements, in April 2024, after the Report Date, the Tax Equity Partner completed their investment in the projects, amounting to USD 275 million. Consequently, the bridge loan provided by Santander CIB to finance project construction, amounting to USD 221 million, was fully repaid. Furthermore, at the same time, the short-term construction loan provided by Santander CIB, amounting to USD 260 million, was converted into a long-term Back Leverage loan, amounting to USD 256 million.
- (3) **Projects under construction and in pre-construction:**
 - a) **Projects under construction with capacity of 210MWp** – The Company is in midst of construction of 5 projects, with total capacity of 210MWp, in Virginia and in Pennsylvania. Electricity from these projects with capacity of 70MWp would be sold according to specific power purchase agreement of electricity and green certificates to a utility Virginia, over the course of 20 years.
- (4) **Projects in pre-construction with capacity of 200MWp** – In March 2024, the Company closed the acquisition of 2 projects in Pennsylvania, with total capacity of 200MWp, for total consideration amounting to USD 23 million (of which USD 10 million for construction expense reimbursement). Closing of this acquisition was made possible after the Company had signed an amended power purchase agreements with a major global technology company, for sale of electricity and green certificates, at conditions beneficial to the Company.

As of the Report Date, the Company has recognized assets amounting to NIS 439 million in respect of these projects under construction and in pre-construction, recognized under Systems under Construction and in development .
- (5) **Projects in advanced development stages –**
 - a) **MOU for the acquisition of photo-voltaic project portfolio in USA with capacity exceeding 1.2GWp and 1.2GWh** – After the Report Date, the Company and a leading global energy company signed a non-binding MOU for acquisition of the entire interest in a photo-voltaic project portfolio, with capacity exceeding 1.2GWp, in the PJM network. These projects also have the potential for integration of storage facilities with capacity in excess of 1.2GWh. According to the MOU, subject to completion of due diligence to the Company's satisfaction and signing of a binding agreement by the parties, the portfolio would be acquired for a consideration of USD 62 million upon the closing date, plus a success fee for each project upon reaching construction, amounting in total up to USD 58 million. Should storage facilities be integrated in these projects, the seller would be entitled to additional consideration amounting up to USD 16 million.

For more information regarding the Company's activity in the in the photo-voltaic segment and in the photo-voltaic + storage segment in Israel, see Note 9b(2) and Note 15(2)(c) to the Annual Reports.

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C. Wind Energy Segment in Poland

(1) Projects in commercial operation

- (1) Below are fixed price transactions pursuant to power purchase agreements, out of total generation in 2024, in effect as of the Report Approval Date:

Year	Fixed rate out of the wind farms' total production (*)	Average price (**)
2024	72%	670

(*) The Company's wind farms which are in commercial operation as of the Report Approval Date.

(**) Average price in PLN per 1MWh, before adjustments according to the actual production profile.

Below are fixed price transactions, out of the total generation capacity for 2025-2031, which are in effect as of the Report Date:

- (i) The dedicated project company which holds the wind farms Banie 1+2, with a capacity of 106MW ("Banie 1+2") engaged with the broker in fixed price transactions for 7 years (2025-2031) at an estimated 90% of expected annual power generation of Banie 1+2 ("**Long-term Fixed Price Transactions**"), at PLN 460-480 per 1MWh.
- (ii) The broker has an additional option, exercisable until the end of 2024, in respect of additional capacity out of the production capacity, at a rate of up to 5% of the total expected electricity generation in 5 of the Company's wind farms in Poland.

- (2) Presented below are the fixed prices in fixed price transactions with respect to green certificates:

Year	Fixed rate out of total production (*)	Average price (**)
2024	7%	243

(*) Expected amount of green certificates which will be issued in the Company's 2 wind farms in commercial operation as of the Report Date.

(**) Average price per certificate in PLN.

D. Short-term loans and credit facilities

- i. The Company has credit facilities from financial institutions which are used for the provision of guarantees and short-term loans. As of the Report Date, the Company had credit facilities amounting to NIS 807 million, of which USD 50 million (NIS 185 million) from a bank in the USA, used to provide guarantees.
Of these credit facilities, NIS 695 million were utilized for guarantees and short-term loans.
- ii. In the Reporting Period, the Company increased the credit facility of NIS 290 million, of which PLN 90 million (NIS 81 million) signed with a bank in Poland, and the remainder – with banks in Israel.
- iii. After the Reporting Period, the Company signed on another credit facility, of USD 50 million, with a US bank, to be used primarily for providing guarantees.

Energix – Renewable Energies Ltd.
Notes to the Consolidated Interim Financial Statements
(Unaudited)

-
- iv. In the Reporting Period, the Company obtained a short-term loan from a bank in Israel, amounting to NIS 100 million, expected to be repaid in the second quarter of this year.
 - v. After the Reporting Period, the Company signed another short-term loan of up to USD 75 million from a bank in Poland.

For more information, see Note 14a to the Annual Reports.

E. Dividend:

For information regarding Company's dividend policy, see Note 16e to the Annual Reports.

Further to this policy, the Board of Directors determined that the dividend for 2024 will amount to a total of NIS 0.40 per share, payable in 4 equal quarterly installments of NIS 0.10 per share, subject to a specific resolution of the Board of Directors in each quarter.

The Company's Board of Directors also resolved to effect an additional dividend distribution in respect of the results for 2023, which will be paid together with the dividend for Q1 2024, amounting to NIS 0.20.

In conformity with the foregoing, in March 2023 the Company paid a special dividend for 2023 and for the first quarter of 2024, amounting to NIS 0.30 per share (NIS 164 million).

Furthermore, on May 19, after the Report Date, the Company announced a dividend distribution for the second quarter of 2024 in the amount of NIS 0.10 per share (NIS 55 million), payable in June 2024.

F. Financial covenants

- (1) **Financial covenants in long-term loans and credit facilities from financial institutions:** The Group, through companies and partnerships that it controls, has long-term loans and credit facilities from financial institutions and banks which include standard financial covenants. As of the Report Date and as of the Report Approval Date, the Group is fulfilling the aforesaid covenants. For additional information regarding the financial covenants regarding the loans, see Note 14c to the Annual Reports, and Notes 7h(2) and 7h(3) below.

- (2) **Financial covenants in respect of the bonds (Series A):**

As specified in Note 14d(7) to the Annual Financial Statements, as part of the issuance of bonds (Series A), the Company undertook that so long as the bonds remain outstanding, it will fulfill the following financial covenants:

- **Equity** will not fall below a total of NIS 360 million in two consecutive quarters.
- The ratio of **solo net financial debt** to the **solo net balance sheet** will not exceed 80% in four consecutive quarters.
- The ratio of **consolidated net financial debt**, after deducting **systems under construction and development**, to **adjusted EBITDA**, will not exceed 18 for a period of four consecutive quarters.

Energix – Renewable Energies Ltd.
Notes to the Consolidated Interim Financial Statements
(Unaudited)

(3) **Financial covenants in respect of the bonds (Series B):**

So long as the bonds have not been repaid in full, the Company undertook to fulfill the following financial covenants:

- **Equity** will not fall below a total of NIS 500 million in two consecutive quarters.
- The ratio of **solo net financial debt** to the **solo net balance sheet** will not exceed 80% in four consecutive quarters.
- The ratio of **consolidated net financial debt**, after deducting **systems under construction and development**, to **adjusted EBITDA**, will not exceed 18 for a period of four consecutive quarters. It is clarified that the terms emphasized above were defined in the trust deeds for the bonds (Series A) and for the bonds (Series B), in accordance with the Company's characteristics.

As of the Report Date and as of the Report Approval Date, the Company is fulfilling the financial covenants.

Note that the financial covenants specified above are also included as breach clauses in other loan agreements of the Company, and as a result, a breach of any of the foregoing financial covenants could give rise to grounds for demanding the immediate repayment of other loans of the Company, amounting to NIS 4,256 million on aggregate as of the Report Date.

G. Options granted to employees and officers

- a. On March 12, 2014, the Company's Board of Directors approved, an options framework plan for employees and corporate officers of the Company, in accordance with the principles of the Company's compensation policy, at a scope of 42 million options, as expanded.

For information regarding for information regarding from the foregoing plan which is in effect, see Note 32 to the Annual Reports.

- b. On February 18, 2024, the Company Board of Directors approved a new framework option plan for officers, employees, Board members, advisors and service providers. The options are not listed for trading and are exercisable into ordinary shares of NIS 0.01 par value each of the Company (subject to adjustments pursuant to provisions of the 2024 plan), and in respect of offerees who are employees in Israel, and are granted pursuant to section 102 of the Income Tax Ordinance, through a capital gains track with a trustee by virtue of section 102(b)(2) of the Income Tax Ordinance (the "**2024 Plan**"). The plan is subject to approval by the Tax Authority.
- c. On March 5, 2024, the Company Board of Directors allocated annual equity remuneration for 2024 and equity remuneration in lieu of cash bonus for 2024, pursuant to the 2024 Plan, subject to approval by the Tax Authority to apply section 102 to the plan, for the Company CEO, Board members, officers, Company employees in Israel, Poland and the USA and service providers in Poland, as follows:

Energix – Renewable Energies Ltd.
Notes to the Consolidated Interim Financial Statements
(Unaudited)

	<u>Equity remuneration to employees</u>	<u>Equity remuneration to officers (*)</u>	<u>Equity remuneration to Company CEO</u>
Number of options	2,058,192	519,454	213,847
Including fully accelerated options in lieu of cash bonus	133,971	200,160	213,847
Number of recipients	93	7	1
Share price (in NIS)	13.390	13.390	13.390
Exercise price (in NIS) (**)	14.461	14.461	14.461
Fair value of option	3.2974	3.2974	3.4791
Expected volatility	35.40%	35.40%	35.40%
Lifetime of the option (in years)	2.83	2.83	3.08
Exercise deadline	36 months after the actual grant date	36 months after the actual grant date	36 months after the actual grant date
Risk-free interest rate	3.85%	3.85%	3.87%
Expected dividend rate	–	–	–

(*)Three female directors and one male director of the Company who are not among the controlling shareholders and who are not employees of the Company and/or officers of Alony Hetz, as well as the CFO, VP Legal Advisor and Company Secretary, and VP Business Development.

(**)The exercise price of each option is determined according to the higher of: (A) the average of share prices on the stock exchange during the 30 trading days preceding the date of the Board of Directors' resolution to grant the options; or (B) 8% over the share price on the stock exchange at the end of the trading day preceding the date of the Board resolution to award the options.

The fair value is estimated using the Black and Scholes model. The total economic value of the options amounts to NIS 9,243 thousand. Out of said total, an amount of NIS 1,846 thousand was carried immediately to the income statement (due to their granting in lieu of a cash bonus) and the remaining NIS 7,397 thousand is expected to be amortized in a straight line over 24 months.

- d. On March 5, 2024, the Company Board of Directors approved allocation of long-term remuneration to ab officer, employees and service providers of the Company and subsidiaries, pursuant to the 2024 Plan, subject to approval of the plan by the Tax Authority and to approval by the General Meeting of Company shareholders of revision of the remuneration policy with respect to award to the officer. The fair value of these options would be amortized to the income statement over 4-6 years using the straight-line method, in conformity with terms and conditions of these options. Award data are as follows:

Number of options	2,081,101
Number of recipients	6
Share price (in NIS)	13.39
Exercise price (in NIS)	23.43
Share target price (in NIS)	26.78
Option fair value	NIS 5.4 million

- e. On May 19, 2024, the Company's Board of Directors approved an allocation of 257,865 non-marketable options, whereby each option will allow the offeree to purchase from the Company one ordinary share of the Company with a par value of NIS 0.01 each (subject to adjustments).

Energix – Renewable Energies Ltd.
Notes to the Consolidated Interim Financial Statements
(Unaudited)

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The options will be allocated in accordance with the 2024 plan and pursuant to section 102 of the Income Tax Ordinance, through a capital gains track with a trustee by virtue of section 102(b)(2) of the Income Tax Ordinance for offerees in Israel.

The exercise price of each option is determined according to the higher of: (A) the average of share prices on the stock exchange during the 30 trading days preceding the date of the Board of Directors' resolution to grant the options; or (B) 8% over the share price on the stock exchange at the end of the trading day preceding the date of the Board resolution to award the options, at NIS 16.168 per option. The fair value of each option is NIS 3.679765.

- f. On May 19, 2024, the Company Board of Directors approved allocation of long-term remuneration to employees of the Company and subsidiaries, pursuant to the 2024 Plan. The fair value of these options would be amortized to the income statement over 4-6 years using the straight-line method, in conformity with terms and conditions of these options. Award data are as follows:

Number of options	1,292,016
Number of recipients	3
Share price (in NIS)	14.97
Exercise price (in NIS)	26.20
Share target price (in NIS)	29.94
Option fair value	NIS 3.9 million

Energix – Renewable Energies Ltd.

**Condensed Separate Interim Financial Information
As of March 31, 2024**

(Unaudited)

Attn.:

Shareholders of Energix – Renewable Energies Ltd.

2 Jabotinsky St.

Ramat Gan

Dear Sir / Madam,

Re: **Special Review Report Regarding the Separate Interim Financial Information**
In accordance with Regulation 38D of the Securities Regulations (Periodic and Immediate Reports) 1970

Introduction

We have reviewed the separate interim financial information which is presented in accordance with Regulation 38D of the Securities Regulations (Periodic and Immediate Reports), 1970 of **Energix – Renewable Energies Ltd.** (hereinafter: the "**Company**") as of March 31, 2024, and for the three month period then ended. The Board of Directors and management are responsible for the preparation and presentation of this separate interim financial information in accordance with Regulation 38D of the Securities Regulations (Periodic and Immediate Reports), 1970. Our responsibility is to express a conclusion regarding the separate interim financial information for these interim periods, based on our review.

Scope of the Review

We have conducted our review in accordance with Review Standard (Israel) 2410 of the Institute of Certified Public Accountants in Israel, "Review of Interim Financial Information Prepared by the Entity's Auditor." A review of separate interim financial information consists of making inquiries, primarily with the individuals who are responsible for financial and accounting matters, and of applying analytical and other review procedures. A review is significantly limited in scope compared to an audit which has been prepared according to generally accepted Israeli auditing standards, and therefore does not allow us to reach certainty that we have become aware of all material issues which may have been identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, we have not become aware of any information which would have caused us to believe that the aforementioned separate interim financial information has not been prepared, in all material respects, in accordance with the provisions of Regulation 38D of the Securities Regulations (Periodic and Immediate Reports), 1970.

Brightman Almagor Zohar & Co.
Certified Public Accountants
A Firm in the Deloitte Global Network

Tel Aviv, May 19, 2024

תל אביב - משרד ראשי

מרכז עוריאלי 1 תל אביב, 6701101, ת.ד. 16593 תל אביב 6116402 | טלפון: 03-6085555 | info@deloitte.co.il

משרד נצרת
מרכז אבן עאמר 9
נצרת, 16100

טלפון: 073-3994455
פקס: 073-3994455
info-nazareth@deloitte.co.il

משרד אילת
המרכז העירוני
ת.ד. 583
אילת, 8810402

טלפון: 08-6375676
פקס: 08-6371628
info-ellat@deloitte.co.il

משרד חיפה
מעלה השחרור 5
ת.ד. 5648
חיפה, 3105502

טלפון: 04-8607333
פקס: 04-8672528
info-haifa@deloitte.co.il

משרד ירושלים
קרית המדע 3
מגדל הר חוצבים
ירושלים, 914510
ת.ח. 45396

טלפון: 02-5018888
פקס: 02-5374173
info-jer@deloitte.co.il

Energix – Renewable Energies Ltd.
Interim (Separate) Financial Position Data

	As of March 31		As of December 31
	2024	2023	2023
	NIS in thousands		
	(Unaudited)		(Audited)
Assets			
<u>Current assets</u>			
Cash and cash equivalents	70,539	44,512	95,675
Trade receivables and income receivables from customers	1,180	714	603
Receivables – investee companies	2,949	2,727	4,811
Receivables and debit balances	13,275	7,816	23,403
Total current assets	87,943	55,769	124,492
<u>Non-current assets</u>			
Connected electricity generation systems	1,920	2,138	1,992
Systems under construction and inventory	107,128	6,846	106,816
Right-to-use asset	6,407	7,952	6,793
Fixed assets	11,143	9,646	11,366
Investment in investee companies	3,490,371	3,839,720	3,245,725
Loan to an investee company	406,297	–	518,684
Other receivables	23,956	127,172	20,079
Total non-current assets	4,047,222	3,993,474	3,911,455
Total assets	4,135,165	4,049,243	4,035,947
Liabilities and equity			
<u>Current liabilities</u>			
Short-term credit from financial institutions	452,085	158,093	192,411
Current maturities in respect of bonds	74,871	74,871	74,871
Current maturities of lease liabilities	1,406	1,406	1,406
Trade payables	172	1,028	3,393
Payables – investee companies	22,834	63,905	67,550
Other accounts payable	122,491	134,162	115,786
Total current liabilities	673,859	433,465	455,417
<u>Non-current liabilities</u>			
Loans from investee companies	118,989	94,140	122,128
Other long-term liabilities	1,500	1,500	1,500
Liabilities in respect of financial instruments	21,986	49,983	28,821
Bonds	409,247	483,181	446,353
Convertible bonds	535,900	526,316	533,499
Lease liability	5,536	7,103	5,938
Liability for employee severance benefits, net	880	772	880
Payables – investee companies	4,237	646	–
Deferred tax liabilities, net	62,687	41,662	71,444
Total non-current liabilities	1,160,962	1,205,303	1,210,563
<u>Equity</u>			
Share capital	5,491	5,478	5,486
Capital reserves	2,118,630	2,133,786	2,108,076
Retained earnings	176,223	271,211	256,405
Total equity attributable to the owners of the Company	2,300,344	2,410,475	2,369,967
Total liabilities and equity	4,135,165	4,049,243	4,035,947

May 19, 2024

Signing date of the interim
(separate) financial
information

Nathan Hetz
Chairman of Board of Directors

Asa Levinger
CEO

Tanya Friedman
CFO

The accompanying supplementary information to the condensed interim separate financial information is an integral part thereof.

Energix – Renewable Energies Ltd.
Interim (Separate) Comprehensive Income Data

	For the three month		For the year ended
	period ended March 31		December 31
	2024	2023	2023
	NIS in thousands		
	(Unaudited)	(Audited)	
<u>Revenues</u>			
Revenues from the sale of electricity	214	205	973
Operating and other income, net	456	849	109,308
	<u>670</u>	<u>1,054</u>	<u>110,281</u>
<u>Expenses</u>			
Maintenance of systems	106	1,395	3,572
development expenses	–	3	326
Payroll and related expenses	5,933	7,688	27,051
Administrative, headquarters and other	4,911	4,678	21,923
	<u>10,950</u>	<u>13,764</u>	<u>52,872</u>
Profit (loss) before financing, taxes, depreciation and amortization	(10,280)	(12,710)	57,409
Depreciation and amortization	(1,399)	(1,172)	(4,964)
Profit (loss) before financing and taxes	(11,679)	(13,882)	52,445
Financing income	36,885	24,974	272,603
Financing expenses	(21,621)	(7,085)	(61,095)
Financing income, net	15,264	17,889	211,508
Profit after financing, net	3,585	4,007	263,953
Company's share in the results of associates and joint ventures	72,950	172,484	56,973
Profit before taxes on income	76,535	176,491	320,926
Taxes on income	2,951	(8,346)	(62,669)
Income for the period attributable to the owners of the Company	<u>79,486</u>	<u>168,145</u>	<u>258,257</u>
Net earnings per share attributable to the equity holders of the Company (NIS):			
Basic	<u>0.145</u>	<u>0.307</u>	<u>0.471</u>
Diluted	<u>0.144</u>	<u>0.307</u>	<u>0.470</u>
Weighted average share capital used to compute the earnings per share (thousands of shares):			
Basic	<u>549,137</u>	<u>547,809</u>	<u>548,673</u>
Diluted	<u>551,056</u>	<u>547,926</u>	<u>549,299</u>
Other comprehensive income items that after initial recognition in comprehensive income were or will be transferred to the income statement			
Foreign currency translation differences for foreign operation	32,359	108,907	224,072
Income (loss) from foreign currency differences in respect of derivatives which were designated for the hedging of investments in subsidiaries which constitute foreign operations, net of tax	(21,202)	(86,361)	(195,149)
Company's share in changes in the capital reserve from cash flow hedge	(12,421)	23,394	22,941
Profit (loss) in respect of cash flow hedge – time value of money, net of tax	6,111	(642)	16,602
Total other comprehensive income (loss) for the year attributable to the equity holders of the Company	<u>84,333</u>	<u>213,443</u>	<u>326,723</u>

The accompanying supplementary information to the condensed interim separate financial information is an integral part thereof.

Energix – Renewable Energies Ltd.
Interim (Separate) Cash Flow Data

	For the three month period ended March 31		For the year ended December 31
	2024	2023	2023
	NIS in thousands		
	(Unaudited)		(Audited)
Cash flows – current operations			
Income for the period	79,486	168,145	258,257
Expenses not involving cash flows (Appendix A)	(139,552)	(178,559)	(60,416)
	(60,066)	(10,414)	197,841
Changes in working capital (Appendix B)	54,347	7,645	4,660
Net cash used in current operations	(5,719)	(2,769)	202,501
Cash flows – investing activities			
Investment in electricity generation systems	(311)	(520)	428
Advance payments to suppliers of fixed assets	–	–	(26,817)
Investment in other fixed assets	(710)	(379)	(4,155)
Long-term loans extended to investees	(336,761)	–	(589,448)
Settlement of financial instruments	(18,893)	(61,728)	(232,820)
Investment in partnerships and investees	265,189	(20,913)	711,204
Net cash used in investing activities	(91,486)	(83,540)	(141,608)
Cash flows – financing activities			
Consideration from exercise of share options	10,312	–	942
Repayment of principal in respect of lease liability	(457)	(387)	(1,740)
Receipt of loans from investee companies	–	54,919	75,119
Transaction with non-controlling interest	–	(4,800)	–
Bond principal repayment	(37,246)	(37,247)	(74,493)
Receipt of short-term loans from banks	260,174	158,000	244,500
Repayment of short-term loans from banks	(502)	–	(52,601)
Dividend paid to Company shareholders	(164,668)	(136,952)	(252,005)
Net cash from (used in) financing activities	67,613	33,533	(60,278)
Change in cash and cash equivalents	(29,592)	(52,776)	615
Balance of cash and cash equivalents at beginning of period	95,675	95,456	95,456
Effect of fluctuations in exchange rates on cash and cash equivalents	4,456	1,832	(396)
Balance of cash and cash equivalents at end of period	70,539	44,512	95,675

The accompanying supplementary information to the condensed interim separate financial information is an integral part thereof.

Energix – Renewable Energies Ltd.**Interim (Separate) Cash Flow Data**

	For the three month period ended March 31		For the year ended December 31
	2024	2023	2023
<u>NIS in thousands</u>			
	<u>(Unaudited)</u>		<u>(Audited)</u>
<u>Appendix – Adjustments Required to Present Cash Flows from Operating Activities</u>			
a. Expenses (revenues) not involving cash flows:			
Financing income, net	(68,596)	(20,073)	(80,965)
Tax revenues recognized in income (loss) for the period	(2,951)	8,346	62,669
Company's share in the results of associates and joint ventures	(72,950)	(172,484)	(56,973)
Depreciation and amortization	1,399	1,172	4,964
Change in provision for employee severance pay	–	–	108
Share-based payment	3,546	4,480	9,781
	<u>(139,552)</u>	<u>(178,559)</u>	<u>(60,416)</u>
b. Changes in asset and liability items (changes in working capital):			
Increase in trade receivables and other receivables and debit balances	(51)	(241)	(6,711)
Decrease (increase) in receivables and debit balances in respect of investee companies	58,918	4,217	6,185
Amortization of premium in respect of cap options	–	–	11,090
Increase in trade payables and other payables and credit balances	(7,618)	314	(9,697)
Increase (decrease) in trade payables and other payables and credit balances of investee companies	3,098	3,355	3,793
	<u>54,347</u>	<u>7,645</u>	<u>4,660</u>
<u>Additional information</u>			
Interest received in respect of current operations	<u>1,222</u>	<u>(458)</u>	<u>(7,592)</u>
Interest paid in respect of current operations	<u>5,617</u>	<u>5,829</u>	<u>17,683</u>
Dividend received from investee companies	<u>–</u>	<u>–</u>	<u>12,500</u>
Interest payments in respect of lease	<u>58</u>	<u>72</u>	<u>288</u>

The accompanying supplementary information to the condensed interim separate financial information is an integral part thereof.

Energix – Renewable Energies Ltd.
Supplementary Information to the Interim Separate Financial Information

Note 1 – General:

a. General

The interim separate financial information is presented in accordance with Regulation 38D of the Securities Regulations (Periodic and Immediate Reports), 1970 and does not include all the information that is required under Regulation 9C and the Tenth Addendum to the Securities Regulations (Periodic and Immediate Reports), 1970 concerning separate financial information of the entity. It should be read in conjunction with the separate financial information as of and for the year ended December 31, 2023 (hereinafter “**Separate Annual Financial Statements**”) and in conjunction with the consolidated interim financial statements as of March 31, 2024.

b. Definitions for this Separate Interim Financial Information

Company – Energix – Renewable Energies Ltd.

Investee – As defined in Note 1 to the Consolidated Financial Statements of the Company as of December 31, 2023.

Note 2 – Significant Accounting Policies Applied to the Interim Separate Financial Information

The separate financial information was drawn up in accordance with the accounting policies that are set out in Note 2 to the Company's separate Annual Financial Statements.

Note 3 – Additional Information Regarding Events During the Reporting Period

a. For additional information regarding events during the Reporting Period and events subsequent to the Report Date, see Note 7 to the Consolidated Financial Statements for the period.

May 19, 2024

Attn.:
Board of Directors of
Energix – Renewable Energies Ltd.
2 Jabotinsky St.
Ramat Gan

Dear Sir / Madam,

Re: **Letter of Consent in Connection with the Shelf Prospectus of Energix Renewable Energies Ltd. from May 2022**

We hereby inform you that we consent to the inclusion (including by way of reference) of our reports, as specified below, in connection with the shelf prospectus from May 2022:

1. The review report dated May 19, 2024, regarding the Company's interim financial information as of March 31, 2024, and for the three-month period then ended.
2. The auditor's special report dated May 19, 2024, regarding the Company's separate interim financial information as of March 31, 2024, and for the three-month period then ended, in accordance with Regulation 38D of the Securities Regulations (Periodic and Immediate Reports), 1970.

Sincerely,

Brightman Almagor Zohar & Co.
Certified Public Accountants
A Firm in the Deloitte Global Network

תל אביב - משרד ראשי

מרכז עוריאלי 1 תל אביב, 6701101, ת.ד. 16593 תל אביב 6116402 | טלפון: 03-6085555 | info@deloitte.co.il

משרד נצרת
מרגי אבן עאמר 9
נצרת, 16100

טלפון: 073-3994455

פקס: 073-3994455

info-nazareth@deloitte.co.il

משרד אילת
המרכז העירוני
ת.ד. 583
אילת, 8810402

טלפון: 08-6375676

פקס: 08-6371628

info-eilat@deloitte.co.il

משרד חיפה
מעלה השחרור 5
ת.ד. 5648
חיפה, 3105502

טלפון: 04-8607333

פקס: 04-8672528

info-haifa@deloitte.co.il

משרד ירושלים
קרית המדע 3
מגדל הר חוצבים
ירושלים, 914510
ת.ח. 45396

טלפון: 02-5018888

פקס: 02-5374173

info-jer@deloitte.co.il