Energix - Renewable Energies Ltd.

Quarterly Report for the Period Ended June 30, 2023

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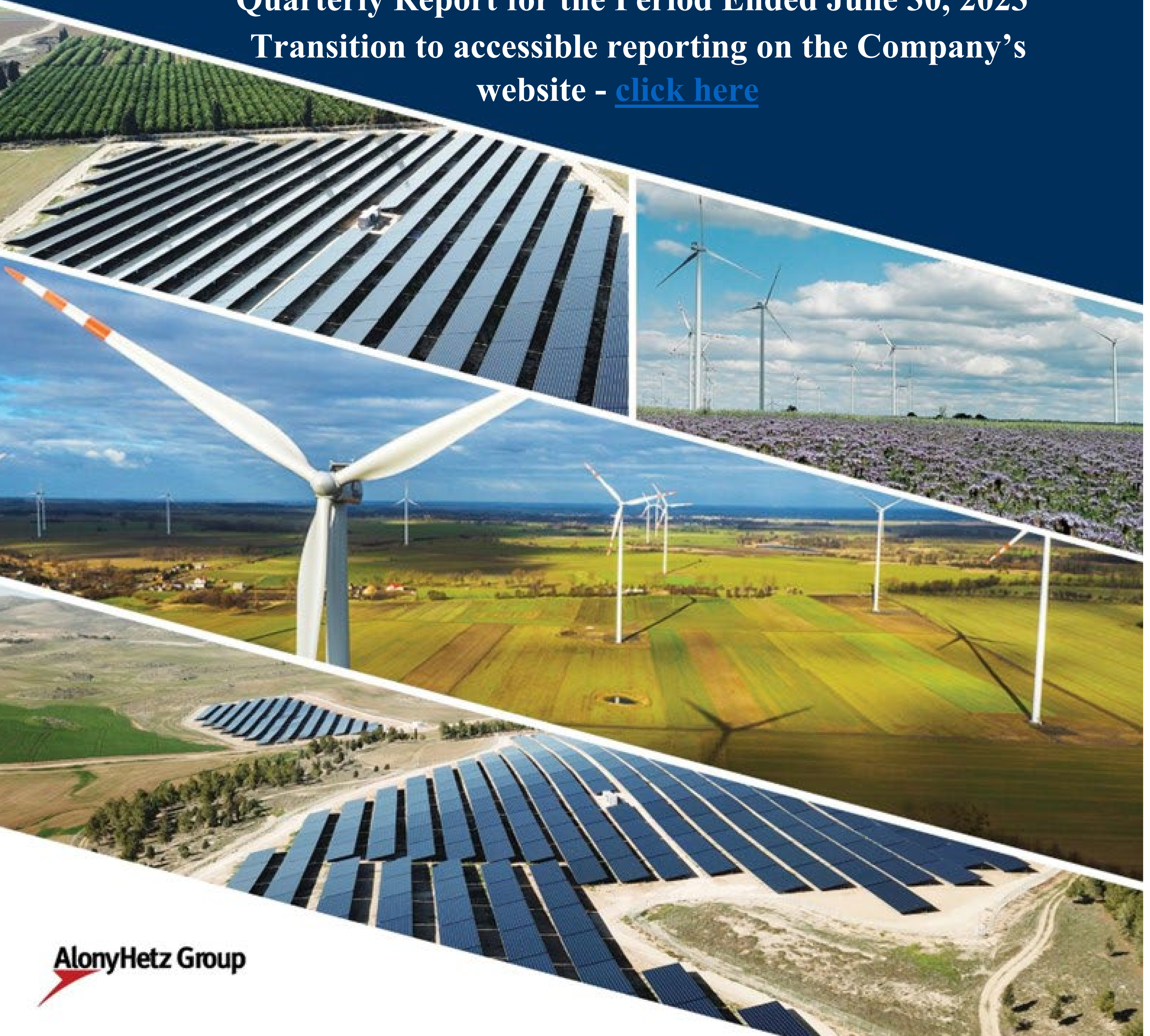

AlonyHetz Group

ENERGIX RENEWABLES

Energix - Renewable Energies Ltd.

Condensed Consolidated Interim Financial Statements
As of June 30, 2023
(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 six months ended June 30, 2023 (the **"Reporting Period**" and the **"Reporting Date**", respectively). The information presented 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 August 8, 2023 (the "**Approval Date of the Report**").

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 herein, have been prepared based on the assumption that the reader is in possession of the Company's periodic report for 2022, which was published on February 27, 2023 (reference number 2023-01-021090) (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 Reporting Date and as of the Approval Date of the Report, the Company is engaged, independently and through subsidiaries and partnerships which are wholly or jointly under its control (hereinafter, jointly: the "**Group**"), in the initiation, development, financing, construction, management and operation of facilities for the production and storage of clean electricity from renewable energy sources, and in the sale of the electricity which is produced in those facilities, with the intention of holding them over the long term.

As part of the Company's overall activities in Israel, the United States and Poland, the total capacity of its systems in the Photovoltaic and Wind Energy Segments as of the Approval Date of the Report amounts to approximately 867MW in commercially active projects, approximately 849MW in projects under construction and in pre-construction, and approximately 469MW in projects in advanced stages of initiation. The Company also has initiated projects in the Photovoltaic Segment and in the Wind Energy Segment with a capacity of approximately 6.3 GW, and initiated projects in the Storage Segment with a capacity of approximately 7 GWh[2].

[1] To the best of the Company's knowledge, as of the Approval Date of the Report, Alony Hetz is a company without a control core. For additional details, 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 initiation** include the series of Company projects which the Company estimates can reach financial closing or readiness for construction within the next 12 months, or projects in initiation stages which have won a guaranteed tariff; **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 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 initiation.

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

For additional details regarding the Company's activity, see Section 1 in Part A of the Annual Report - Description of the Corporation's Business, Section 5 below, and Note 1.a. in Part C of the Annual Financial Statements.

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

2.1 **First quarter results**: Due to amendments to the power purchase agreements in Poland during 2022 and during the Reporting Period, and in light of the increase in electricity production due to the growth in the capacity of commercially active projects relative to the corresponding quarter last year, the Company's revenues during the Reporting Period, including other revenues in the amount of approximately NIS 153 million which were included in the statement of income in the first quarter of 2023, amounted to a total of approximately NIS 422 million, as compared with revenues of approximately NIS 202 million in the corresponding period last year. It is clarified that a total of approximately NIS 78 million under other revenues was due to compensation which the Company received in Poland due to the unwinding of fixed price electricity transactions which, had they not been unwound, would have been recorded as revenues in respect of the second half of 2023 (the "**Future Revenues**").

After neutralizing the future revenues which are attributable to the second half of 2023, as stated above, the Company's revenues in the Reporting Period amounted to a total of approximately NIS 344 million, reflecting an increase in revenue of approximately 70% relative to the corresponding period last year. The Company's revenues in Q2 2023, together with the relevant part of other revenues which is attributable to Q2, reflect an increase of approximately 45% relative to the corresponding period last year.

Net profit attributable to Company shareholders in the first half of 2023 amounted to a total of approximately NIS 201 million, as compared with approximately NIS 82 million in the corresponding period last year, and after neutralizing other revenues attributed to Q3 and Q4, profit amounted to a total of approximately NIS 138 million, as compared with approximately NIS 82 million in the corresponding period last year, reflecting an increase of approximately 68% relative to the corresponding period last year.

Net profit attributable to Company shareholders in Q2 amounted to a total of approximately NIS 33 million, as compared with approximately NIS 38 million in the corresponding period last year, and plus the share in the other revenues attributed to this quarter, profit amounted to a total of approximately NIS 61 million, as compared with approximately NIS 38 million in the corresponding period last year, reflecting an increase of approximately 60% relative to the corresponding period last year.

Analysis of the quarterly results relative to the corresponding quarter last year, including an economic analysis of the results which is presented below in section 6.6.

For additional details regarding the Company's forecasts, see Section 5.2 below, and for an analysis of operating results for the Reporting Period and for the quarter, see Sections 6.6 and 6.7 below. For additional details regarding the Company's engagement in amendments to the power purchase agreements in Poland, see Section 2.7 below, Sections 6.2(ii) and 6.5 in Part A of the Annual Report, and Section 2.3 of the Board of Directors' Report in the Annual Report.

2.2 **Purchase of panels for the Company's future projects, with a capacity of approximately 5GWp, from First Solar**: As part of the expansion of the Company's strategic collaboration with First Solar, one of the world's leading panel suppliers, in July 2023, the Company engaged with First Solar in a series of agreements to purchase additional panels in the years 2026-2030, with a total capacity of approximately 5GWp[3]. The transaction is for future projects which the Company intends to build in the photovoltaic segment, mostly in the United States, and guarantees the Company an orderly supply of panels made in the USA, which will allow the Company, subject to the provisions of the IRA, to receive an increased tax benefit in respect of local production at a rate of at least 40% of the construction cost (instead of 30%).
The purchase cost of the panels is estimated by the Company at a total of approximately USD 1.5 billion, depending on the final capacity of the panels which will be purchased, and on the territory where they are purchased (inside or outside of the USA), and most of the amount will be paid near the time when the panels are received.

For additional details, see the Company's immediate report dated July 16, 2023 (reference number 2023-01-080565), which is included herein, in its entirety, by way of reference, and Note 7 to the Financial Statements.

2.3. Engagement in financing transactions in a total of over NIS 2.4 billion:

(i) During the Reporting Period, the Company engaged, through a wholly owned structure of American companies, with Santander CIB and Morgan Stanley Renewables Inc., both leading global banks, in transactions involving financing and investment by the Tax Partner in the amount of approximately NIS 1.9 billion. The transactions were executed to finance the construction costs of projects with a capacity of 416MWp, which the Company is building in Virginia and Pennsylvania; For additional details, see Section 3.1 below and Note 7 to the Financial Statements.

(ii) Additionally, shortly before the Approval Date of the Report, the Company entered into an additional loan agreement with Santander CIB, in respect of commercially active projects in the United States with a capacity of 224MWp, on a non-recourse basis, in the amount of up to USD 70 million. The entire loan amount is expected to be used to recover equity which the Company has invested in the projects for which the financing was given. For additional details, see Section 3.2 below and Note 7 to the Financial Statements.

(iii) After the Reporting Date, the Company signed a binding financing agreement in the amount of up to NIS 255 million with a leading financial institution, to finance the construction of the Julis ultra-high voltage project in Israel with a capacity of approximately 87MWp. The loan is in NIS and is linked to the consumer price index for a period of 23 years, and will be provided on a non-recourse basis, except as determined in the agreement. For additional details regarding the project and the financing transaction, see Note 7 to the Financial Statements and Note 9 to the Annual Financial Statements.

[3] The Company has the right to increase or decrease the supply of panels by an aggregate rate of up to 20%, whereby the total purchase cost of the panels will be updated accordingly.

The financing transactions are in accordance with the Company's long term work plan and goals, such that, according to the Company's estimate, at the end of 2026, the Company's series of connected projects will amount to 4.3GW, with an annual revenue forecast of over NIS 2 billion, with no need for raising additional equity to finance the required investment to build the foregoing projects.

2.4. **Continued trend of growth in demand for green energy in the United States**: During the Reporting Period, the trend of increasing demand for green energy continued, which the Company believes is expected to create opportunities for business collaborations with leading players, and expansion of the Company's activity in the United States.

2.5. **Continued momentum in project construction and expansion of the Company's series of initiated projects**: During the Reporting Period and until the Approval Date of the Report, the Company has been continuing the momentum of construction works on projects in all 3 of the Company's operating territories, including projects with a capacity of approximately 500MW which are expected to reach commercial operation, or completion of construction, by the end of 2023, and it is working on promoting and increasing the Company's series of projects in various stages of initiation.

2.6. **Acquisition of the partner's interests in the United States - the Company's entire activity in the United States wholly owned (100%)**: In April 2023 the Company acquired, through a wholly owned American subsidiary, all of the local partner's interests in the US Joint Venture (42%), such that, during the Reporting Period, the Company's entire activity in the United States is wholly owned.
For additional details, see the Company's immediate report dated April 20, 2023 (reference number 2023-01-043275), which is included herein, in its entirety, by way of reference, and Note 7 to the Financial Statements.

2.7. **Amendment to power purchase agreements in Poland with the local broker to which the Company sells electricity**: During the Reporting Period, the Company signed an amendment to the power purchase agreements in respect of the fixed price transactions in which it had engaged with a local broker in respect of all 5 of the Company's active wind farms in Poland, in a manner which will reduce the Company's exposure to the temporary cap on electricity prices for 2023, and will maximize the Company's revenues during this period. As part of the above, in February 2023, the Company engaged with the local broker in an agreement to unwind some of the transactions in which the Company engaged in respect of fixed price electricity in 2023, for a total consideration of approximately PLN 185 million (approximately NIS 153 million). For additional details, see the Company's immediate reports dated July 3, 2022 and July 7, 2022 (reference numbers 2022-01-082348 and 2022-01-085099), and the report dated February 27, 2023 (reference number 2023-01-021099), which are included herein, in their entirety, by way of reference.

For additional details regarding the legislation, the Company's estimate regarding its impact on its revenue in 2023, and the Company's engagement with the Polish broker, see Section 8.1 below, Sections 6.2 and 6.5 in Part A of the Annual Financial Statements, and Note 9b(4)(b) to the Financial Statements.

2.8. Construction works on a wind farm in the Golan Heights with a capacity of approximately 104MW (Clean Wind Energy Project): Further to the Company's announcement regarding the construction works in the project, In light of (i) objections of the Druze community in Israel to the project construction activity, which, according to information which was given to the Company, are mostly based on assertions which are unrelated to the project; and due to the fact that (ii) the project's massive construction works, including transporting the turbines to the site, require dedicated accompaniment and preparation by the police – the massive construction works are expected to extend beyond the original timetable which was determined for the project. Based on the information which was available to the Company as of the Approval Date of the Report, and according to the Company's assessment, except in respect of the project construction timetable, this delay is not significantly affecting the Company.

2.9. Engagement in power purchase agreements with a private provider, instead of competitive process 2 (photovoltaic facilities with storage): The Company is working to assign the projects it will build by virtue of this competitive process (all or some) to the market model arrangement, instead of the competitive process. As part of the above, the Company, through wholly owned dedicated corporations, engaged with a private provider in power purchase agreements in respect of five photovoltaic facilities with integrated storage capacity. The engagement in agreements with the private provider is expected to allow the Company to sell the electricity which will be produced in those facilities at a price which is significantly higher than the winning tariff according to the terms of the competitive process, in exchange for the Company's undertaking to sell to the provider all of the electricity which will be produced at the facility, and the facility's entire storage capacity.

In light of the advantage the Company sees in the market arrangement over the terms of the competitive process, the Company intends to work towards engaging in agreements with private providers in respect of additional facilities, in order to maximize the Company's revenues from those facilities.

3. Additional details regarding the Company's engagement in the financing transactions and the Tax Partner's investment in the United States:

3.1. Further to that stated in section 2.3(i) above, in April 2023 the Company engaged, through a structure of wholly owned American companies, in a series of transactions involving investment in and financing of projects in the photovoltaic segment, with a total capacity of approximately 416MWp, which are located in Virginia and Pennsylvania, and are currently in the construction stage (the "Projects").

(i) Investment of tax equity: The Company entered into an agreement with Morgan Stanley Renewables Inc., a leading American bank as the Tax Partner for the projects. The Tax Partner undertook to invest, subject to the terms of the agreement, a total of USD 250 million, reflecting a tax benefit at a rate of 30%.

The Tax Partner's total investment could increase by an additional USD 100 million, up to a total of **USD 350 million**, which reflects the Company's estimate, as of the Approval Date of the Report, the rate of the tax benefit which the projects will be entitled to receive, subject to the publication of regulations pursuant to the Inflation Reduction Act of 2022, which is in effect since August 2022 (the "**IRA**")[4], which are expected to be published in 2023. The regulations will establish the criteria for eligibility for the additional tax benefits (ITC) to a rate of 40% and 50%, in accordance with the provisions of the IRA. It is clarified that the Company's estimate regarding the rate of eligibility rate for the ITC is based on:

[4] The actual scope of the tax benefits will depend on the actual fulfillment of the criteria that will be published in the regulations.

- ✓ Strategic collaboration with First Solar and guarantee of panels made in the USA
- ✓ Purchase of additional main equipment made in the USA
- ✓ The location of the projects in areas which were defined in advance as eligible for additional tax benefits
- ✓ Guidelines which were published in July 2023, regarding the eligibility for the ITC tax benefit

(ii) **Financing for the construction period and for the long term**: During the Reporting Period, the Company made withdrawals in the amount of USD 290 million out of the facility of construction loans in the amount of up to USD 510 million which was provided by Santander CIB to an American subsidiary of the Company, of which approximately USD 115 million were used to recover equity which the Company had provided for projects. The facility of construction loans is divided into a back leverage loan in the amount of up to USD 260 million, which, once the construction of the facilities has concluded, will be converted into a long term loan, and an additional loan, in the amount of up to USD 250 million, which is expected to be repaid out of the amount which will be invested by the Tax Partner, as specified above. For additional details regarding the terms of the loans for the construction period in the amount of up to USD 510 million and the long term back leverage loan, see the Company's immediate report dated April 23, 2023 (reference number 2023-01-037927), which is presented herein, in its entirety, by way of reference.

3.2. Further to that stated in section 2.3(ii) above, shortly before the Approval Date of the Report, an American subsidiary of the Company engaged in an additional agreement with Santander CIB, for the receipt of financing in respect of commercially active projects in the United States in the amount of up to USD 70 million. An initial withdrawal in the amount of USD 65 million, which will be used, in its entirety, to recover equity which the Company has provided for the construction of the foregoing projects, was completed proximate to the signing of the agreement. For additional details, see the immediate report which was published by the Company on August 7, 2023 (reference number 2023-01-091053), which is presented herein, in its entirety, by way of reference.

For details regarding the Company's activity in the United States and the main results, see Section 5 below, Notes 7a and 7c to the Financial Statements, and Note 9 to the Annual Financial Statements.

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

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 Approval Date of the Report, 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.

4. Dividend

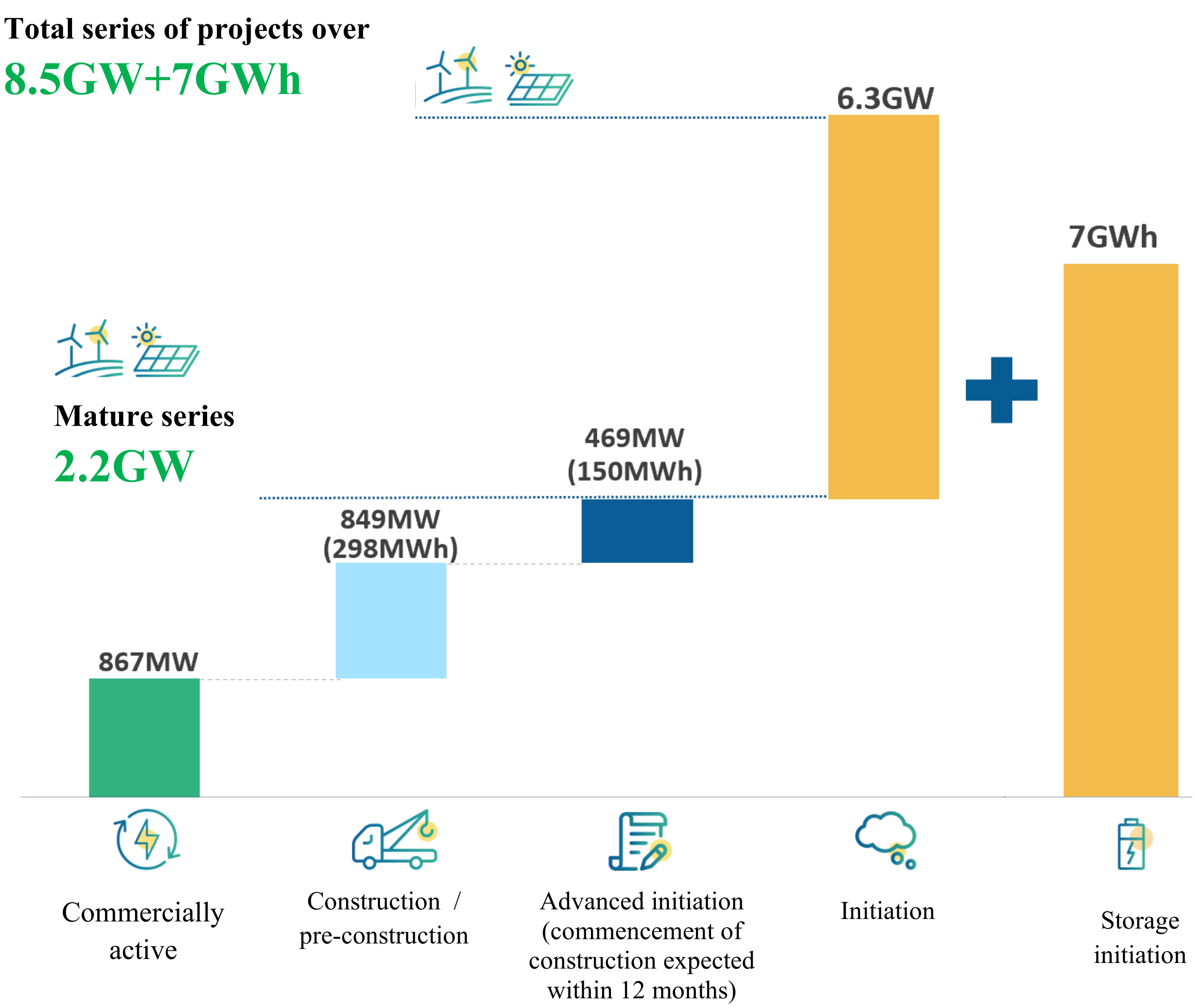
The Company's Board of Directors, in its meeting on March 8, 2021, resolved to adopt a multi-year dividend policy, in consideration of the Company's continued growth, and in accordance with its needs. For additional details regarding the Company's dividend policy, see Section 4 in Part A of the Annual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

In accordance with the policy which was adopted, the Board of Directors resolved, on February 26, 2023, that the dividend for 2023 will be in the total amount of 28 agorot per share, in the amount of 7 agorot per share for each quarter, subject to a specific resolution of the Board of Directors in each quarter, depending on the Company's needs and its compliance with the provisions of the law for the performance of distributions. In light of the Company's operating results for 2022, the Board of Directors resolved that the Company will distribute an additional dividend in respect of 2022, in the amount of 18 agorot per share, which will be paid together with the dividend for Q1 of 2023, whereby the total dividend amount for the first quarter will amount to a total of 25 agorot per share. In accordance with the above, the Company announced a dividend distribution for the first quarter of 2023 in the amount of 25 agorot per share (approximately NIS 137 million in total), which was paid in March 2023, and a dividend distribution for the second quarter in the amount of 7 agorot per share (approximately NIS 38 million), which was paid in June 2023.

Additionally, on August 8, 2023, after the Reporting Date, the Company also announced a dividend distribution for the third quarter of 2023 in the amount of 7 agorot per share (approximately NIS 38 million), which will be paid in August 2023.

5. Principal data regarding the Company's activities:

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



5.1. Principal details regarding the Company's connected systems, systems under construction, systems in pre-construction and systems in initiation stages, as of the Approval Date of the Report:

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 initiation 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 Approval Date of the Report, 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.g to the Annual Financial Statements.

Commercially active projects

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

						Project results for the six month period ended June 30, 2023 (NIS in millions)				Forecasted project results in 2023 (NIS millions) (11)				
Country	Technology	Capacity (MW) (12)	Revenue source	Original construction cost	Project finance facility	Revenues	Gross profit	Project-specific FFO	Net cash flows after debt service / payment of share of the Tax Partner in the United States	Revenues	Gross profit	Project-specific FFO	Net cash flows after debt service / payment of share of the Tax Partner in the United States	Company's share
Israel (1,2)	Photovoltaic	330MWp	Sale to the 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	76	61	50	20	147-155	111-117	87-93	24-28	199MWp through the Joint Venture (Israel) - the Company's share - 70% (91% in cash flow). All other projects are wholly owned
Poland (3,4,5)	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	655	321	296	261	251	477-487	418-428	350-360	326-336	100%
Poland (6)	Photovoltaic	12MWp	Sale on the market (including fixed price transactions) and/or CPI-linked tender price	34	-	2	2	2	2	6-8	4-6	4-6	4-6	100%
USA (7,8,9,10)	Photovoltaic	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 hedging transaction for 6 and 12 years. Green certificates - sale at a fixed price over a period of 12-15 years.	586	295	22	16	15	12	50-56	36-42	24-30	16-20	100%
Total commercially active projects		867		3,399	2,145	422	375	328	285	680 - 706	569 - 593	465 - 489	370 - 390	

1) The Company provides financing to the Israel Venture at interest of 8%-10% per year. 70% of the venture's distributable cash flows are being paid to the Company for the purpose of repaying the financing, and the remaining 30% is being divided between the partners in accordance with their respective shares, until the aforementioned loans have been repaid in full. Subsequently, the distributable cash flows will be distributed between the partners in accordance with their respective shares.
2) During the Reporting Period, revenues from the winning projects in the third and fourth processes amounted to a total of approximately NIS 19 million. The above information includes projects with a capacity of 23MW from competitive process 4, the construction of which was completed, and which have been connected to the power grid, but are not yet transmitting electricity in practice.
3) The wind farms Banie 3 and Sepopol won guaranteed, CPI-linked tenders (as of the Reporting Date - PLN 255-270 per 1MWh), for 15 years, in respect of electricity output at an average rate of approximately 65% of the expected production of electricity in each of the wind farms. The Company has the option to choose not to enter the tender arrangement, and to waive the guaranteed tariff until March 2024, in respect of the two wind farms. A decision on the matter will be made around the date of the final decision, depending on the state of the power market and the electricity prices at that time, inflation forecasts, etc.
4) The wind farm Banie 4 won a guaranteed, CPI-linked tariff (as of the Reporting Date - PLN 275-280 per 1MW), for 15 years, in respect of electricity output at an average rate of approximately 80% of the expected electricity production. The Company has the possibility to choose not to enter into the tender arrangement, and to waive the guaranteed tariff until February 2025. A decision on the matter will be made around the date of the final decision, depending on the state of the power market and the electricity prices at that time, inflation forecasts, etc.
   During the Reporting Period, revenues during the testing period of Banie project stage 4 amounted to a total of approximately NIS 32 million. In June, the project fulfilled all of the requirements, and received a permanent electricity production license. Until the date of receipt of the permanent license, the financing expenses in respect of the project loan during the testing period were capitalized to the system's cost, and therefore, FFO during the testing period did not include financing expenses in respect of the project.
5) The projected revenues and results in Poland in 2023 include income from compensation due to the unwinding of fixed price transactions. For additional details, see Note 7e(a)a to the Consolidated Financial Statements.
6) During the Reporting Period, revenues during the Lubanowo project testing period amounted to a total of approximately NIS 2 million. As of the publication date of the report, the project is awaiting the receipt of a permanent production license.
7) The agreement vis-à-vis the Tax Partner in the United States (for additional details, see Note 9b(2)(b)b to the Annual Financial Statements) determined, inter alia, the rate of cash distribution between the Company and the Tax Partner during a period of approximately 5 years, after which 95% of the cash flows will 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 Partner's share.
8) In Virginia Projects 2, the Tax 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 approximately USD 10 million, for its own uses.
9) The original construction cost represents cost to third parties, including financing expenses during the construction period, tax payments in respect of initiation and construction profits, less the Tax Partner's investment in respect of the tax benefit (ITC).
10) shortly before the Approval Date of the Report, an American subsidiary of the Company engaged in an agreement for the receipt of financing in the amount of up to USD 70 million in respect of Virginia Projects 1 and 2, in addition to the Tax Partner's funding.
11) The financial data are based on an exchange rate of NIS 3.55 to USD 1, and on an exchange rate of NIS 0.8 to PLN 1. Actual figures are based on the exchange rates specified in Note 2c.
12) Capacity details: Wind - In MW; Photovoltaic - In MWp; Storage - In MWh.

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

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) (4)	Revenue source	Electricity sale tariff per produced 1KWh (in NIS)	Expected construction cost (3)	Project finance facility	Projected date of commercial operation	Cost invested as of the Reporting Date	Projected project results in the first full year of operation (5)				Company's share in the project
										Revenues	Gross profit	FFO	Net cash flows after debt service / payment of share of the Tax Partner in the United States	
Israel	Clean Wind Energy (2)	Wind	104MW	Sale to the Electric Corporation at a fixed, CPI-linked tariff, for 20 years after the date of commercial operation	0.293	650-750	Up to 650	Second half of 2024	419	90-98	73-78	53-61	29-33	80.5%. Share in results and in net cash flows - 100%
Israel	First competitive process for ultra-high voltage systems (7,8)	Photovoltaic	87MWp	CPI-linked fixed tariff for 23 years	0.162	240-280	Up to 255	Second half of 2023	165	22-26	16-20	10-14	3-7	70%. Share in results and in net cash flows - 91%
Israel	Photovoltaic projects including storage capabilities (9)	Photovoltaic including storage capabilities	102MWp (Including 298MWh of storage)	In accordance with power purchase agreements with providers		490-550	Not yet determined	First half of 2024	172	51-58	41-47	41-47	41-47	100%
USA	Projects under construction in Virginia (VA) (1,6,10)	Photovoltaic	312MWp	Electricity - Long term agreement for sale, at a fixed price, to the Electric Corporation or to the end consumer. Green certificates - Long term sale agreement at a fixed price.		790-830	750-790	In 2023	722	112-122	93-99	56-60	25-29	100%
USA	Project under construction in Pennsylvania (PA) (1,6,10)	Photovoltaic	104MWp	Electricity - Long term agreement for sale, at a fixed price, to the Electric Corporation or to the end consumer. Green certificates - Long term sale agreement at a fixed price.		290-330	280-320	Q4 2023	284	40-48	32-36	20-24	9-13	100%
USA	Projects under construction in Virginia (VA4) (1,6,10)	Photovoltaic	140MWp	Electricity - Long term agreement for sale, at a fixed price, to the Electric Corporation or to the end consumer, or sale to the Electric Corporation at market prices, in parallel with a long term hedging transaction. Green certificates - Long term sale agreement at a fixed price.		330-370	Not yet determined	In 2024	91	47-51	38-42	38-42	38-42	100%
Total under construction and in pre-construction			849			2,790 - 3,110			1,853	362 - 403	293 - 322	218 - 248	145 - 171	

1) The agreement vis-à-vis the Tax Partner in the United States includes the specification of the rate of cash distribution between the Company and the Tax Partner during a period of approximately 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 are presented after the payment of the Tax Partner's expected share.
2) 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.
3) The construction cost represents cost to third parties, including financing expenses during the construction period, tax payments in respect of initiation and construction profits, less the Tax Partner's investment in respect of the tax benefit (ITC).
4) Capacity details: Wind - In MW; Photovoltaic - In MWp; Storage - In MWh.
5) The financial data are based on an exchange rate of NIS 3.55 to USD 1, and on an exchange rate of NIS 0.8 to PLN 1.
6) Projects under construction in Virginia and Pennsylvania with a capacity of 416MWp rely on the assumption that the Tax Partner's investment will amount to 40%-50%, pursuant to the new IRA. In Virginia projects under construction (VA4) with a capacity of 140MW, assuming that the Tax Partner's investment will amount to a rate of 40%-50%, pursuant to the new IRA. The actual rate of the tax benefit (40/50%) will be determined depending on the fulfillment of the conditions which will be published as part of the provisions of the IRA. For details, see Sections 2.2 and 3.1 above.
7) The Company provides financing to the Israel Venture at interest of 8%-10% per year. 70% of the venture's distributable cash flows are being paid to the Company for the purpose of repaying the financing, and the remaining 30% is being divided between the partners in accordance with their respective shares, until the aforementioned loans have been repaid in full. Subsequently, the distributable cash flows will be distributed between the partners in accordance with their respective shares.
8) 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 15.6 agorot per installed 1KWp.
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 Reporting Date is before deducting the Tax Partner's investment in respect of the tax benefit (ITC), which had not yet been received as of the publication date of the report.

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

Projects in advanced stages of initiation

Projects in advanced stages of initiation 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 initiation stages which have won a guaranteed tariff;

Country	Project	Technology	Capacity (MW) (4)	Revenue source	Projected date of commercial operation	Status	Projected construction cost	Cost invested as of the Reporting Date	Projected income in first year of full operation	Company's share in the project
Israel (1)	Second competitive process for high voltage systems including storage capabilities	Photovoltaic including storage capabilities	39MWp (Including 150MWh of storage)	In accordance with power purchase agreements with providers	In 2024	In licensing stages	200-250	-	24-28	100%
USA (2,3)	Projects in advanced stages of initiation in Virginia (2) (VA)	Photovoltaic	340MWp	Electricity - Long term agreement for sale, at a fixed price, to the Electric Corporation or to the end consumer, or sale to the Electric Corporation at market prices, in parallel with a long term hedging transaction. Green certificates - Long term sale agreement at a fixed price	In 2024	In planning and development stages	850-890	165	124-134	100%
Poland	Nowa karczwa project	Wind	90MW	Sale on the market (including fixed price transactions) and/or CPI-linked tender price	In 2024	The site has a building permit. In the process of approval to receive a grid connection survey	500-540	-	120-130	100%
Total in advanced initiation:			469				1,550 - 1,680		268 - 292	

1) 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.
2) Assuming that the Tax Partner's investment will amount to a rate of 40%, pursuant to the new IRA. For details, see Sections 2.2 and 3.1 above. The actual rate of the tax benefit (40/50%) will be determined depending on the fulfillment of the conditions which will be published as part of the provisions of the IRA.
3) The construction cost represents cost to third parties, including financing expenses during the construction period, tax payments in respect of initiation and construction profits, less the Tax Partner's investment in respect of the tax benefit (ITC).
4) Capacity details: Wind - In MW; Photovoltaic - In MWp; Storage - In MWh.
5) The financial data are based on an exchange rate of NIS 3.55 to USD 1, and on an exchange rate of NIS 0.8 to PLN 1.

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

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:

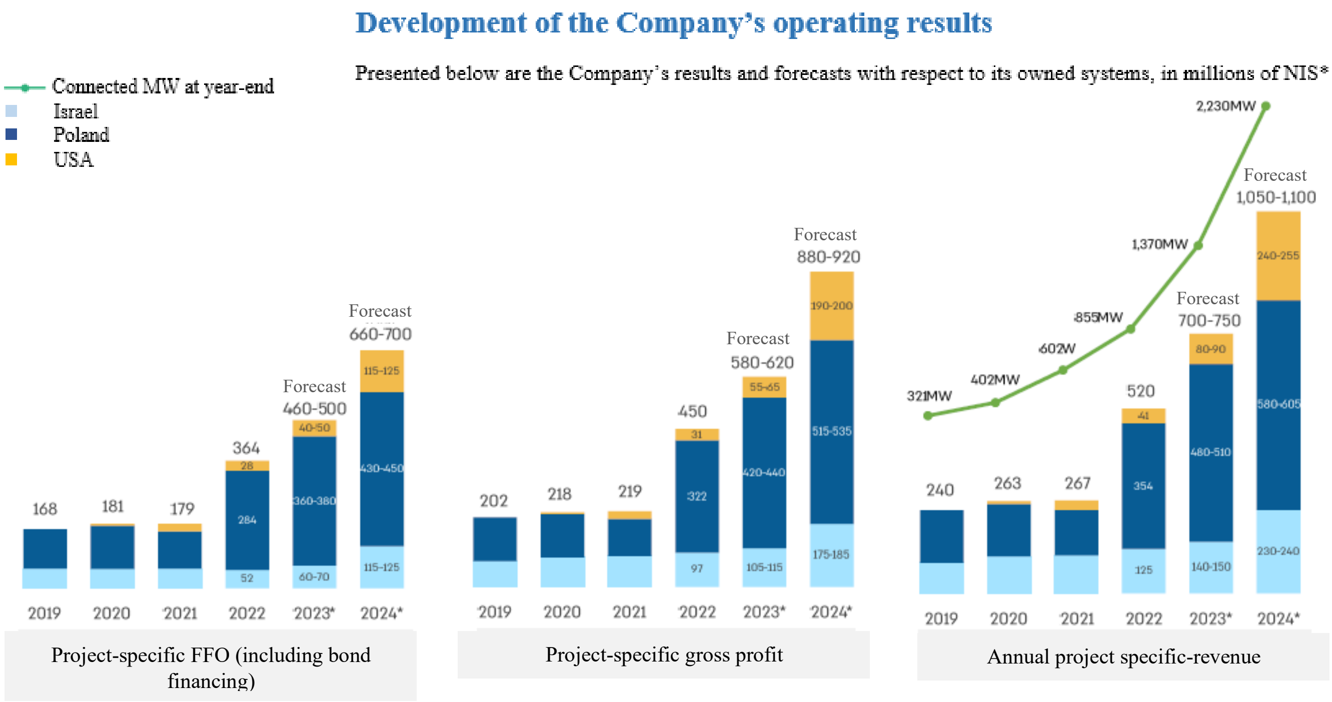
Country	Technology	Capacity (MW) (1)
Israel	Photovoltaic (including storage capabilities)	565 MWp
	Wind	110 MW
	Storage	500 MWh
USA	Photovoltaic	5,000 MWp
	Storage	6,300 MWh
Poland	Wind	450 MW
	Photovoltaic	200 MWp
	Storage	100 MWh
Total photovoltaic and wind projects in initiation stages		6,325 MW
Total storage projects in initiation stages		6,900 MWh

1) Capacity details: Wind - In MW; Photovoltaic - in MWp; Storage - In MWh.

<u>* Includes Forward-Looking Information</u>

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 3 in Part B of the Annual Report - Board of Directors’ Report, and Notes 9 and 15 to the Annual Financial Statements.

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



* Projected results.
*** The revenue forecast for 2023 included revenue from projects which, as of the publication date of the Financial Statements for Q2 2023, had the following statuses: NIS 675-705 million commercially active, NIS 25-45 million under construction / in pre-construction.
The revenue forecast for 2024 includes revenue from projects which, as of the publication date of the Financial Statements for Q2 2023, had the following statuses: NIS 785-805 million commercially active, NIS 245-260 million under construction / in pre-construction, NIS 20-35 million in advanced stages of initiation.

The above forecasts in respect of 2023 and 2024 constitute Forward-Looking Information.

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.

6. Clarifications:

A) Definitions: "**Gross profit from projects**" - Profit from projects (excluding general and administrative expenses, and initiation expenses) before financing, taxes, depreciation and amortization. "**FFO from projects**" - Cash flows from the operating activities involving projects. Calculated as project-specific gross profit less cash flow financing 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.

C) The projected data for coming years are in accordance with the Company's forecast, as of the Approval Date of the Report, and are based, inter alia, on the following assumptions:
   1. The projected results for 2023 in Poland are after the effect of the temporary legislation to limit electricity prices, and include revenues from the sale of physical electricity, forecasted revenue by virtue of fixed price transactions for the relevant periods which are in effect as of the Approval Date of the Report, and compensation which the Company received due to the unwinding of hedge transactions within the framework of amendments to the power purchase agreements. For additional details regarding the legislation in Poland and its possible effects, see Sections 6.2 and 6.5 in Part A of the Annual Report - Description of the Corporation's Business, and Section 2.3(i) in Part B of the Annual Report - Board of Directors' Report.
   2. Operating results are based on the Company's commercially active systems, and the Company's estimate regarding the commercial operation date of its systems which, as of the present date, are under construction, in pre-construction and in advanced stages of initiation, and the financing transactions with respect thereto, including cash interest expenses in respect of the bonds (Series A and B):
   3. Exchange rates which were used to calculate the forecast:
      A) PLN 1 to NIS 0.8
      B) USD 1 to NIS 3.55

D) <u>Sensitivity analysis regarding the Company's projected results for 2023:</u>

Different variables, mostly including weather conditions and production ability, market prices of electricity in the United States, 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 2023.

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 <u>2023 forecast</u>, 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 approximately NIS 33 million.
   - A change of 10% in electricity output in the United States would affect the Company's revenues by approximately NIS 10 million.
   - A change of 10% in electricity output in Israel would affect the Company's revenues by approximately NIS 14 million.
2. Prices:
   - A change of 10% in the market price of electricity in Poland would not affect the Company's revenues, so long as the temporary legislation to limit electricity prices remains in effect.
   - A change of 10% in the market price of green certificates in Poland would not significantly affect the Company's revenues.
   - A change of 10% in the market price of electricity in the United States would affect the Company's revenues by approximately NIS 2 million.
3. Exchange rates:
   - A change of 10% in the PLN/NIS exchange rate would affect the Company's revenues by approximately NIS 49 million.
   - A change of 10% in the USD/NIS exchange rate would affect the Company's revenues by approximately NIS 8 million.

The projected results are also sensitive to the grid connection dates of projects under construction, in pre-construction and in advanced stages of initiation. 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 Information**

6.3. Stock exchange indices

The Company's shares are listed for trading on the Tel Aviv Stock Exchange Ltd. As of the Approval Date of the Report, 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.

6.4. Specific disclosure regarding the effects of inflation on the Company

For details regarding the Company's estimate regarding the impact of inflation on the Company, see Section 6.2 in Part A of the Annual Report - Description of the Corporation's Business.

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

6.5. Statement of Financial Position

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

	As of June 30 2023	As of December 31 2022
	NIS in thousands	
	(Unaudited)	(Audited)
Assets		
Current assets		
Cash and cash equivalents	750,566	465,119
Dedicated deposit	3,700	34,435
Trade and other receivables	227,974	178,797
Green certificates	26,485	22,424
Total current assets	1,008,725	700,775
Non-current assets		
Long term pledged deposit and restricted cash	36,292	57,205
Right-of-use asset and fixed assets	504,762	403,949
Connected electricity production systems	3,432,500	2,910,128
Systems under construction and initiation	2,514,804	1,813,125
Other receivables	110,203	140,114
Deferred tax assets, net	97,574	56,935
Total non-current assets	6,696,135	5,381,456
Total assets	7,704,860	6,082,231
Liabilities and equity		
Current liabilities		
Short term credit from financial institutions	340,544	-
Current maturities of long term loans	88,916	77,013
Current maturities of lease liabilities	22,837	16,235
Current maturities of bonds	74,871	74,871
Trade and other payables	492,897	306,513
Short term liability in respect of agreement with Tax Partner	83,421	80,032
Total current liabilities	1,103,486	554,664
Non-current liabilities		
Loans from financial institutions	2,149,876	1,267,162
Bonds and convertible bonds	1,012,001	1,044,267
Lease liability and other long-term liabilities	803,494	630,081
Long term liability in respect of agreement with Tax Partner and others	137,278	164,511
Deferred tax liability, net	86,455	91,258
Total non-current liabilities	4,189,104	3,197,279
Equity		
Total equity attributable to the owners of the Company	2,411,328	2,328,630
Non-controlling interests	942	1,658
Total equity	2,412,270	2,330,288
Total liabilities and equity	7,704,860	6,082,231

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

Cash and cash equivalents - As of the Reporting Date, the balance amounted to a total of approximately NIS 751 million, as compared with a total of approximately NIS 465 million at the end of 2022, an increase of approximately NIS 286 million. The increase was mostly due to cash inflows from opiating activities which arose for the Company in the amount of approximately NIS 268 million, and the receipt of short term loans from banking corporations in the amount of approximately NIS 1.2 billion, after deducting investments in the construction and initiation of projects in the United States, Israel and Poland, in the amount of approximately NIS 800 million, the payment of a dividend to shareholders in the amount of approximately NIS 175 million, partial repayments of bonds, long-term loans and financial instruments in the amount of approximately NIS 249 million.

Dedicated deposit - As of the Reporting Date, the balance amounted to a total of approximately NIS 3.7 million, as compared with a total of approximately NIS 34 million at the end of 2022, a decrease of approximately NIS 31 million. The decrease was due to the Company's fulfillment of conditions for the use of the dedicated cash, as determined within the framework of the Tax Partner's investment in Virginia Projects 2.

Green certificates - As of the Reporting Date, the balance amounted to a total of approximately NIS 26 million, as compared with a total of approximately NIS 22 million as of the end of 2022, an increase of NIS 4 million which was due to current production during the period, as well as the increase of the PLN exchange rate by around 13%.

Trade and other receivables - As of the Reporting Date, the balance amounted to a total of approximately NIS 228 million, as compared with a total of approximately NIS 179 million at the end of 2022, an increase of approximately NIS 49 million. The increase was mostly due to income receivable in respect of compensation which the Company received in Poland due to the unwinding of fixed price electricity transactions.

Connected electricity production systems - As of the Reporting Date, the balance amounted to a total of approximately NIS 3,433 million, as compared with a total of approximately NIS 2,910 million as of the end of 2022, an increase of approximately NIS 523 million. The increase was mostly due to the increase of approximately 13% in the PLN exchange rate, and the increase of approximately 5% in the USD exchange rate, as well as the commercial operation of a wind project in Poland (approximately NIS 306 million), which were offset by current depreciation of approximately NIS 74 million.

Systems under construction and initiation - As of the Reporting Date, the balance amounted to a total of approximately NIS 2,515 million, as compared with a total of approximately NIS 1,813 million as of the end of 2022, an increase of approximately NIS 702 million. The increase was due to the investment in the initiation and construction of projects in the United States (approximately NIS 792 million) and in Israel (approximately NIS 200 million), and was offset by the classification of a wind project in Poland under connected systems.

Other receivables - As of the Reporting Date, the balance amounted to a total of approximately NIS 110 million, as compared with a balance of approximately NIS 140 million at the end of 2022, a decrease of approximately NIS 30 million. The decrease was mostly due to the change in the value of financial instruments to hedge the PLN and USD exchange rates, due to the devaluation of the NIS, and the change in the value of the cap options to hedge the Wibor interest rate in Poland.

Short term credit from financial institutions - As of the Reporting Date, the balance amounted to a total of approximately NIS 340 million, due to the receipt of short term loans from banking corporations in Israel and in the United States.

Trade payables, other payables and credit balances - As of the Reporting Date, the balance amounted to a total of approximately NIS 493 million, as compared with a total of approximately NIS 307 million at the end of 2022, an increase of approximately NIS 186 million, which was mostly due to the increase in the liability to equipment suppliers and construction contractors in the amount of approximately NIS 155 million, and the increase due to hedging financial instruments relative to the PLN and the USD, due to the increase of the PLN and USD exchange rates.

Liability in respect of agreements with Tax Partner (short term and long term) – The decrease in the item, in the amount of approximately NIS 24 million, was mostly due to the devaluation of the NIS relative to the USD, and current repayments (mostly by way of tax benefits) of the liability to the Tax Partner in respect of Virginia Projects 1 and 2.

Loans from financial institutions and current maturities of loans - As of the Reporting Date, the balance amounted to a total of approximately NIS 2,239 million, as compared with a balance of approximately NIS 1,344 million at the end of 2022, an increase of approximately NIS 895 million. The increase was due to withdrawals from construction loans in respect of the construction projects in Virginia and Pennsylvania, and the increase in the USD and PLN exchange rates, after offsetting the current principal payments of the loans.

Bonds and convertible bonds - As of the Reporting Date, the balance amounted to a total of approximately NIS 1,087 million, as compared with a balance of approximately NIS 1,119 million as of the end of 2022, a decrease of approximately NIS 32 million. The decrease was mostly due to the repayment of the principal of the bonds (Series A).

Lease liability and other long term liabilities - As of the Reporting Date, the balance amounted to a total of approximately NIS 826 million, as compared with a total balance of approximately NIS 646 million at the end of 2022, an increase of approximately NIS 180 million, which was mostly due to the increase in lease liabilities due to the construction of new projects in the United States and in Israel, and due to the recognition of a contingent consideration liability in respect of the transaction to acquire the minority stake in the US Joint Venture.

Equity – As of the Reporting Date, equity attributable to the Company's owners amounts to approximately NIS 2,411 million, compared with shareholders' equity attributable to the owners of the Company of approximately NIS 2,329 million as of December 31, 2022. The change in equity was mostly due to profit attributed to the Company's owners in the amount of approximately NIS 201 million, the increase in the capital reserve for translation differences (including hedge of investment in foreign operation) and the increase in the capital reserve from cash flow hedging in the amount of approximately NIS 132 million, which were partly offset by the payment of a dividend in the amount of approximately NIS 175 million, and by the recognition of a contingent liability in respect of the success fees as part of the acquisition of all of the Tax Partner's interests in the US Joint Venture.

6.6. Operating results

Presented below are the operating results, including attribution of the relevant part of the revenue from the unwinding of fixed price transactions which were recognized in the first quarter, for the six and three month periods ended June 30, 2023:

	For the six month period ended June 30		For the three month period ended June 30	
	2023	2022	2023	2022
	NIS in			
	(Unaudited)		(Unaudited)	
Revenues				
Revenues from the sale of electricity	234,778	168,826	110,873	97,991
Revenues from the production of green certificates	33,935	33,049	14,726	12,371
Other revenues, including due to the unwinding of fixed price transactions in respect of the period	75,224	625	35,182	296
Total revenues	**343,937**	**202,500**	**160,781**	**110,658**
Expenses				
Operating expenses	39,227	26,811	23,963	12,568
Payroll, headquarters and other	51,077	28,746	20,382	15,201
	90,304	55,557	44,345	27,769
Profit before financing, taxes, depreciation and amortization (EBITDA)	**253,633**	**146,943**	**116,436**	**82,889**
Capital gains from sale of investee partnership	-	18,098	-	-
Depreciation and amortization	(74,194)	(47,577)	(42,227)	(26,195)
Profit before financing and taxes	**179,439**	**117,464**	**74,209**	**56,694**
Financing expenses, net	(36,516)	(44,393)	(16,749)	(23,489)
Profit after financing, net	142,923	73,071	57,460	33,205
Profit before taxes on income	**142,923**	**73,071**	**57,460**	**33,205**
Taxes on income	(39,245)	(18,318)	(13,192)	(8,634)
Tax income from the Tax Partner	33,857	27,490	17,244	14,196
Income for the period	**137,535**	**82,243**	**61,512**	**38,767**
Profit for the period attributable to the owners of the Company	**137,969**	**82,790**	**61,647**	**38,929**
Loss for the period attributable to non-controlling interests	(434)	(547)	(135)	(162)
Total profit for the period	**137,535**	**82,243**	**61,512**	**38,767**

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

	For the six month period ended June 30		For the three month period ended June 30		For the year ended December 31
	2023	2022	2023	2022	2022
	NIS in thousands				
	(Unaudited)		(Unaudited)		(Audited)
Revenues					
Revenues from the sale of electricity	234,778	168,826	110,873	97,991	446,326
Revenues from the production of green certificates	33,935	33,049	14,726	12,371	56,084
Other revenues, net	153,547	625	117	296	24,915
Total revenues	422,260	202,500	125,716	110,658	527,325
Expenses					
Operating expenses	39,227	26,811	23,963	12,568	54,688
Payroll, headquarters and other	51,077	28,746	20,382	15,201	66,718
	90,304	55,557	44,345	27,769	121,406
Profit before financing, taxes, depreciation and amortization (EBITDA)	331,956	146,943	81,371	82,889	405,919
Capital gains from sale of investee partnership	-	18,098	-	-	18,098
Depreciation and amortization	(74,194)	(47,577)	(42,227)	(26,195)	(105,797)
Profit before financing and taxes	257,762	117,464	39,144	56,694	318,220
Financing expenses, net	(36,516)	(44,393)	(16,749)	(23,489)	(82,359)
Profit after financing, net	221,246	73,071	22,395	33,205	235,861
Profit before taxes on income	221,246	73,071	22,395	33,205	235,861
Taxes on income	(54,126)	(18,318)	(6,507)	(8,634)	(57,766)
Tax income from the Tax Partner	33,857	27,490	17,244	14,196	57,815
Profit for the period	200,977	82,243	33,132	38,767	235,910
Profit for the period attributable to the owners of the Company	201,411	82,790	33,266	38,929	236,690
Loss for the period attributable to non-controlling interests	(434)	(547)	(134)	(162)	(780)
Total profit for the period	200,977	82,243	33,132	38,767	235,910

	For the six month period ended June 30		For the year ended December 31
	2023	2022	2022
Data regarding earnings per share (*)			
Income per share	0.77	0.39	1.00
Profit before financing, taxes, depreciation	0.61	0.28	0.77
FFO per share	0.38	0.21	0.58
Earnings per share - basic	0.37	0.16	0.45

(*) According to the data presented in Section 6.5.

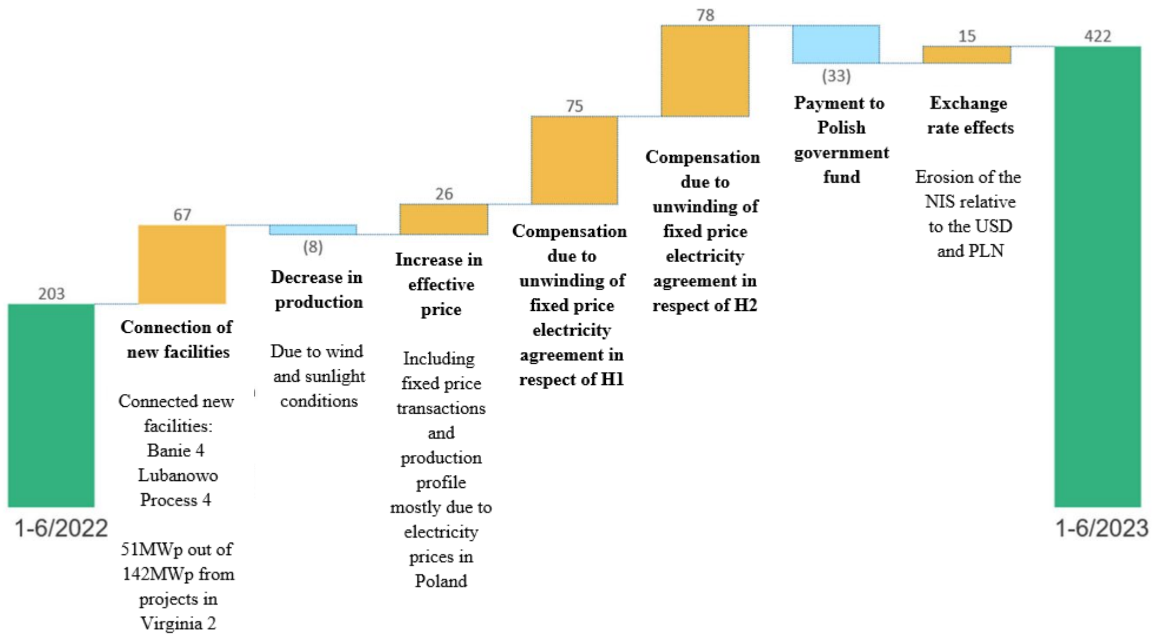
6.7. Main explanations for the operating results:

The Company's revenues from the sale of electricity, from the production of green certificates, and from other revenues attributable to the first and second quarters, amounted to a total of approximately NIS 344 million, as compared with a total of approximately NIS 203 million in the corresponding period last year, an increase of approximately NIS 141 million (around 70%), as described in the above table.

The Company's total revenues in the first half, including future revenues (as defined above) attributed to the second half of 2023, amounted to a total of approximately NIS 422 million.

Presented below is a diagram specifying the main changes in revenue during the Reporting Period, relative to the corresponding period last year:

Data in millions of NIS

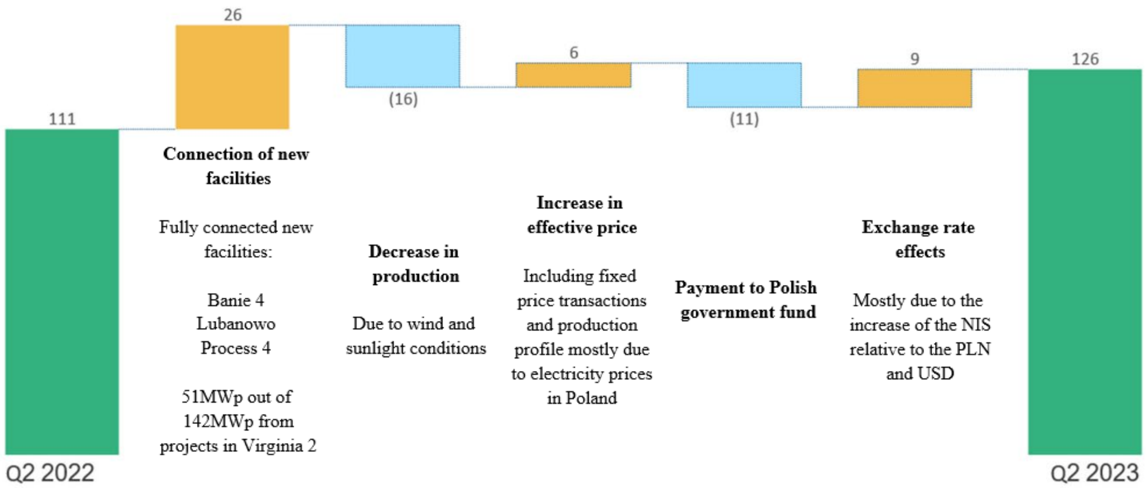


The Company's revenues from the sale of electricity, from the production of green certificates, and from the share in other revenues attributable to the second quarter, amounted to a total of approximately NIS 160 million, as compared with a total of approximately NIS 110 million in the corresponding quarter last year, an increase of approximately NIS 50 million (around 45%), as described in the above table.

The Company's total revenues in the second quarter, excluding its share in other revenues attributed to the second quarter, amounted to a total of approximately NIS 125 million.

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

Data in millions of NIS



Operating expenses - Operating expenses in the first half amounted to a total of approximately NIS 39 million, as compared with a total of approximately NIS 27 million in the corresponding period last year, an increase of approximately NIS 12 million.
In the second quarter of 2023 operating expenses amounted to a total of approximately NIS 24 million, as compared with a total of approximately NIS 12 million in the corresponding quarter.

The increase was mostly due to the recording of operating expenses from projects in Poland which had not yet become commercially active in the corresponding period.

Payroll, headquarter and other expenses - Payroll, headquarter and other expenses in the first half amounted to a total of approximately NIS 51 million, as compared with a total of approximately NIS 29 million in the corresponding period last year. During the second quarter these expenses amounted to a total of approximately NIS 20 million, as compared with a total of approximately NIS 15 million in the corresponding quarter.
The increase in payroll, headquarter and other expenses was due to the growth of the Group's workforce, in light of the increase in the scopes of activity, the increase in professional consulting costs, and the increase in share-based payment expenses.

Depreciation and amortization expenses - During the first half, depreciation expenses amounted to a total of approximately NIS 74 million, as compared with a total of approximately NIS 48 million in the corresponding period last year, an increase of approximately NIS 26 million.
In the second quarter, depreciation expenses amounted to a total of approximately NIS 42 million, as compared with a total of approximately NIS 26 million, an increase of approximately NIS 16 million.
The increase was mostly due to the recording of depreciation expenses from projects which had not yet become commercially active in the corresponding period last year.

Net financing expenses - Net financing expenses in the first half amounted to a total of approximately NIS 37 million, as compared with a total of approximately NIS 44 million in the corresponding period last year, a decrease of approximately NIS 7 million.
The decrease in net financing expenses was mostly due to financing income from deposits in the first half, and the impact of the CPI's increase in Israel at a rate of 2.5%, as compared with the CPI's increase at a rate of 3.1% in the corresponding half.
Net financing expenses in the second quarter of 2023 amounted to a total of approximately NIS 17 million, as compared with a total of approximately NIS 23 million in the corresponding quarter last year, a decrease of approximately NIS 6 million. The decrease in net financing expenses was due to financing income from deposits in the second quarter, and the impact of the CPI's increase in Israel at a rate of 1.4%, as compared with the 1.9% increase of the CPI in the corresponding quarter.
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 income from the Tax Partner - Income from the Tax Partner in the first half amounted to a total of approximately NIS 34 million, as compared with a total of approximately NIS 27 million in the corresponding period last year, an increase of approximately NIS 7 million, due to the commercial operation of projects in the United States.
Income from the Tax Partner in the second quarter amounted to a total of approximately NIS 17 million, as compared with a total of approximately NIS 14 million in the corresponding period last year, growth of approximately NIS 3 million, due to the commercial operation of projects in the United States.

Net profit attributable to owners - In the first half, the Company recognized net profit attributable to owners in the amount of approximately NIS 201 million, as compared with profit of approximately NIS 82 million in the corresponding period of last year, an increase of approximately NIS 119 million (growth of around 144%).
In the second quarter, the Company recognized net profit attributable to owners in the amount of approximately NIS 33 million, as compared with profit of approximately NIS 39 million in the corresponding quarter last year, a decrease of approximately NIS 6 million (decrease of approximately 15%).

6.8. Cash flows, liquidity and sources of financing

6.8.1 Cash flow

During the Reporting Period, the Group's balance of cash and cash equivalents increased in the amount of approximately NIS 285 million. The increase was mostly due to the acceptance of loans and cash inflows from operating activities which arose for the Company, which were offset by investments in project construction and initiation, 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 six month period ended June 30		For the three month period ended June 30		For the year ended December 31
	2023	2022	2023	2022	2022
	NIS millions				
	(Unaudited)				(Audited)
Operating activities	263	104	138	38	285
Sources					
Long term loan received from financial institutions	853	185	853	32	250
Receipt of short term loans from banking corporations	390	-	232	-	-
Repayment of loan from third party	-	14	-	14	14
Decrease in pledged deposit and restricted cash	23	-	23		
Consideration from issuance of shares	-	335	-	-	674
Consideration from exercise of share options	-	14	-	6	29
Settlement of financial instruments	-	36		14	18
Consideration from sale of associate partnership	-	26	-	-	25
	1,266	610	1,108	66	1,010
Uses					
Investment in electricity production systems	(807)	(614)	(585)	(395)	(1,131)
Increase in pledged deposit and restricted cash, net	(3)	(4)	(3)	(1)	(9)
Settlement of financial instruments	(116)	-	(54)		-
Repayment of long term loans from financial institutions	(95)	(30)	(84)	(18)	(75)
Repayment of principal in respect of lease liability	(11)	(9)	(6)	(6)	(12)
Repayment of bond principal	(37)	(37)	-	-	(74)
Credit raising costs	(40)	(1)	(39)	(1)	(14)
Investment in other fixed assets	(5)	(1)	(3)	-	(4)
Transaction with non-controlling interests	(24)	-	(24)	-	(3)
Dividend paid to Company shareholders	(175)	(52)	(38)	(52)	(107)
	(1,313)	(748)	(836)	(473)	(1,429)
Total surplus of sources over uses	216	(34)	410	(369)	(134)
Balance of cash and cash equivalents at beginning of period	465	575	312	911	575
Balance of dedicated deposit at beginning of period	34	30	4	31	30
Effect of exchange rate fluctuations on cash and cash equivalents	40	14	27	13	28
Balance of cash and cash equivalents at end of period	751	555	751	555	465
Balance of dedicated deposit at end of period	4	34	4	34	34

6.8.2 Cash, cash equivalents and credit facilities

As of the Reporting Date, the Company's balance of cash and cash equivalents amounted to a total of approximately NIS 751 million. The Company also has a total of approximately NIS 36 million, which mostly includes debt service reserve funds to secure the repayment of the Group's loans, and a dedicated deposit in the amount of approximately NIS 3.7 million, the use of which is restricted until the Company meets the conditions which were determined in the agreement with the Tax Partner in Virginia Projects 2.

6.8.3 Financing sources

6.8.3.1 As of the Approval Date of the Report, the Company's activity is financed by the cash flows which arise for it from commercially active projects, its available cash balances, the exercise of share options and withdrawals that were made in the framework of project finance transactions to which the Company is party.

6.8.3.2 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 level of the Company, the raising of non-recourse project loans on the level of the project companies, and maintaining bank credit facilities which are available for use at all times.

6.8.3.3 The Company's gross financial debt as of tax report amounts to a total of approximately NIS 3.151 billion. The total average lifetime of the debt is approximately 7.9 years.

6.8.3.4 As of the Reporting Date, the Company has unused credit facilities in the amount of approximately NIS 144 million (including approximately NIS 91 million in respect of a guarantee facility from a banking corporation in the United States), and project finance facilities which are withdrawable immediately in the amount of approximately NIS 289 million, which the Company will use out of the finance facilities in accordance with its cash requirements.

6.8.3.5 For details regarding project financing facilities, including construction financing facilities, which are available to the Company as of the Approval Date of the Report, see below:

Country	Project addressed in the financing	Status	Estimated total	Amounts available for immediate withdrawal	See Note
Israel	Systems in competitive processes 3 and 4	Signed	Up to NIS 350 million (of which, NIS 314 million has been used)	-	7b to the Financial Statements
Israel	Clean wind energy	Signed	Up to NIS 650 million (of which, approximately NIS 18 million has been used)	-	7d to the Financial Statements
Israel	Julis ultra-high voltage project	Signed	Up to NIS 255 million	-	7b to the Financial Statements
USA	Projects under construction in Virginia and Pennsylvania (416MWp)	Signed	Up to USD 510 million during the construction period (of which, a total of approximately USD 290 million has been used)	-	7c to the Financial Statements
Poland	Banie 3, Sepopol	Signed	Up to PLN 550 million (of which, approximately PLN 469 million has been used)	Approximately NIS 65 million	7e to the Financial Statements
Poland	Banie 4	Signed	Up to PLN 290 million (of which, approximately PLN 10 million has been used)	Approximately NIS 224 million	7e to the Financial Statements
USA	Virginia systems 1 and 2	Signed	Up to USD 70 million (of which, a total of approximately USD 65 million has been withdrawn as of proximate to the Approval Date of the Report).	-	7c to the Financial Statements
Total				Approximately NIS 289 million	

6.8.4 <u>It is noted that the projects Banie 1+2 and Ilawa in Poland do not involve project finance.</u>

6.8.5 The Company has a shelf prospectus which allows the Company to raise funds from the public, insofar as funds may be required in order to finance its operations, which is in effect until May 2024.

6.8.6 For details regarding the Company's financing sources, including loans, bonds and capital raising, see Note 14 in Part C of the Annual Financial Statements for 2022, and Notes 7c and 7h to the Financial Statements.

- **<u>Pledged assets</u>**

For details regarding liens and guarantees furnished by the Company as of the Reporting Date and the date of approval of the Financial Statements, see Note 30 in Part C of the Annual Financial Statements for 2022.

- **Reference to warning signs**

Pursuant to Regulation 10(B)(14) of the Periodic and Immediate Report Regulations, the Company has a working capital deficit during a twelve month period in the consolidated and separate financial statements, and "ongoing cash outflows from operating activities" in its separate financial statements (as opposed to its consolidated financial statements). The Company's Board of Directors has determined that the working capital deficit in the Company's reports and/or the ongoing cash outflows from operating activities in the separate financial statements do not indicate a liquidity problem, in consideration of, inter alia, the Company's cash balances, immediately withdrawable cash balances in commercially active projects, unused credit facilities, and immediately withdrawable project finance 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 Risks and Management Thereof

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

7. The Company's policy for managing market risks

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 Reporting Date, no changes occurred in the Company's policy relative to that stated in its Annual Financial Statements.

7.1. Linkage bases report

For the linkage bases report as of June 30, 2023 and December 31, 2022, see **Appendix A** below.

7.2. Sensitivity tests

See **Appendix B** hereunder for sensitivity tables for sensitive instruments according to changes in market factors as of June 30, 2023.

7.3. 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

8. Material events and updates during the Reporting Period and after the Reporting Date, including in the Company's operating segments:

8.1. **Legislative amendment in Poland**: Further to the Company's reports regarding the adoption of legislation in Poland to establish a temporary cap of electricity prices until the end of 2023, in the amount of PLN 345 per 1MWh, After the Reporting Date, in July 2023 a legislative amendment was passed which, subject to the approval of the President of Poland, expanded the scope of the law in a manner which requires electricity producers to deposit, into the dedicated reserve which was established by the regulator, 97% of the revenues which they will receive from the sale of GOOs certificates, and from financial transactions involving the sale of electricity. The Company believes, based on its series of power purchase agreements, and the position of its legal counsel in Poland, that the legislative amendment is not expected to significant affect the Company's revenues in Poland. For additional details regarding the legislation, see Sections 6.2 and 6.5 in Part A of the Annual Financial Statements, and Note 9b(4)(b) to the Annual Financial Statements.

8.2. For updates and details regarding connected systems, construction and initiation activities, and updates regarding those activities, relative to the Annual Report, see Section 5 above, and Notes 7 and 5 to the Consolidated Financial Statements.

8.3. **Dividend**: For details regarding the Board of Directors' resolution, shortly after the approval of the Financial Statements, to distribute dividends in the amount of 7 agorot per ordinary Company share, see Section 4 above.

For additional information regarding the Company's activity and its owned projects and projects in 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, and Note 7 to the Company's Consolidated Financial Statements.

9. Update regarding transactions with controlling shareholders, bonuses and engagements with officers in the Reporting Period and until the Approval Date of the Report:

9.1. For details 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.

9.2. In July 2023 the Company's general meeting approved, following the approval of the Audit Committee and Board of Directors, the Company's engagement in an extension of the management agreement with Alony Hetz, effective as from July 1, 2023, for an additional 3 year period (until June 30, 2026). For additional details, see Note 7k to the Consolidated Financial Statements, and the supplementary immediate report dated July 7, 2023 (reference number: 2023-01-076893) (the "**Convention Report**"), which is presented herein, in its entirety, by way of reference.

9.3. After the Reporting Date, on August 1, 2023, Ms. Alona Shefer Caro concluded her tenure as an outside director in the company, after 9 years of service as an outside director.

9.4. After the Reporting Date, on August 1, 2023, Ms. Einat Zafrir began serving as an outside director in the company (for additional details regarding Ms. Einat Zafrir, in accordance with Regulation 26, see the convention report and the immediate report dated July 17, 2023 (reference number: 2023-01-081198).

10. Effectiveness of internal control over financial reporting and disclosure in accordance with Regulation 38c(a)

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

11. 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 additional details, see Note 2(f) to the Annual Financial Statements and Note 2b to the Consolidated Financial Statements.

12. Additional information and events subsequent to the Reporting Date

For details regarding events subsequent to the Reporting Date, see Sections 2.3, 2.5, 2.8 and 3.2 above, and Note 7 to the Consolidated Financial Statements.

The Company's Board of Directors would like to thank the holders of the Company's securities for their confidence in the Company.

August 8, 2023		
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 June 30, 2023, 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 June 30, 2023

	EUR	PLN	USD	Unlinked NIS	CPI-linked NIS	Non-financial assets (liabilities)	Total
	NIS in thousands						
Current assets							
Cash and cash equivalents	11,709	199,625	445,204	94,028	-	-	750,566
Dedicated deposit		-	3,700	-	-	-	3,700
Trade receivables	-	120,464	8,004	28,741	-	-	157,209
Green certificates	-	-	-	-	-	26,485	26,485
Receivables and debit balances	-	13,191	22,682	2,054	-	15,001	52,929
Hedging financial instruments	-	17,836	-	-	-	-	17,836
	11,709	351,116	479,590	124,823	-	41,487	1,008,725
Non-current assets							
Long term restricted cash	-	119	-	36,173	-	-	36,292
Right-of-use asset	-	-	-	-	-	488,843	488,843
Connected electricity production systems	-	-	-	-	-	3,432,500	3,432,500
Systems under construction and inventory	-	-	-	-	-	2,514,804	2,514,804
Fixed assets	-	-	-	-	-	15,919	15,919
Other receivables	-	-	16,405	650	7,799	23,394	48,247
Hedging financial instruments	-	61,824	131	-	-	-	61,956
Deferred taxes, net	-	-	-	-	-	97,574	97,574
	-	61,943	16,536	36,823	7,799	6,573,034	6,696,135
Total assets	**11,709**	**413,059**	**496,126**	**161,646**	**7,799**	**6,614,521**	**7,704,860**
Current liabilities							
Short term credit from financial institutions	-	-	189,624	150,920	-	-	340,544
Current maturities of long term loans	-	17,355	6,043	-	65,518	-	88,916
Current maturities of lease liabilities	-	8,268	11,106	-	8,237	(4,774)	22,837
Trade payables, other payables and credit balances	7,615	64,761	219,693	28,525	-	6,856	327,450
Short term liability in respect of agreement with Tax Partner	-	-	-	-	-	83,421	83,421
Bonds - current maturity	-	-	-	74,871	-	-	74,871
Hedging financial instruments	-	99,359	66,088	-	-	-	165,447
	7,615	189,744	492,552	254,316	73,755	85,503	1,103,486
Non-current liabilities							
Liabilities for employee severance benefits	-	-	-	-	-	772	772
Loans from financial institutions	-	394,506	857,057	-	911,496	(13,184)	2,149,876
Bonds	-	-	-	487,233	-	(3,913)	483,321
Convertible bonds	-	-	-	531,852	-	(3,172)	528,680
Long term liability in respect of agreement with Tax Partner	-	-	37,403	-	-	99,103	136,506
Lease liability	-	126,662	149,554	-	186,537	-	462,753
Other long term liabilities	-	-	81,749	7,155	-	96,750	185,653
Hedging financial instruments	-	15,314	139,774	-	-	-	155,088
Deferred taxes	-	-	-	-	-	86,455	86,455
	-	536,482	1,265,536	1,026,241	1,098,034	262,811	4,189,104
Total liabilities	**7,615**	**726,226**	**1,758,089**	**1,280,556**	**1,171,789**	**348,314**	**5,292,589**
Total surplus of assets over liabilities	**4,094**	**(313,167)**	**(1,261,963)**	**(1,118,910)**	**(1,163,990)**	**6,266,206**	**2,412,270**
Financial derivatives	**-**	**(973,615)**	**(1,462,610)**	**2,436,225**	**-**	**-**	**-**
Surplus of financial assets over financial liabilities (financial liabilities over financial assets)	**4,094**	**(1,286,782)**	**(2,724,573)**	**1,317,315**	**(1,163,990)**	**6,266,207**	**2,412,270**
Distribution of non-monetary assets (liabilities), net - by linkage bases	**-**	**1,632,016**	**2,488,499**	**1,957,285**	**188,408**	**(6,266,207)**	**-**
Surplus of assets over liabilities (liabilities over assets)	**4,094**	**345,234**	**(236,074)**	**3,274,600**	**(975,582)**	**-**	**2,412,270**

* The Company's surplus of assets over liabilities, after neutralizing liabilities and financial assets measured at fair value, to hedge electricity prices, interest rates and exchange rates, amounted to NIS 28,346 thousand in respect of the USD, and NIS 391,868 thousand in respect of the PLN.

December 31, 2022

	EUR	PLN	USD	Unlinked NIS	CPI-linked NIS	Non-financial assets (liabilities)	Total
	NIS in thousands						
Current assets							
Cash and cash equivalents	1,826	219,805	43,086	200,402	-	-	465,119
Dedicated deposit		-	34,435	-	-	-	34,435
Trade receivables	-	54,601	5,519	29,800	-	-	89,920
Green certificates	-	-	-	-	-	22,424	22,424
Receivables and debit balances	-	24,874	23,135	1,834	-	20,500	70,343
Hedging financial instruments	-	18,534	-	-	-	-	18,534
	1,826	317,814	106,175	232,036	-	42,924	700,775
Non-current assets							
Long term restricted cash	-	106	3,167	53,932	-	-	57,205
Right-of-use asset	-	-	-	-	-	390,987	390,987
Connected electricity production systems	-	-	-	-	-	2,910,128	2,910,128
Systems under construction and inventory	-	-	-	-	-	1,813,125	1,813,125
Fixed assets	-	-	-	-	-	12,962	12,962
Other receivables	-	0	-	42	7,757	20,303	28,102
Hedging financial instruments	-	112,012	-	-	-	-	112,012
Deferred taxes, net	-	-	-	-	-	56,935	56,935
	-	112,118	3,167	53,974	7,757	5,204,440	5,381,456
Total assets	**1,826**	**429,932**	**109,342**	**286,010**	**7,757**	**5,247,364**	**6,082,231**
Current liabilities							
Current maturities of long term loans	-	13,267	-	-	63,746	-	77,013
Current maturities of lease liabilities	-	4,785	5,267	-	6,183	(0)	16,235
Trade payables, other payables and credit balances	7,629	50,200	62,145	33,036	-	17,668	170,678
Short term liability in respect of agreement with Tax Partner	-	-	14,621	-	-	65,411	80,032
Bonds - current maturity	-	-	-	74,871	-	-	74,871
Hedging financial instruments	-	44,219	91,616	-	-	-	135,835
	7,629	112,471	173,649	107,907	69,929	83,079	554,664
Non-current liabilities							
Liabilities for employee severance benefits	-	-	-	-	-	772	772
Loans from financial institutions	-	361,084	-	(0)	918,487	(12,409)	1,267,162
Other long term liabilities	-	-	360	7,036	-	61,662	69,058
Bonds	-	-	-	524,480	-	(4,192)	520,288
Convertible bonds	-	-	-	527,535	-	(3,556)	523,979
Long term liability in respect of agreement with Tax Partner	-	-	35,573	-	-	128,166	163,739
Lease liability	-	116,366	92,582	-	163,363	(0)	372,311
Hedging financial instruments	-	7,510	181,202	-	-	-	188,712
Deferred taxes	-	-	-	-	-	91,258	91,258
	-	484,960	309,717	1,059,051	1,081,850	261,700	3,197,279
Total liabilities	**7,629**	**597,432**	**483,366**	**1,166,958**	**1,151,779**	**344,780**	**3,751,943**
Total surplus of assets over liabilities	**(5,803)**	**(167,499)**	**(374,024)**	**(880,948)**	**(1,144,022)**	**4,902,584**	**2,330,288**
Financial derivatives	**-**	**(857,540)**	**(1,244,553)**	**2,102,093**	**-**	**-**	**-**
Surplus of financial assets over financial liabilities (financial liabilities over financial assets)	**(5,803)**	**(1,025,041)**	**(1,618,577)**	**1,221,122**	**(1,144,022)**	**4,902,585**	**2,330,264**
Distribution of non-monetary assets (liabilities), net - by linkage bases	**-**	**1,482,125**	**1,530,313**	**1,727,518**	**162,629**	**(4,902,585)**	**(1)**
Surplus of assets over liabilities (liabilities over assets)	**(5,803)**	**(2,507,166)**	**(3,148,890)**	**(506,396)**	**(1,306,651)**	**9,805,170**	**2,330,264**

Appendix B – Sensitivity Tables for Sensitive Instruments as of June 30, 2023, 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 profit or loss in respect of financial assets and liabilities that are exposed to risk as aforesaid (before the tax effect):

	As of June 30, 2023		
	Increase of 10%		Decrease of 10%
	Profit and loss / comprehensive income	Carrying value	Profit and loss / comprehensive income
	NIS in thousands		
In EUR:			
Cash and cash equivalents	1,171	11,709	(1,171)
Trade payables, other payables and credit balances	(762)	(7,615)	762
In PLN:			
Cash and cash equivalents	19,963	199,625	(19,963)
Trade receivables, other receivables and debit balances	13,366	133,655	(13,366)
Long term pledged deposit and restricted cash	12	119	(12)
Hedging financial instruments - forward transaction	(72,939)	(114,674)	72,939
Cap option	7,864	78,694	(7,864)
Hedging financial instruments - CCS	(20,814)	966	21,053
Short term and long term loans from financial institutions	(41,186)	(411,861)	41,186
Trade payables, other payables and credit balances	(6,476)	(64,761)	6,476
In USD:			
Cash and cash equivalents	44,520	445,204	(44,520)
Trade receivables	800	8,004	(800)
Dedicated deposit and long term restricted cash	370	3,700	(370)
Receivables and debit balances	2,268	22,682	(2,268)
Other long term receivables	1,640	16,405	(1,640)
Trade payables, other payables and credit balances	(21,969)	(219,693)	21,969
Liability in respect of agreement with Tax Partner	(3,740)	(37,402)	3,740
Short term loan from financial institutions	(18,962)	(189,623)	18,962
Current maturities of long term loans	(604)	(6,043)	604
Lease liability	(16,066)	(160,660)	16,066
Hedging financial instruments - forward transaction	(118,505)	(53,917)	118,505
Other long term liabilities	(8,175)	(81,749)	8,175
Financial derivatives - Hedging of electricity prices in the United States (SWAP)	(11,841)	(118,409)	11,841
Hedging financial instruments - CCS	(21,628)	(33,405)	21,628
Long term loans	(85,706)	(857,057)	85,706

Analysis of the Group's sensitivity to financial derivatives:
The following table presents the impact of the addition or subtraction of 10% in the relevant electricity prices in the United States on comprehensive income in respect of derivative financial instruments which are exposed to the risk of electricity prices in the United States (before tax effect):

	As of June 30, 2023		
	Changes to electricity prices in the United States		
	Increase of 10%		Decrease of 10%
	Comprehensive income	Carrying value	Comprehensive income
	NIS in thousands		
Financial derivatives - Hedging of electricity prices in the United States (SWAP)	(44,460)	(118,409)	44,854

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

	As of June 30, 2023		
	Increase of 3%		Decrease of 3%
	Profit and loss	Carrying value	Profit and loss
	NIS in thousands		
Loans from financial institutions	(28,722)	977,014	28,484

Analysis of the Group's sensitivity to changes in the interest rate:
The following table presents sensitivity tests to the value of the fixed rate loans according to changes in the interest rate:

	As of June 30, 2023				
	Increase of 10%	Increase of 5%		Decrease of 5%	Decrease of 10%
Sensitive instruments	Loss from the changes (Before tax effect)		Fair value	Profit from the changes (Before tax effect)	
	NIS in thousands				
Fixed rate instruments					
CPI-linked loans in NIS	20,070	10,131	897,674	(10,327)	(20,855)
Loans in PLN	6,472	3,291	405,178	(3,408)	(6,937)
Total	26,542	13,422	1,302,852	(13,735)	(27,792)

Appendix C – The Corporation's Liabilities by Payment Dates

Presented below are the Group's liabilities which are payable after June 30, 2023:

	Bonds (Series A) (*)	Convertible bonds (Series B)	Loans from financial institutions	Total	Percentage
Current maturities	79,760	-	430,168	509,928	14%
Second year	79,760	-	93,144	172,904	5%
Third year	79,760	-	85,953	165,713	4%
Fourth year	79,760	-	92,213	171,973	5%
Fifth year and thereafter	281,985	531,852	1,912,785	2,726,622	72%
Total payments	601,025	531,852	2,614,263	3,747,140	100%
Balance of discount	(3,913)	(3,172)	(35,293)	(42,378)	
Total financial debt	**597,112**	**528,680**	**2,578,970**	**3,704,762**	

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

The net total of off-balance sheet liabilities as of June 30, 2023, in respect of guarantees amounted to approximately NIS 220 million.

Appendix D - Quarterly Report Regarding the Effectiveness of Internal Control over Financial Reporting and Disclosure Pursuant to Regulation 38C(a) for the Second Quarter of 2023

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 designed 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 designed to provide absolute certainty that a misstatement or omission of information will be prevented or detected.

In the Annual Report regarding the effectiveness of internal control over financial reporting and disclosure which was attached to the quarterly report for the period ended December 31, 2022 (hereinafter: the "Last Annual Report Regarding Internal Control"), the Board of Directors and management evaluated the internal control in the corporation; Based on this evaluation, the Board of Directors and management of the Corporation reached the conclusion that the aforesaid internal control over financial reporting and disclosure, as of June 30, 2023, is 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 Reporting 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.

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

1) Presented below are current data, as of June 30, 2023, in connection with the liability certificates which were issued by the Company:

	Series A	Series B
Figures as of 30.6.23	(NIS in thousands)	(NIS in thousands)
Par value	558,698	566,602
Value in the Financial Statements (according to amortized cost)	558,192	528,680 (*)
Market value	498,136	450,449
Accrued interest	3,262	574

* Not including the equity component of convertible bonds in the amount of approximately 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 Reporting Date
Minimum equity	At least NIS 360 million	At least NIS 500 million	2,411 NIS millions
Solo net financial debt to solo net balance sheet	Less than 80% *	Less than 80% *	33%
Net consolidated financial debt (after deducting systems under construction and initiation) to adjusted EBITDA	No more than 18*	No more than 18*	0.7

* During a period of four consecutive quarters

For additional details and information regarding the bonds (Series A) and the convertible bonds (Series B), see Note 14d(8) to the Annual Financial Statements, and Note 7h to the Consolidated Financial Statements.

<u>**Appendix F – Rating Reports**</u>[5]

- For the current rating report of Maalot The Israeli Securities Rating Co. Ltd., see the immediate report which was published by the Company on December 1, 2022 (reference number 2022-01-146260).

- For the current rating report of Midroog Ltd., see the immediate report which was published by the Company on November 14, 2022 (reference number 2022-01-136819).

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

Officers' Declarations:

(A) Declaration of CEO according to Regulation 38C(d)(1)

I, Asa Levinger, declare that:

1. I have reviewed the quarterly report of Energix Renewable Energies Ltd. (hereinafter: the "Corporation") for the second quarter of 2023 (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 designed such controls and procedures, or caused such controls and procedures to be designed 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 designed such controls and procedures, or caused such controls and procedures to be designed 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.

______________	__________________
August 8, 2023	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 second quarter of 2023 (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 designed such controls and procedures, or caused such controls and procedures to be designed 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 designed such controls and procedures, or caused such controls and procedures to be designed 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.

August 8, 2023	Tanya Friedman, CFO

Energix - Renewable Energies Ltd.

Condensed Consolidated Interim Financial Statements

As of June 30, 2023

(Unaudited)

Auditors' Review Report to the Shareholders of
<u>Energix - Renewable Energies Ltd.</u>

Introduction

We have reviewed the attached financial information of **Energix - Renewable Energies Ltd.** and its subsidiaries (hereinafter: the "**Group**"), which includes the condensed consolidated statement of financial position as of June 30, 2023, and the condensed consolidated statements of income and other comprehensive income, changes in equity and cash flows, for the six and three month periods 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 with regard to 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, August 8, 2023

Energix - Renewable Energies Ltd.
Condensed Consolidated Interim Statements of Income

	As of June 30		As of December 31
	2023	2022	2022
	NIS in thousands		
	(Unaudited)		(Audited)
Assets			
Current assets			
Cash and cash equivalents	750,566	554,549	465,119
Dedicated deposit	3,700	34,037	34,435
Trade receivables and income receivable from customers	157,209	66,849	89,920
Green certificates	26,485	16,266	22,424
Receivables and debit balances	70,765	97,606	88,877
Total current assets	1,008,725	769,307	700,775
Non-current assets			
Long term pledged deposit and restricted cash	36,292	54,518	57,205
Right-of-use asset	488,843	333,155	390,987
Connected electricity production systems	3,432,500	2,135,656	2,910,128
Systems under construction and initiation	2,514,804	1,975,247	1,813,125
Other fixed assets	15,919	11,843	12,962
Other receivables	110,203	147,600	140,114
Deferred tax assets, net	97,574	63,275	56,935
Total non-current assets	6,696,135	4,721,294	5,381,456
Total assets	7,704,860	5,490,601	6,082,231

Energix - Renewable Energies Ltd.
Condensed Consolidated Interim Statements of Income

	As of June 30		As of December 31
	2023	2022	2022
	NIS in thousands		
	(Unaudited)		(Audited)
Liabilities and equity			
Current liabilities			
Short term credit from financial institutions	340,544	-	-
Current maturities of long term loans	88,916	75,496	77,013
Current maturities of lease liabilities	22,837	13,562	16,235
Current maturities of bonds	74,871	74,871	74,871
Trade payables	229,278	80,574	74,499
Payables and credit balances	263,619	180,644	232,014
Short term liability in respect of agreement with Tax Partner	83,421	86,898	80,032
Total current liabilities	1,103,486	512,045	554,664
Non-current liabilities			
Loans from financial institutions	2,149,876	1,214,978	1,267,162
Other long term liabilities	340,741	204,370	257,770
Bonds	483,321	557,254	520,288
Convertible bonds	528,680	519,238	523,979
Lease liability	462,753	310,837	372,311
Long term liability in respect of agreement with Tax Partner	136,506	185,724	163,739
Liability for employee severance benefits, net	772	429	772
Deferred tax liability, net	86,455	92,572	91,258
Total non-current liabilities	4,189,104	3,085,402	3,197,279
Equity			
Share capital	5,478	5,208	5,478
Premium and capital reserves	2,136,122	1,755,730	2,088,487
Retained earnings	269,728	130,477	234,665
Total equity attributable to the owners of the Company	2,411,328	1,891,415	2,328,630
Non-controlling interests	942	1,739	1,658
Total equity	2,412,270	1,893,154	2,330,288
Total liabilities and equity	7,704,860	5,490,601	6,082,231

August 8, 2023			
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 Condensed Consolidated Interim Financial Statements are an integral part thereof.

Energix - Renewable Energies Ltd.

Condensed Consolidated Interim Statements of Income

	For the six month period ended June 30		For the three month period ended June 30		For the year ended December 31
	2023	2022	2023	2022	2022
	NIS in thousands				
	(Unaudited)		(Unaudited)		(Audited)
Revenues					
Revenues from the sale of electricity	234,778	168,826	110,873	97,991	446,326
Revenues from the production of green certificates	33,935	33,049	14,726	12,371	56,084
Other revenues, net (*)	153,547	625	117	296	24,915
	422,260	202,500	125,716	110,658	527,325
Expenses					
Maintenance of systems and others	39,227	26,625	21,280	12,470	54,688
Initiation expenses	6,097	186	2,683	98	1,453
Payroll and related expenses	23,745	13,961	9,366	7,391	34,369
Administrative, headquarters and other	21,235	14,785	11,016	7,810	30,896
	90,304	55,557	44,345	27,769	121,406
Profit before financing, taxes, depreciation and amortization	331,956	146,943	81,371	82,889	405,919
Capital gains from sale of investee partnership	-	18,098	-	-	18,098
Depreciation and amortization	(74,194)	(47,577)	(42,227)	(26,195)	(105,797)
Profit before financing and taxes	257,762	117,464	39,144	56,694	318,220
Financing income	8,557	1,311	4,738	1,309	8,846
Financing expenses	(45,073)	(45,704)	(21,487)	(24,798)	(91,205)
Financing expenses, net	(36,516)	(44,393)	(16,749)	(23,489)	(82,359)
Profit after financing, net	221,246	73,071	22,395	33,205	235,861
Profit before taxes on income	221,246	73,071	22,395	33,205	235,861
Taxes on income	(54,126)	(18,318)	(6,507)	(8,634)	(57,766)
Tax income from the Tax Partner	33,857	27,490	17,244	14,196	57,815
Profit for the period	200,977	82,243	33,132	38,767	235,910
Total profit for the period attributable to:					
Profit for the period attributable to the owners of the Company	201,411	82,790	33,266	38,929	236,690
Profit (loss) for the period attributable to non-controlling interests	(434)	(547)	(134)	(162)	(780)
Total profit for the period	200,977	82,243	33,132	38,767	235,910
Net earnings per share attributable to the equity holders of the Company (NIS):					
Basic	0.368	0.160	0.061	0.071	0.447
Diluted	0.367	0.157	0.06	0.071	0.435
Weighted average share capital used to compute the earnings per share (thousands of shares):					
Basic	547,853	516,784	547,823	546,293	529,476
Diluted	548,090	551,566	554,195	579,108	564,145

(*) For additional information, see Note 7d(1)a1

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

Energix - Renewable Energies Ltd.

Condensed Consolidated Interim Statements of Comprehensive Income (Loss)

	For the six month period ended June 30		For the three month period ended June 30		For the year ended December 31
	2023	2022	2023	2022	2022
	NIS in thousands				
	(Unaudited)		(Unaudited)		(Audited)
Income for the period	200,977	82,243	33,132	38,767	235,910
Other comprehensive income items that after initial recognition in comprehensive income were or will be transferred to profit or loss					
Foreign currency translation differences for foreign operation	237,024	138,040	128,117	126,287	199,561
Loss in respect of cash flow hedge - value of time, net of tax	(3,960)	(47,964)	(3,318)	(29,074)	(50,184)
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	(180,010)	(100,112)	(93,649)	(95,342)	(161,329)
Change in the fair value of cash flow hedging instruments, net of tax	79,251	4,601	55,857	7,036	(5,893)
Total comprehensive income for the period	333,282	76,808	120,139	47,674	218,066
Total comprehensive income (loss) attributable to:					
Owners of the Company	333,716	77,355	120,273	47,836	218,846
Non-controlling interests	(434)	(547)	(134)	(162)	(780)
Total comprehensive income (loss) for the period	333,282	76,808	120,139	47,674	218,066

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

Energix - Renewable Energies Ltd.

Condensed Consolidated Interim Statements of Changes in Equity

For the six months ended June 30, 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 - value of time	Reserve in respect of translation differences, including hedging of net investment in a foreign operation	Capital reserve from transactions with non-controlling interests	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	-	-	-	-	-	-	-	-	201,411	201,411	(434)	200,977
Other comprehensive income (loss) for the period	-	-	-	79,251	(3,960)	57,015	-	-	-	132,306	-	132,306
Investment of non-controlling interests	-	-	-	-	-	-		-	-	-	20,820	20,820
Exercise of share options	-	602	-	-	-	-	-	-	(100)	502	-	502
Dividend to Company shareholders	-	-	-	-	-	-	-	-	(175,300)	(175,300)	-	(175,300)
Share-based payment	-	-	-	-	-	-	-	-	9,052	9,052	-	9,052
Transaction with non-controlling interests	-	-	-	-	-	-	(85,273)	-	-	(85,273)	(20,820)	(106,093)
Capital recovery for non-controlling interests	-	-	-	-	-	-	-	-	-	-	(282)	(282)
Balance as of June 30, 2023	5,478	2,271,334	53,028	37,845	(56,082)	(64,687)	(105,828)	512	269,728	2,411,328	942	2,412,270

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

Energix - Renewable Energies Ltd.

Condensed Consolidated Interim Statements of Changes in Equity

For the six months ended June 30, 2022 (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 - value of time	Reserve in respect of translation differences, including hedging of net investment in a foreign operation	Capital reserve from transactions with non-controlling interests	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, 2022	4,882	1,563,176	53,028	(35,513)	(1,937)	(159,935)	(12,896)	512	99,646	1,510,963	2,286	1,513,249
Income (loss) for the period	-	-	-	-	-	-	-	-	82,790	82,790	(547)	82,243
Other comprehensive loss for the period	-	-	-	4,601	(47,964)	37,928	-	-	-	(5,435)	-	(5,435)
Issuance of shares	258	334,423	-	-	-	-	-	-	-	334,681	-	334,681
Exercise of share options (*)	68	20,307	-	-	-	-	-	-	(3,731)	16,644	-	16,644
Dividend paid to Company shareholders	-	-	-	-	-	-	-	-	(52,003)	(52,003)	-	(52,003)
Share-based payment	-	-	-	-	-	-	-	-	3,775	3,775	-	3,775
Balance as of June 30, 2022	5,208	1,917,906	53,028	(30,912)	(49,901)	(122,007)	(12,896)	512	130,477	1,891,415	1,739	1,893,154

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

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

Energix - Renewable Energies Ltd.

Condensed Consolidated Interim Statements of Changes in Equity

For the three months ended June 30, 2023 (unaudited)

	Share capital	Premium	Receipts on account of options	Capital reserve from cash flow hedge	Capital reserve from cash flow hedge - value of time	Reserve in respect of translation differences, including hedging of net investment in a foreign operation	Capital reserve from transactions with non-controlling interests	Capital reserve from transactions with controlling shareholders	Retained earnings	Total equity attributable to the shareholders of the Company	Non-controlling interests	Total equity
	NIS in thousands											
Balance as of April 1, 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
Income (loss) for the period	-	-	-	-	-	-	-	-	33,266	33,266	(134)	33,132
Other comprehensive income (loss) for the period	-	-	-	55,857	(3,318)	34,468	-	-	-	87,007	-	87,007
Investment of non-controlling interests	-	-	-	-	-	-	-	-	-	-	20,820	20,820
Exercise of share options (*)	-	602	-	-	-	-	-	-	(100)	502	-	502
Dividend to Company shareholders	-	-	-	-	-	-	-	-	(38,348)	(38,348)	-	(38,348)
Share-based payment	-	-	-	-	-	-	-	-	3,699	3,699	-	3,699
Transaction with non-controlling interests	-	-	-	-	-	-	(85,273)	-	-	(85,273)	(20,820)	(106,093)
Balance as of June 30, 2023	5,478	2,271,334	53,028	37,845	(56,082)	(64,687)	(105,828)	512	269,728	2,411,328	942	2,412,270

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

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

Energix - Renewable Energies Ltd.

Condensed Consolidated Interim Statements of Changes in Equity

For the three months ended June 30, 2022 (unaudited)

	Share capital	Premium	Receipts on account of options	Capital reserve from cash flow hedge	Capital reserve from cash flow hedge - value of time	Reserve in respect of translation differences, including hedging of net investment in a foreign operation	Capital reserve from transactions with non-controlling interests	Capital reserve from transactions with controlling shareholders	Retained earnings	Total equity attributable to the shareholders of the Company	Non-controlling interests	Total equity
	NIS in thousands											
Balance as of April 1, 2022	5,194	1,909,563	53,028	(37,947)	(20,827)	(152,952)	(12,896)	512	117,257	1,860,933	1,901	1,862,834
Income for the period	-	-	-	-		-	-	-	38,929	38,929	(162)	38,767
Other comprehensive loss for the period	-	-	-	7,035	(29,074)	30,945	-	-	-	8,906	-	8,906
Exercise of share options (*)	14	8,343	-	-	-	-	-	-	(888)	7,468	-	7,468
Dividend paid to Company shareholders	-	-	-	-	-	-	-	-	(26,030)	(26,030)	-	(26,030)
Share-based payment	-	-	-	-	-	-	-	-	1,209	1,209	-	1,209
Balance as of June 30, 2022	5,208	1,917,906	53,028	(30,912)	(49,901)	(122,007)	(12,896)	512	130,477	1,891,415	1,739	1,893,154

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

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

Energix - Renewable Energies Ltd.

Condensed Consolidated Interim Statements of Changes in Equity

For the year ended December 31, 2022 (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 - value of time	Reserve in respect of translation differences, including hedging of net investment in a foreign operation	Capital reserve from transactions with non-controlling interests	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, 2022	4,882	1,563,176	53,028	(35,513)	(1,937)	(159,935)	(12,896)	512	99,646	1,510,963	2,286	1,513,249
Income (loss) for the year	-	-	-	-	-	-	-	-	236,690	236,690	(780)	235,910
Other comprehensive loss for the year	-	-	-	(5,893)	(50,185)	38,233	-	-	-	(17,845)	-	(17,845)
Issuance of shares	518	673,463	-	-	-	-	-	-	-	673,981	-	673,981
Exercise of share options (*)	78	34,093	-	-	-	-	-	-	(5,072)	29,099	-	29,099
Dividend paid to Company shareholders	-	-	-	-	-	-	-	-	(106,824)	(106,824)	-	(106,824)
Share-based payment	-	-	-	-	-	-	-	-	10,225	10,225	-	10,225
Change in non-controlling interests	-	-	-	-	-	-	(7,659)	-	-	(7,659)	152	(7,507)
Balance as of December 31, 2022	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

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

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

Energix - Renewable Energies Ltd.

Condensed Consolidated Interim Statements of Cash Flows

	For the six month period ended June 30		For the three month period ended June 30		For the year ended December 31
	2023	2022	2023	2022	2022
	NIS in thousands				
	(Unaudited)				(Audited)
Cash flows - operating activities					
Income for the period	200,977	82,243	33,132	38,767	235,910
Expenses not involving cash flows (Appendix A)	99,017	42,194	8,461	28,180	152,149
	299,994	124,437	41,593	66,947	388,059
Changes in working capital (Appendix B)	(36,917)	(20,628)	96,885	(29,339)	(103,372)
Net cash from operating activities	263,077	103,809	138,478	37,608	284,687
Cash flows - investing activities					
Investment in electricity production systems	(806,707)	(614,367)	(584,554)	(395,458)	(1,131,008)
Increase in pledged deposit and restricted cash (*)	(3,108)	(93)	(2,838)	(1,374)	(7,222)
Decrease in pledged deposit and restricted cash	23,297	-	23,297	2,971	-
Settlement of derivative financial instruments	(116,011)	35,812	(54,283)	13,731	18,338
Repayment of loan from related party	-	13,730	-	13,730	13,730
Investment in other fixed assets	(5,062)	(1,291)	(3,467)	(64)	(4,356)
Consideration from sale of investee partnership	-	25,360	-	-	25,360
Net cash used in investing activities	(907,591)	(540,849)	(621,845)	(366,464)	(1,085,158)
Cash flows - financing activities					
Consideration from issuance of shares, net	-	334,595	-	-	673,745
Consideration from exercise of share options	167	14,202	167	5,786	29,769
Repayment of principal in respect of lease liability	(11,309)	(8,222)	(5,068)	(5,503)	(12,269)
Credit raising costs	(39,822)	(668)	(38,562)	(591)	(14,464)
Transaction with non-controlling interests	(24,243)	-	(24,243)	-	(2,859)
Capital recovery for non-controlling interests	(281)	-	(281)	-	-
Repayment of bond principal	(37,247)	(37,242)	-	-	(74,489)
Receipt of short term loans from banking corporations	390,124	-	232,124	-	-
Long term loan received from financial institutions	853,403	185,128	853,403	32,336	249,564
Repayment of loans from financial institutions	(95,907)	(29,803)	(83,923)	(17,525)	(75,464)
Dividend paid to Company shareholders	(175,300)	(52,003)	(38,348)	(52,003)	(106,779)
Net cash from financing activities	859,585	405,987	895,269	(37,500)	666,754
Change in change in cash and cash equivalents and in designated cash	215,071	(31,053)	411,902	(366,356)	(133,717)
Balance of cash and cash equivalents at beginning of period	465,119	575,110	312,048	910,998	575,110
Balance of dedicated deposit at beginning of period	34,435	30,433	3,615	31,066	30,433
Effect of exchange rate fluctuations on cash and cash equivalents	39,641	14,096	26,701	12,878	27,728
Balance of cash and cash equivalents at end of period	750,566	554,549	750,566	554,549	465,119
Balance of dedicated deposit at end of period	3,700	34,037	3,700	34,037	34,435

(*) The change in the dedicated deposit for the period ended June 30, 2022 was reclassified due to the adoption of a new accounting policy. For details, see Note 3(b) to the Consolidated Financial Statements for 2022.

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

Energix - Renewable Energies Ltd.
Condensed Consolidated Interim Statements of Cash Flows

	For the six month period ended June 30		For the three month period ended June 30		For the year ended December 31
	2023	2022	2023	2022	2022
	NIS in thousands				
	(Unaudited)		(Unaudited)		(Audited)
Appendix - Adjustments Required to Present Cash Flows from Operating Activities					
a. Expenses (income) not involving cash flows:					
Financing expenses, net	(20,939)	9,047	(30,276)	7,571	20,636
Maintenance expenses not associated with cash flows	-	-	1,061	-	(1,478)
Revaluation of loans, deposits and marketable securities, net	6,525	30,397	(5,016)	18,986	51,451
Depreciation and amortization	80,362	47,577	44,985	26,195	105,799
Tax expenses (income) recognized in profit for the period	24,162	(29,289)	(6,393)	(25,679)	(13,441)
Share-based payment	8,907	2,560	4,100	1,107	7,280
Profit from sale of investee partnership	-	(18,098)	-	-	(18,098)
	99,017	42,194	8,461	28,180	152,149
b. Changes in asset and liability items (changes in working capital):					
Increase in trade receivables and other receivables and debit balances	(32,242)	(33,031)	90,492	(28,042)	(72,810)
Decrease (increase) in inventory of green certificates	(2,112)	(2,076)	7,590	7,728	(7,406)
Increase (decrease) in trade payables and other payables and credit balances	(2,563)	14,479	(1,197)	(9,025)	(23,156)
	(36,917)	(20,628)	96,885	(29,339)	(103,372)
Non-cash activity					
Contingent consideration in transaction with non-controlling interests	79,358	-	79,358	-	-
Investment of non-controlling interests	20,820	-	20,820	-	
Receivables from non-cash exercise of share options	-	6,352	-	2,750	5,619
Investment in electricity production facilities against supplier credit and payables	160,679	-	108,423	-	49,294
Increase of clearing and restoration provision against systems under construction	25,339	-	25,339	-	-
Increase in right-of-use asset against lease liability due to new lease agreements	84,503	38,358	24,457	-	87,166
Additional information					
Interest paid for operating activities	34,389	11,626	21,400	8,519	11,421
Interest received in respect of operating activities	9,499	913	6,461	777	7,982
Taxes paid	29,965	19,410	29,965	19,410	13,393
Interest paid in respect of properties under construction	23,739	18,782	9,528	10,925	47,744

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

Energix - Renewable Energies Ltd.
Notes to the Condensed 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 initiation, 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 produce electricity using photovoltaic technology (the "Photovoltaic Segment"), including storage capabilities** - As of the Reporting Date, the Company has activities in the Photovoltaic Segment in Israel, the United States and Poland.
(ii) **Activities to produce electricity from wind energy (the "Wind Energy Segment")** - As of the Reporting 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.

In the Company's overall activities in Israel, the United States and Poland, the total capacity of its systems amounts to a total of approximately 867MW in commercially active projects, approximately 849MWp in projects under construction and pre-construction,
and approximately 469MW in projects in advanced stages of initiation. The Company also has initiated projects in the Photovoltaic Segment and in the Wind Energy Segment with a capacity of approximately 6.3GW, and initiated projects in the Storage Segment at a scope of approximately 7GWh.

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

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

Note 2 - Basis of Preparation

A. These condensed consolidated interim financial statements have been prepared in accordance with International Accounting Standard (IAS) 34, Interim Financial Reporting, and do not include all of 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, 2022 (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 condensed consolidated interim financial statements were authorized for issue by the Company's Board of Directors on August 8, 2023.

B. The preparation of the condensed 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 an accounting policy, presentation rules and calculation methods which are identical to those which were implemented in the Company's Annual Financial Statements for 2022.

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 Reporting 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 Reporting Date), or according to the index in lieu for the last month of the Reporting Period (the index for the month of the Reporting Date), in accordance with the terms of the transaction.

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

Presented below are details 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 June 30 / for the month of June		As of December 31 / for the month of December	Change during the six month period ended June 30		Change during the three month period ended June 30		Change during the year ended December 31
	2023	2022	2022	2023	2022	2023	2022	2022
				%				
Consumer Price Index (According to base 2000)								
In Israel (index in lieu)	146.65	140.74	143.53	2.17	3.22	0.97	1.73	5.27
In Israel (known index)	146.65	140.21	143.13	2.46	3.13	1.36	1.93	5.28
Exchange rate vs. the NIS								
PLN	0.90	0.78	0.80	12.92	1.46	7.35	2.24	4.63
EUR	4.02	3.63	3.75	7.15	3.25	2.18	2.80	6.68
USD	3.70	3.48	3.52	5.14	11.84	2.35	9.55	13.15

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

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

The judgments made by management in applying the Group's accounting policies and the principal assumptions used in the estimation of uncertainty, as well as the presentation principles and the calculation methods, were the same as those which were applied in the Annual Financial Statements, except for the early adoption of the amendments to Amendments to IAS 1, Presentation of Financial Statements (regarding the classification of liabilities as current or non-current), as described below:

In 2020, an amendment was published to IAS 1 regarding the classification of liabilities as current or non-current (hereinafter: the "2020 Amendment"). The amendment clarifies that the classification of liabilities as current or non-current is based on the entity's rights which existed as of the end of the Reporting Period, and is not affected by the entity's projection regarding the realization of those rights.

The amendment removed the reference to the existence of an "unconditional right" to defer the settlement of the liability for at least 12 months after the Reporting Period, and clarified that if the foregoing right to defer settlement is conditional on the fulfillment of financial covenants, the right exists if the entity is fulfilling the covenants which were determined as of the end of the Reporting Period, even if the evaluation regarding the fulfillment of the covenants was made by the lender at a later date.

The amendment also included the addition of a definition of the term "settlement", in order to clarify that settlement can mean a transfer of cash, goods and services or equity instruments of the entity itself, to the counterparty. In this regard, it was clarified that if, in accordance with the terms of the liability, the counterparty has the option to demand settlement through the entity's equity instruments, this condition will not affect the classification of the liability as current or non-current if the option is classified as a separate equity component in accordance with IAS 32, Financial Instruments: Presentation.

The amendment only affects the classification of liabilities as current or non-current in the statement of financial position, and not the amount or timing of the recognition of those liabilities or income, and their associated expenses.

In October 2022, an additional amendment was published regarding the classification of liabilities with financial covenants (hereinafter: the "2022 Amendment"), which clarified that only financial covenants which the entity is required to fulfill at the end of the Reporting Period, or before, affect the entity's right to defer the settlement of a liability for at least 12 months after the end of the Reporting Period, even if the fulfillment thereof is effectively in practice after the end of the Reporting Period. However, financial covenants which an entity is required to fulfill on a date which is after the end of the Reporting Period, do not affect the existence of that right as of the end the Reporting Period.

The 2022 amendment also determines that if the entity's right to defer the settlement of the liability for at least 12 months after the end of the Reporting Period is subject to the condition that the entity must fulfill financial covenants within 12 months after the end of the Reporting Period, the entity is required to provide disclosure which will allow the users of the financial statements to understand the associated risk.

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

The other amendments which were published as part of the 2020 amendment remain unchanged. The adoption date of the 2020 amendment and the 2022 amendment (hereinafter, jointly: the "Amendment") was set for annual reporting periods beginning on or after January 1, 2024. The Company chose early adoption of the amendment, beginning on June 30, 2023, in order to more adequately present its engagement in a short-term and long-term non-recourse financing agreement (for additional details, see Note 7).

During the Reporting Period the Company, through a dedicated corporate structure in the United States, entered into an agreement with Santander CIB for the receipt of a short term loan for the construction period, which will be converted into a long term loan in the amount of up to USD 260 million. The construction period will be converted into a long term loan upon and subject to the completion of the construction of the projects.

Before the adoption of the amendment to IAS 1, the foregoing construction loan was presented as a current liability, in light of the fact that the Company does not have an "unconditional" right to defer its settlement for at least 12 months after the end of the Reporting Period. Following the adoption of the amendment to IAS 1, since the Company has the right to defer the settlement of the construction loan for more than 12 months after the end of the Reporting Period, and is not required to fulfill the condition of commercial operation as of June 30, 2023, the construction loan is presented as a non-current liability as of June 30, 2023, in the amount of approximately NIS 890 million.

Note 4 - Seasonality

Sunlight and wind speed in different seasons naturally have an effect on the output of the photovoltaic systems and wind farms. As regards the photovoltaic activity, in the spring and summer, in which the sunlight is stronger, the output of the photovoltaic 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 Photovoltaic Segment or in the Wind Energy Segment.

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

Note 5 - Information Regarding Operating Segments

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

The segmental results are presented after neutralizing the effects of IFRS 16 and the amendment to IAS 23 - in other words, rent payments are presented as operational rental expenses (and not as 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 six month period ended June 30, 2023							
	Photovoltaic		Wind		Total reportable segments	Unallocated expenses	Adjustments	Total consolidated
	Israel	USA	Poland	Israel (*)				
	NIS in thousands							
	(Unaudited)							
Revenues from the sale of electricity	75,560	18,325	138,856	-	232,741	2,037	-	234,778
Revenues from the production of green certificates	73	4,155	29,707	-	33,935	-	-	33,935
Other revenues, net	786	-	152,760	-	153,546	-	-	153,547
Maintenance, initiation, general and administrative expenses (**)	(18,742)	(25,144)	(30,519)	-	(74,405)	(25,791)	9,891	(90,304)
Profit (loss) before financing, taxes, depreciation and amortization	**57,677**	**(2,664)**	**290,804**	**-**	**345,817**	**(23,753)**	**9,892**	**331,956**
Depreciation and amortization	(23,932)	(14,393)	(23,436)	-	(61,761)	(1,409)	(11,024)	(74,194)
Financing expenses, net	(33,499)	(1,600)	(10,102)	-	(45,200)	(10,386)	19,072	(36,516)
Profit (loss) before taxes on income	**247**	**(18,657)**	**257,266**	**-**	**238,856**	**(35,549)**	**17,938**	**221,246**
Taxes on income	-	-	-	-	-	(54,126)	-	(54,126)
Tax income from the Tax Partner	-	33,857	-	-	33,857	-	-	33,857
Net profit (loss)	**247**	**15,200**	**257,266**	**-**	**272,713**	**(89,675)**	**17,938**	**200,977**
Assets of reportable segments and other operations - connected	923,609	953,570	1,481,296	-	3,358,475	-	74,025	3,432,500
Assets of reportable segments and other operations - under construction	502,438	1,497,836	20,883	418,921	2,440,079	34,316	40,409	2,514,804
Other amounts	131,618	542,882	474,411	21,822	1,170,733	97,981	488,842	1,757,556
Total consolidated assets	**1,557,665**	**2,994,288**	**1,976,590**	**440,743**	**6,969,287**	**132,297**	**603,276**	**7,704,860**
Liabilities of reportable segments and other operations	1,323,856	1,589,983	607,247	14,999	3,536,085	1,206,662	549,843	5,292,590
Total consolidated liabilities	**1,323,856**	**1,589,983**	**607,247**	**14,999**	**3,536,085**	**1,206,662**	**549,843**	**5,292,590**

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

(**) Including non-recurring initiation expenses of approximately NIS 3.7 million in respect of the activity in the United States, and approximately NIS 2.4 million in respect of the activity in Israel.

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

Note 5 - Data Regarding Operating Segments (Cont'd)

	For the six month period ended June 30, 2022							
	Photovoltaic		Wind		Total reportable segments	Unallocated expenses	Adjustments	Total consolidated
	Israel	USA	Poland	Israel (*)				
	NIS in thousands							
	(Unaudited)							
Revenues from the sale of electricity	63,079	18,247	87,500	-	168,826	-	-	168,826
Revenues from the production of green certificates	371	3,114	29,564	-	33,049	-	-	33,049
Other revenues, net	596	-	29	-	625	-	-	625
Maintenance, initiation, general and administrative expenses	(13,149)	(11,151)	(14,767)	-	(39,067)	(19,862)	3,372	(55,557)
Profit (loss) before financing, taxes, depreciation and amortization	**50,897**	**10,210**	**102,326**	**-**	**163,433**	**(19,862)**	**3,372**	**146,943**
Capital gains from sale of consolidated partnership	18,098	-	-	-	18,098	-	-	18,098
Depreciation and amortization	(19,071)	(10,375)	(10,293)	(72)	(39,811)	(1,011)	(6,755)	(47,577)
Financing expenses, net	(37,596)	(7,769)	(5,521)	-	(50,886)	(6,456)	12,949	(44,393)
Profit (loss) before taxes on income	**12,328**	**(7,934)**	**86,512**	**(72)**	**90,834**	**(27,329)**	**9,566**	**73,071**
Taxes on income	-	-	-	-	-	(18,318)	-	(18,318)
Tax income from the Tax Partner	-	27,490	-	-	27,490	-	-	27,490
Net profit (loss)	**12,328**	**19,556**	**86,512**	**(72)**	**118,324**	**(45,647)**	**9,566**	**82,243**
Assets of reportable segments and other operations - connected	933,431	780,827	499,885	-	2,214,143	-	333,155	2,547,298
Assets of reportable segments and other operations - under construction	237,303	636,033	734,590	225,086	1,833,012	-	63,748	1,896,760
Other amounts	448,891	91,254	360,554	22,973	923,672	122,871	-	1,046,543
Total consolidated assets	**1,619,625**	**1,508,114**	**1,595,029**	**248,059**	**4,970,827**	**122,871**	**396,903**	**5,490,601**
Liabilities of reportable segments and other operations	951,400	593,832	829,519	7,907	2,382,658	886,719	328,070	3,597,447
Total consolidated liabilities	**951,400**	**593,832**	**829,519**	**7,907**	**2,382,658**	**886,719**	**328,070**	**3,597,447**

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

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

Note 5 - Information Regarding Operating Segments (Cont'd)

	For the three month period ended June 30, 2023							
	Photovoltaic		Wind		Total reportable segments	Unallocated expenses	Adjustments	Total consolidated
	Israel	USA	Poland	Israel (*)				
	NIS in thousands							
	(Unaudited)							
Revenues from the sale of electricity	45,292	11,575	52,067	-	108,934	1,939	-	110,873
Revenues from the production of green certificates	73	2,608	12,045	-	14,726	-	-	14,726
Other income (expenses), net	116	-	-	-	116	-	-	116
Maintenance, initiation, general and administrative expenses	(11,098)	(9,220)	(16,946)	-	(37,264)	(12,028)	4,946	(44,346)
Profit (loss) before financing, taxes, depreciation and amortization	**34,383**	**4,963**	**47,166**	**-**	**86,512**	**(10,088)**	**4,947**	**81,371**
Depreciation and amortization	(15,147)	(7,668)	(12,059)	14	(34,860)	(692)	(6,675)	(42,227)
Financing expenses, net	(16,663)	955	(2,467)	-	(18,174)	(4,199)	5,626	(16,747)
Profit (loss) before taxes on income	**2,574**	**(1,750)**	**32,640**	**14**	**33,478**	**(14,980)**	**3,896**	**22,394**
Taxes on income	-	-	-	-	-	(6,507)	-	(6,507)
Tax income from the Tax Partner	-	17,244	-	-	17,244	-	-	17,244
Net profit (loss)	**2,574**	**15,494**	**32,640**	**14**	**50,722**	**(21,487)**	**3,896**	**33,131**
Assets of reportable segments and other operations	923,609	953,570	1,481,296	-	3,358,475	-	74,025	3,432,500
Assets of reportable segments and other operations - under construction	502,438	1,497,836	20,883	418,921	2,440,078	34,316	40,409	2,514,804
Other amounts	131,618	542,882	474,411	21,822	1,170,733	97,981	488,842	1,757,556
Total consolidated assets	**1,557,665**	**2,994,288**	**1,976,590**	**440,743**	**6,969,287**	**132,297**	**603,276**	**7,704,860**
Liabilities of reportable segments and other operations	1,323,856	1,589,983	607,247	14,999	3,536,085	1,206,662	549,843	5,292,590
Total consolidated liabilities	**1,323,856**	**1,589,983**	**607,247**	**14,999**	**3,536,085**	**1,206,662**	**549,843**	**5,292,590**

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

(**) Including non-recurring initiation expenses of approximately NIS 0.3 million in respect of the activity in the United States, and approximately NIS 2.4 million in respect of the activity in Israel.

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Note 5 - Data Regarding Operating Segments (Cont'd)

	For the three month period ended June 30, 2022							
	Photovoltaic		Wind		Total reportable segments	Unallocated expenses	Adjustments	Total consolidated
	Israel	USA	Poland	Israel (*)				
	NIS in thousands							
	(Unaudited)							
Revenues from the sale of electricity	39,219	11,799	46,973	-	97,991	-	-	97,991
Revenues from the production of green certificates	243	1,989	10,140	-	12,372	-	-	12,371
Other revenues, net	297	-	(1)	-	296	-	-	296
Maintenance, initiation, general and administrative expenses	(6,245)	(5,406)	(5,229)	51	(16,829)	(10,503)	(437)	(27,769)
Profit (loss) before financing, taxes, depreciation and amortization	**33,514**	**8,382**	**51,883**	**51**	**93,830**	**(10,503)**	**(438)**	**82,889**
Capital gains from sale of consolidated partnership	-	-	-	-	-	-	-	-
Depreciation and amortization	(11,799)	(5,630)	(4,472)	-	(21,901)	(604)	(3,690)	(26,195)
Financing expenses, net	(21,621)	(4,693)	(2,293)	-	(28,607)	(2,519)	7,637	(23,489)
Profit (loss) before taxes on income	**94**	**(1,941)**	**45,118**	**51**	**43,322**	**(13,626)**	**3,509**	**33,205**
Taxes on income	-	-	-	-	-	(8,633)	-	(8,634)
Tax income from the Tax Partner	-	14,196	-	-	14,196	-	-	14,196
Net profit (loss)	**94**	**12,255**	**45,118**	**51**	**57,518**	**(22,259)**	**3,509**	**38,767**
Assets of reportable segments and other operations - connected	933,431	780,827	499,885	-	2,214,143	-	333,155	2,547,298
Assets of reportable segments and other operations - under construction	237,303	636,033	734,590	225,086	1,833,012	-	63,748	1,896,760
Other amounts	448,891	91,254	360,554	22,973	923,672	122,871	-	1,046,543
Total consolidated assets	**1,619,625**	**1,508,114**	**1,595,029**	**248,059**	**4,970,827**	**122,871**	**396,903**	**5,490,601**
Liabilities of reportable segments and other operations	951,400	593,832	829,519	7,907	2,382,658	886,719	328,070	3,597,447
Total consolidated liabilities	**951,400**	**593,832**	**829,519**	**7,907**	**2,382,658**	**886,719**	**328,070**	**3,597,447**

(*) Projects under construction and in advanced stages of initiation.

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Note 5 - Information Regarding Operating Segments (Cont'd)

	Year ended December 31, 2022							
	Photovoltaic		Wind		Total reportable segments	Unallocated expenses	Adjustments	Total consolidated
	Israel	USA	Poland	Israel (*)				
	NIS in thousands							
	(Audited)							
Revenues from the sale of electricity	129,594	35,136	281,596	-	446,326	-	-	446,326
Revenues from the production of green certificates	505	6,367	49,212	-	56,084	-	-	56,084
Other revenues, net	1,888	-	23,027	-	24,915	-	-	24,915
Maintenance, initiation, general and administrative expenses	(33,313)	(26,827)	(34,419)	(146)	(94,705)	(45,318)	18,617	(121,406)
Profit (loss) before financing, taxes, depreciation and amortization	**98,674**	**14,676**	**319,416**	**(146)**	**432,620**	**(45,318)**	**18,617**	**405,919**
Capital gains from sale of consolidated partnership	18,098	-	-	-	18,098	-	-	18,098
Depreciation and amortization	(39,981)	(21,933)	(26,645)	(72)	(88,631)	(2,546)	(14,620)	(105,797)
Financing expenses, net	(68,450)	(15,554)	(21,330)	-	(105,334)	(12,395)	35,370	(82,359)
Profit (loss) before taxes on income	**8,341**	**(22,810)**	**271,441**	**(218)**	**256,754**	**(60,259)**	**39,366**	**235,861**
Taxes on income	-	-	-	-	-	(57,766)	-	(57,766)
Tax income from the Tax Partner	-	57,815	-	-	57,815	-	-	57,815
Net profit (loss)	**8,341**	**35,005**	**271,441**	**(218)**	**314,569**	**(118,025)**	**39,366**	**235,910**
Assets of reportable segments and other operations - connected	944,618	906,082	1,059,428	-	2,910,128	-	-	2,910,128
Assets of reportable segments and other operations - under construction	362,525	705,482	256,051	355,853	1,679,911	107,632	25,582	1,813,125
Other amounts	113,016	29,621	794,826	23,114	960,577	7,410	390,991	1,358,978
Total consolidated assets	**1,420,159**	**1,641,185**	**2,110,305**	**378,967**	**5,550,616**	**115,042**	**416,573**	**6,082,231**
Liabilities of reportable segments and other operations	202,174	718,977	802,899	8,064	1,732,114	2,135,287	(115,458)	3,751,943
Total consolidated liabilities	**202,174**	**718,977**	**802,899**	**8,064**	**1,732,114**	**2,135,287**	**(115,458)**	**3,751,943**

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

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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 Reporting Date, the Company has hedging transactions in the amount of approximately PLN 1,078 million. The hedges are implemented through forward transactions and cross currency swaps in the amount of approximately PLN 250 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 United States -

As of the Reporting Date, the Group has hedging transactions in the amount of USD 396 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 63 million, as specified in Note 14d(7)(a) to the Annual Consolidated Financial Statements.

(2) Financial derivatives for cash flow hedging:

(A) Hedging of electricity prices -

As of the Reporting 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 a capacity of 78MWp which are under construction, in pre-construction, and in advanced stages of initiation, vis-à-vis a leading energy company and/or another end consumer. For additional details, see Note 7c 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 a rate of 2%, in respect of 70 percent of the total amount of the loans, for periods of 5 and 7 years (after the expected date of commercial operation). For additional information, see Note 14c, Note 31b(3)(b) and Note 3c(4)(b) to the Consolidated Annual Financial Statements.

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(C) Fixed interest transactions in variable interest project loans in the United States – During the Reporting Period, the Company executed interest rate swap transactions in connection with project loans at variable interest in the United States, in which it swapped the variable SOFT interest rate with a weighted fixed interest rate of approximately 3.4%, in respect of 100% of the loan amounts, for a period of approximately 22 years (beginning from the projected date of commercial operation). For additional details, see Note 14d(2) to the Annual Consolidated Financial Statements.

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.

	As of June 30		As of December 31
	2023	2022	2022
	NIS in thousands		
	(Unaudited)		(Audited)
Financial assets at fair value			
Derivatives:			
Financial derivatives (foreign currency swap transactions) designated for hedging	966	54,877	39,798
Financial derivatives (cap option) designated as interest rate hedge	78,694	93,479	90,748
Financial derivatives (foreign currency swap transactions) designated for hedging	132	9,487	(1)
	79,792	157,843	130,545
Financial liabilities at fair value			
Derivatives:			
Financial derivatives (foreign currency swap transactions) designated for hedging	33,405	25,483	24,477
Financial derivatives (swap contract) to hedge electricity prices in the United States	118,409	189,023	196,548
Financial derivatives (foreign currency swap transactions) designated for hedging	168,721	64,220	103,522
	320,535	278,726	324,547

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

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	As of June 30
	2023
	NIS in thousands
	(Unaudited)
Instruments measured at level 3 - financial derivatives (swap contract) to hedge electricity prices in the United States	
As of December 31, 2022	(196,548)
Capital reserve from translation differences	(7,528)
Amounts carried to the statement of income during the period	942
Amounts carried to other comprehensive income during the period	84,725
As of June 30, 2023	(118,409)

Contingent consideration in respect of transaction with non-controlling interests in the United States

Description of the measured instrument	Fair value as of June 30, 2023	Valuation technique	Discount rate
	NIS in thousands		
Contingent consideration	83,421	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:

	June 30, 2023		December 31, 2022	
	Fair value	Carrying value including interest (*)	Fair value	Carrying value including interest (*)
Financial liabilities (excluding CCS)	NIS in thousands			
	(Unaudited)		(Audited)	
Marketable bonds (Series A)	507,298 (**)	562,026	539,569 (**)	599,393
Convertible bonds (Series B) - liability component	464,907 (***)	528,681	454,570 (***)	523,979
Loans from financial institutions	2,165,810	2,463,346	1,236,594	1,356,748
Total	3,138,015	3,554,053	2,230,733	2,480,120

(*) 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 Reporting Date

A. Purchase of panels for future projects of the Company with a capacity of approximately 5GWp from First Solar

After the Reporting Date, in July 2023, the Company engaged, directly and through wholly owned subsidiaries, in a series of agreements to acquire additional panels in the years 2026-2030, with a capacity of approximately 5GWp, for future projects which the Company intends to build in the photovoltaic segment in the United States. The Company has the right to increase (subject to availability) or decrease the supply of panels by an aggregate rate of up to 20%.

The cost of purchasing the panels is estimated by the Company at a total of approximately USD 1.5 billion, depending on the final capacity of the panels which will be purchased, and on the territory in which they are manufactured (inside or outside of the United States).

In accordance with the terms of the purchase transaction, following the payment of advances to secure the orders, and similarly to previous panel purchase transactions vis-à-vis First Solar, most of the consideration in respect of the purchase of the panels will be paid shortly before they are received, in accordance with the financing sources which will be used by the Company to build the future projects.

B. Projects in the Photovoltaic and Photovoltaic + Storage Segment in Israel

(1) Commercially active projects:

Winning projects in the third and fourth competitive processes (up to 137MWp): As of the Reporting Date, the Company has recognized assets in the amount of NIS 385 million in respect of these projects, which were recorded under the items for connected electricity production systems, and systems under construction and initiation.

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

A) Julis ultra-high voltage project with a capacity of approximately 87MWp: Further to Note 9b(1)(c)(1) 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.

Financing the construction of the project: Further to a term sheet which was signed during the Reporting Period with a leading financial institution to finance the construction of the project, in July 2023, an agreement to receive financing for the construction of the project in a total preliminary amount of up to NIS 255 million was received. The finance transaction has standard terms for project finance transactions, and is secured by all of the interests in the project, and by a general lien on all of the borrower's assets and interests in the project, subject to the provisions of the production license (which is expected to be received near the date of commercial operation), and of the law.

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The loan is in NIS and is linked to the consumer price index for 23 years, and will be provided on a non-recourse basis, except for a company guarantee in favor of the lenders, which will apply during the construction period in favor of the project company which is the owner of the project, instead of the EPC contractor.
The financing amount will be provided throughout the construction period, depending on the fulfillment of conditions for the withdrawal, according to the standard practice for transactions of this kind, including the provision of preliminary equity in respect of the project at a rate of at least 15% of the total construction cost during the construction period, and fulfillment of a financial ratio of 1:1.2.
The loan will be repaid in semi-annual payments, and bear interest at a rate of 2%-2.5% above the yield rates of CPI-linked government bonds with the same average lifetime.
The financing agreement stipulates coverage ratios (DSCR and LLCR) for default and distribution of under 1.05 and 1.15, respectively, and that the reserve is secured by a company guarantee.
The Company has the right to increase the leverage in the amount of up to NIS 15 million, subject to the terms of the financing agreement.
As of the Reporting Date, the Company has recognized assets in the amount of NIS 165 million in respect of this project, which was recorded under the item for systems under construction and initiation.
For additional details, see the table in Note 9a to the Annual Reports.

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B) **Winning projects in competitive process 2 for the construction of photovoltaic facilities with integrated storage capacity (approximately 111 MWp and 400 MWh):** Further to Note 9b(1)(c)2 to the Annual Financial Statements, during the Reporting Period and as of the Approval Date of the Report, these projects are in the construction stage.
Further to Note 9b(1)(a) to the Annual Reports, during the Reporting Period, and in light of the Company's decision to assign the projects it will build by virtue of that competitive process (all or some) to the market model arrangement, the Company engaged, through wholly owned corporations, in power purchase agreements with Electra Power Supergas Ltd. (the "**Provider**"). As part of the agreements, and subject to the approval of the assignment of the facilities to the market model arrangement, instead of the competitive process, the Company undertook to sell to the private provider the electricity which is expected to be produced in 5 of the projects which are being built as part of that competitive process (based on actual production), and the entire storage capacity of those projects, at electricity prices which are significantly higher than the winning tariff to which the projects were entitled under the competitive process. The agreements are in effect for 20 years after the commencement date of the provision of electricity in each of the projects, and involved the provision, by the parties' parent companies, of mutual guarantees to secure the project companies' undertakings by virtue of the power purchase agreements. In accordance with the terms of the market arrangement, the facilities can be assigned to the arrangement only after their construction has been completed, and after they have fulfilled all of the conditions and undertakings in accordance with the provisions of competitive process 2 (storage).

As of the Reporting Date, the Company has recognized assets in the amount of NIS 172 million in respect of the projects which are addressed in this competitive process, which was recorded under the item for systems under construction and initiation.

C) **Project with a capacity of approximately 30MWp, with integrated storage capacity of approximately 48MWh**: Further to Note 9b(1)(d) to the Annual Financial Statements, the Company began construction works of a photovoltaic facility with a capacity of approximately 30MWp, with integrated storage capacity of approximately 48MWh, by virtue of its win of a tender which was published by a government entity. During the Reporting Period and until the Approval Date of the Report, the Company engaged in agreements to acquire the main equipment required for the project, including the storage system.

(3) **Initiated projects**: Further to Note 15a(1)(c) to the Annual Financial Statements, the Company won a tender in respect of a land reserve as part of a tender which was published by the Israel Land Authority, regarding planning and an option to purchase lease rights for the construction of a photovoltaic facility including storage capabilities in an area of 780 dunams. Subject to the completion of the facility's development and planning (including approval of a new detailed plan, if approved), the Company intends to work on building, in the winning area, a photovoltaic facility with a capacity of approximately 70-80 MWp, including storage capabilities at a scope of 350-400 MWh. The total land cost, in respect of the entire period, is expected to amount to a total of approximately NIS 36 million, of which a total of NIS 7 million has already been paid by the Company.

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For additional details regarding the Company's activity in the Photovoltaic and Photovoltaic + Storage Segments in Israel, see Notes 9b(1), 14c and 15a(1) to the Annual Reports.

C. Projects in the Photovoltaic Segment in the United States

(1) General: Purchase of all of the minority partner's interests (42%) in the US Joint Venture - Further to that stated in Note 15a(3) to the Annual Statements, regarding the Company's activity in the United States which is performed through a joint venture with a local American partner, in which the Company held 58% (through a structure of American companies), in April 2023 the Company acquired, through its wholly owned American subsidiary, the local partner's interests in the US Joint Venture (the "**Purchase Transaction**"), such that the subsidiary holds all of the interests in the US Joint Venture. The purchase transaction was executed in consideration of: (i) a total of USD 6.75 million in cash; and (ii) an additional amount which will be paid as success fees, depending on the commercial operation of projects owned by the US Joint Venture which are currently in various stages of initiation (or in case of their sale to a third party), in an amount which is immaterial relative to the construction cost of the projects. Accordingly, during the Reporting Period the Company recognized a contingent liability in respect of success fees in the amount of approximately NIS 80 million, which was recorded as a decrease in equity, in the capital reserve for transactions with non-controlling interests.
Accordingly, after the completion of the acquisition of the partner's rights, the Company's entire activity in the United States is wholly owned by the Company 100% (except for the Tax Partner's interests, where relevant).

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(2) **Commercially active projects –**
Agreement to receive financing from Santander CIB in the amount of up to USD 70 million: Further to Note 14d(2) to the Annual Financial Statements, shortly before the Approval Date of the Report, the Company signed a back leverage financing agreement in the amount of up to USD 70 million (approximately NIS 260 million), which will be used to recover equity which the Company provided to Virginia Projects 1 and 2, with a capacity of approximately 224MWp, from Santander Corporate & Investment Banking. Out of the total loan amount, a sum of USD 65 million (approximately NIS 240 million) was provided to the Company shortly after the signing of the loan agreement.

Presented below are the main terms of the financing transaction:

Loan repayment dates	Repayment 60 months after the trade date. The long term loan, and the interest payments with respect thereto, will be repaid in semi-annual payments, according to an amortization schedule (to determine the amount of the principal payments) for a period of 15 years
Interest and hedge on the base interest rate	The loan will bear interest at a rate which reflects a margin of 1.7%-2.2% above the base interest rate (6 month SOFR); The borrower undertook a variable interest hedge throughout the entire period of the debt (up to 15 years), at a rate of at 75% to 105% of the amount of the long term loan, in accordance with the loan's amortization schedule. The base interest rate which was received from the hedge transaction, in respect of the total of USD 65 million which was withdrawn on the signing date (including fees), for the entire period of the foregoing debt, is approximately 4%. The interest rate on the long term loan, following the foregoing hedge, is in the range of 5.7%-6.2%
Financial ratio for the purpose of distributing cash flows	Minimum coverage ratio for the distribution of cash flows from the projects: DSCR of 1:1.2
Collateral	Commonly applied liens in project finance transactions, on all of the interests and holdings in the projects and in the projects' holding corporations

(3) **Projects under construction and in pre-construction:**

A. Projects under construction with a total capacity of 416 MWp –

1. **Engagement with Morgan Stanley as a tax partner** - During the Reporting Period, the Company entered into an agreement with Morgan Stanely Renewables Inc., a leading American bank, as a tax partner in respect of the projects, in which the Tax Partner will invest a total of approximately USD 250 million. The investment amount reflects a tax benefit (ITC) at a rate of 30%, which is in effect as of the trade date, and may increase in accordance with the rate of the ITC tax benefits which the projects will be entitled to receive in practice.

   The investment is expected to be provided upon the completion of the construction works ("mechanical completion"), and on the date of commercial operation ("substantial completion"), provided that all of the projects have reached projects by December 31, 2023.

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Within the framework of the agreement, and in accordance with the standard practice for transactions of this kind, the Company provided a company guarantee to secure the execution of all of the payments and undertakings of the dedicated partnership and the project companies towards the Tax Partner by virtue of the contract documents, including an undertaking to indemnify the Tax Partner for damages which it may incur, if relevant.

For additional details regarding the IRA and the updated tax benefits by virtue thereof, and regarding the structure and terms of the engagement with the Tax Partner in respect of transactions in the United States, see Note 14c to the Annual Financial Statements.

2. **Engagement in short-term and long term non-recourse financing agreement with Santander CIB**: During the Reporting Period the Company, through a dedicated corporate structure in the United States, entered into an agreement with Santander CIB, a leading international bank in the renewable energy sector, regarding the receipt of non-recourse financing.

Presented below are the main terms of the financing transaction:

Loan types and scope of financing	1. Short term loan for the construction period (which will be converted into a long term loan): at a scope of up to USD 260 million, to be converted into a long term loans upon and subject to the completion of the projects' construction; and 2. A bridging loan for the construction period at a scope of up to USD 250 million, until the Tax Partner's investment has been received
Loan repayment dates	1. **Loan for the construction period and bridging loans**: Repayment shortly after the commercial operation of the last of the projects, provided that all of the projects reach commercial operation by December 31, 2023 (out of the long term loan funds and the Tax Partner's investment, respectively); 2. **Long term loan**: Final repayment 66 months after the date of conversion of the loan for the construction period. Until the final repayment date, the long term loan, and the interest payments with respect thereto, will be repaid in semi-annual payments, according to an amortization schedule for a period of up to 22 years (whereby, after 5.5 years, the balance of the loan as of that date will be repaid).
Interest and hedge on the base interest rate	The loan for the construction period and the bridging loan will bear interest at a rate which will be within the range of 1.1%-1.8% above the base interest rate (6 month SOFR). The long term loan will bear interest at a rate which will be within the range of 2.25%-1.65% above the base interest rate (6 month SOFR). During the Reporting Period, the base interest rate was hedged in accordance with the debt's amortization schedule (up to 22 years), at a rate of 100% of the amount of the long term loan. The interest rate on the long term loan, after the foregoing hedge, is in the range of 5%-5.6%.
Financial ratio for the purpose of distributing cash flows	The minimum financial coverage ratio for the purpose of distributing cash flows from the projects is a DSCR (debt service coverage ratio) of 1:1.2.

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During the Reporting Period, the Company made withdrawals from the facility of construction and bridging loans in the amount of approximately USD 290 million.

B. Projects in pre-construction with a total capacity of 140MWp

1. **Acquisition of additional project with a capacity of 65MWp in Virginia which is in pre-construction** - During the Reporting Period, the Company engaged with the largest renewable energy company in the United States in an agreement according to which the Company acquired a project with a capacity of 65MWp in Virginia, for a total consideration of approximately USD 7.5 million. The project has received most of the permits and approvals which are required for construction.
2. **Power purchase agreements in respect of projects in pre-construction** - As part of the Company's preparations for the construction of the projects which are included in this series, during the Reporting Period the Company signed agreements regarding the sale of electricity and green certificates which will be issued in respect of electricity production (on an "as generated" basis) with one of the energy companies in Virginia, in respect of three projects with an aggregate capacity of approximately 75 MWp, for 20 years.

(4) Projects in advanced stages of initiation:

The Company has a series of wholly owned projects with a total capacity of approximately 340MWp, which are advanced stages of initiation. As part of the process of promoting the development of these projects, during the Reporting Period the Company signed agreements for the sale of electricity and green certificates which will be issued in respect of the production of electricity (on an "as generated" basis) with one of the energy companies in Virginia, in respect of a project with an aggregate capacity of approximately 25MWp, for 20 years, and also signed an agreement for the sale of electricity in respect of a project of around 25MWp, for a period of 15 years.

For additional details regarding the Company's activity in the in the Photovoltaic Segment and in the Photovoltaic + Storage Segment in Israel, see Note 9b(2) and Note 15(2)(c) to the Annual Reports.

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

Note 7 - Additional Information Regarding Events During the Reporting Period and Events Subsequent to the Reporting Date (Cont'd)

D. Projects in the Wind Energy Segment in Israel

(1) Clean Wind Energy Project (project for the construction of a wind farm in the Northern Golan Heights with a capacity of approximately 104MW):

Further to that stated in Note 9b(5) to the Annual Financial Statements, the Company holds 100% of the management interests and 80.5% of the economic interests in the Clean Wind Energy Project with a capacity of approximately 104MW in the Golan Heights. Construction works on the project have begun, after the Company engaged in agreements to acquire the main equipment for the project, and with executing contractors. In light of (i) objections of the Druze community in Israel against the project construction activity, which, according to information which was given to the Company, are mostly based on assertions which are unrelated to the project; and due to the fact that (ii) the project's massive construction works, including transporting the turbines to the site, require dedicated accompaniment and preparation by the police – the massive construction works are expected to extend beyond the original timetable which was determined for the project. Based on the information which was available to the Company as of the Approval Date of the Report, and according to the Company's assessment, except in respect of the project construction timetable, this delay is not significantly affecting the Company.

On all matters associated with the legal proceedings which are ongoing in respect of aspects of the land ties of several turbines which are part of the Clean Wind Energy Project, after the Reporting Date, the parties decided, by agreement, to accept the plaintiffs' appeal against the lower court's decision to erase most of the plaintiffs from the statement of claim. As of the approval date of the financial statements, the legal proceedings are ongoing, and are in the document discovery stage. According to the assessment of the Company's legal advisors, the claim will be dismissed. For additional information, see Note 9b(5) to the Annual Financial Statements.

As of the Reporting Date, the Company recognized an asset in the amount of approximately NIS 419 million, which is presented under the item for systems under construction and initiation, including a total of approximately NIS 11 million against contingent debts.

E. Wind Energy Segment in Poland

a. Update of power purchase agreements in respect of the Company's wind farms in Poland from July 2022

A. Further to that stated in Note 9(4)(b) to the Annual Financial Statements, and the adoption of the legislation to establish a temporarily cap on electricity prices in Poland, during the Reporting Period the Company engaged in an additional amendment to the power purchase agreements, in which:

1. The parties engaged in a financial transaction regarding the unwinding of fixed price transactions which were signed between the parties, in respect of the months February 2023 to December 2023, against the one-time payment of compensation to the Company in the amount of approximately NIS 153 million. The aforementioned compensation was recorded under the item for other revenues during the Reporting Period in Q1.

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

Note 7 - Additional Information Regarding Events During the Reporting Period and Events Subsequent to the Reporting Date (Cont'd)

2. The terms of the option which was given to the broker in July 2022 were updated, such that the exercise period given to the broker was extended until December 31, 2024, including provision of the right to unwind the fixed price transactions in respect of the years 2032-2034, in whole or in part, until March 31, 2025.

b. Presented below are fixed price transactions out of the total production capacity for the years 2023-2024, which are in effect as of the Approval Date of the Report:

Year	Fixed rate out of the wind farms' total production (*)	Average price (**)
2023	41%	280
2024	72%	670

(*) The Company's wind farms which are commercially active as of the Approval Date of the Report.
(**) Average price in PLN per 1MWh, before adjustments according to the actual production profile.
For details regarding fixed price transactions in respect of the years 2025-2034, see Section 2(2) above.

c. Presented below are fixed price transactions out of the total production capacity for the years 2025-2034, which are in effect as of the Reporting 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 10 years, in respect of the years 2025-2034, in a scope which reflects approximately 90% of the projected annual electricity production in Banie 1+2 (the "**Long Term Fixed Price Transactions**").
   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 production in 5 of the Company's wind farms in Poland.

d. Presented below is a description of fixed price transactions in respect of green certificates, relative to the projected production capacity:

Year	Fixed rate out of total production (*)	Average price (**)
2023	97%	162
2024	16%	220

(*) Expected amount of green certificates which will be issued in the Company's 2 commercially active wind farms as of the Reporting Date.
(**) Average price per certificate in PLN.

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

Note 7 - Additional Information Regarding Events During the Reporting Period and Events Subsequent to the Reporting Date (Cont'd)

e. **Commercially active projects**: Banie Stage 4, with a capacity of 56MW - Further to Note 9b(4)(d) to the Annual Financial Statements, during the Reporting Period the project met all of the requirements, and received a permanent electricity production license.
For additional information, see Note 14d(6) to the Annual Financial Statements.
As of the Reporting Date, the Company recognized assets in the amount of approximately NIS 306 million, which were recorded under the item for connected electricity production systems.

F. Photovoltaic Segment in Poland

Project in the photovoltaic segment with a capacity of 12MWp: Further to Note 9b(3) to the Annual Financial Statements, during the Reporting Period the construction works on the project concluded, and it began producing electricity which is being fed into the Polish grid, as part of the run-in and testing period. In accordance with the power purchase agreement in which the project company engaged during the Reporting Period, the electricity will be sold during the coming year to the Polish broker with which the wind farms in Poland have engaged.

As of the Reporting Date, the Company has recognized assets under construction in the amount of approximately NIS 34 million in respect of this project, which were recorded under the item for systems under construction and initiation.

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

Note 7 - Additional Information Regarding Events During the Reporting Period and Events Subsequent to the Reporting Date (Cont'd)

G. Dividend:

For details 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 2023 will amount to a total of 28 agorot per share, to be paid in 4 equal quarterly payments of 7 agorot per share, subject to a specific resolution of the Board of Directors in each quarter.

The Company's Board of Directors also resolved to affect an additional dividend distribution in respect of the results for 2022, which will be paid together with the dividend for Q1 2023, in the amount of 18 agorot.

In accordance with the above, the Company paid dividends as follows:

- In March 2023 – special dividend for 2022 and for the first quarter of 2023, in the amount of 25 agorot per share (approximately NIS 137 million)
- In June 2023 - a dividend in the second quarter of 2023 in the amount of 7 agorot per share (approximately NIS 38 million).

Additionally, on August 8, 2023, after the Reporting Date, the Company also announced a dividend distribution for the third quarter of 2023 in the amount of 7 agorot per share (approximately NIS 38 million), which will be paid in August 2023.

H. 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 banking corporations which include standard financial covenants. As of the Reporting Date and as of the Approval Date of the Report, 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 initiation,** to **adjusted EBITDA**, will not exceed 18 for a period of four consecutive quarters.

13.

(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:

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

Note 7 - Additional Information Regarding Events During the Reporting Period and Events Subsequent to the Reporting Date (Cont'd)

- **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 initiation,** 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 Reporting Date and as of the Approval Date of the Report, the Company is fulfilling the financial covenants.

It is noted 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, in a cumulative total of NIS 778 million.

I. Options granted to employees and officers

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 details regarding for details regarding from the foregoing plan which is in effect, see Note 26 to the Annual Reports.

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), 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 (hereinafter: the "**2014 Plan**").

(1) On February 26, 2023, the Company's Board of Directors approved the allocation of an annual tranche of equity compensation for 2023, and capital compensation instead of a cash bonus for 2022 by virtue of the 2014 plan for the CEO, directors, officers of the Company, and employees of the Company in Israel, Poland and the United States, as follows:

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

Note 7 - Additional Information Regarding Events During the Reporting Period and Events Subsequent to the Reporting Date (Cont'd)

	Equity compensation to employees	Equity compensation to corporate officers (*)	Equity compensation to the Company's CEO
Number of options	2,599,493	622,157	266,270
Including fully accelerated options in lieu of cash bonus	456,267	289,827	266,270
Number of recipients	97	7	1
Share price (in NIS)	10.49	10.49	10.49
Exercise price (in NIS) (**)	11.38	11.38	11.38
Fair value of option	2.83	2.83	2.97
Expected volatility	39%	39%	39%
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	4.11%	4.11%	4.07%
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, at the end of the stock exchange trading day before the date of the Board of Directors' resolution to grant the options.

The fair value is estimated using the Black and Scholes model. The total economic value of the options amounts to approximately NIS 11,226 thousand. Out of said total, an amount of approximately NIS 4,243 thousand was carried immediately to profit or loss (due to their granting in lieu of a cash bonus) in 2022, and the remaining NIS 6,983 thousand is expected to be deducted over 24 months, in a straight line.

(2) On August 8, 2023, the Company's Board of Directors approved an allocation of 91,734 non-marketable options to an employee of the Company and to an employee of the Company's subsidiary in the United States, whereby in respect of each option, the offerees will be entitled to purchase from the Company one ordinary Company share with a par value of NIS 0.01 (subject to adjustments in respect of the Company's employee). The options will be allocated in accordance with the 2014 plan, as updated from time to time, and in respect of offerees who are residents of Israel – 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 exercise price is in accordance with the terms of the 2014 plan (8% above the share price prior to the Board of Directors' approval), and will be NIS 14.407 per option. According to the B&S formula, the option's fair value is NIS 3.32.

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

Note 7 - Additional Information Regarding Events During the Reporting Period and Events Subsequent to the Reporting Date (Cont'd)

J. Credit facilities

The Company has credit facilities from financial institutions which are used for the provision of guarantees and short term loans. As of the Reporting Date, the Company has credit facilities in the amount of approximately NIS 515 million, including a total of USD 50 million (approximately NIS 185 million) from a banking corporation in the United States, which is being used to provide guarantees,

of which, a total of approximately NIS 371 million is being used for guarantees and short term loans, including a total of approximately USD 25 million (approximately NIS 94 million) in respect of guarantees from a banking corporation in the United States. During the Reporting Period, the Company increased its credit facilities by NIS 50 million. For additional details, see Note 14a to the Annual Statements.

K. Details regarding material transactions with related parties and interested parties

Management agreement with Alony Hetz: After the Reporting Date, the general meeting approved, after receiving approval from the Company's Audit Committee and Board of Directors, an update to the management agreement with Alony Hetz, such that the maximum compensation cap under the management agreement was updated to a total of NIS 10.5 million (CPI-linked), for an additional 3 year period ending June 30, 2026. The other terms of the management agreement remain unchanged. For additional details regarding the other main terms of the management agreement, see Note 25(a)(1) to the Annual Financial Statements.

Energix - Renewable Energies Ltd.

Condensed Separate Interim Financial Information
As of June 30, 2023

(Unaudited)

Deloitte.

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
<u>In accordance with Regulation 38D of the Securities Regulations (Periodic and Immediate Reports) - 1970</u>

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 June 30, 2023, and for the six and three month periods 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, August 8, 2023

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Energix - Renewable Energies Ltd.

Condensed Interim (Separate) Financial Position Data

	As of June 30		As of December 31
	2023	2022	2022
	NIS in thousands		
	(Unaudited)		(Audited)
Assets			
Current assets			
Cash and cash equivalents	69,389	222,063	95,456
Trade receivables and income receivable from customers	706	1,400	315
Receivables - investee companies	95,917	7,219	1,542
Receivables and debit balances	8,615	15,923	9,073
Total current assets	174,627	246,605	106,386
Non-current assets			
Connected electricity production systems	2,067	2,353	2,210
Systems under construction and inventory	6,742	5,990	6,326
Right-of-use asset	7,566	9,111	8,338
Fixed assets	9,886	9,312	9,965
Investment in investee companies	3,796,198	2,898,249	3,494,033
Other receivables	94,737	161,475	143,294
Total non-current assets	3,917,196	3,086,490	3,664,166
Total assets	4,091,823	3,333,095	3,770,552
Liabilities and equity			
Current liabilities			
Short term credit from financial institutions	150,920	-	-
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	4,668	5,246	4,226
Payables – investee companies	64,407	-	-
Payables and credit balances	175,057	84,439	125,876
Total current liabilities	471,329	165,962	206,379
Non-current liabilities			
Loans from investee companies	99,694	91,276	91,276
Other long term liabilities	1,500	1,500	-
Liabilities in respect of financial instruments	50,475	20,724	27,208
Bonds	483,321	557,254	520,288
Convertible bonds	528,680	519,238	523,979
Lease liability	6,714	8,240	7,491
Liability for employee severance benefits, net	772	429	772
Payables – investee companies	1,957	1,061	2,140
Deferred tax liabilities, net	36,053	75,996	62,389
Total non-current liabilities	1,209,166	1,275,718	1,235,543
Equity			
Share capital	5,478	5,208	5,478
Capital reserves	2,136,122	1,755,730	2,088,487
Retained earnings	269,728	130,477	234,665
Total equity attributable to the owners of the Company	2,411,328	1,891,415	2,328,630
Total liabilities and equity	4,091,823	3,333,095	3,770,552

August 8, 2023

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.

Condensed Interim (Separate) Comprehensive Income Data

	For the six month period ended June 30		For the three month period ended June 30		As of December 31
	2023	2022	2023	2022	2022
	NIS in thousands				
	(Unaudited)		(Unaudited)		(Audited)
Revenues					
Revenues from the sale of electricity	490	485	285	312	951
Operating and other income, net	88,363	1,870	87,514	925	4,335
	88,853	2,355	87,799	1,237	5,286
Expenses					
Maintenance of systems	2,371	5,022	976	2,879	10,448
Initiation expenses	26	186	23	99	10
Payroll and related expenses	13,691	8,852	6,003	4,773	22,937
Administrative, headquarters and other	10,231	10,373	5,553	5,674	19,889
	26,319	24,433	12,555	13,425	53,284
Profit (loss) before financing, taxes, depreciation and amortization	62,534	(22,078)	75,244	(12,188)	(47,998)
Capital gains	-	18,098	-	-	18,098
Depreciation and amortization	(2,393)	(2,028)	(1,221)	(1,055)	(4,226)
Profit (loss) before financing and taxes	60,141	(6,008)	74,023	(13,243)	(34,126)
Financing income	57,510	45,523	32,536	24,939	111,641
Financing expenses	(17,632)	(14,133)	(10,547)	(6,892)	(28,758)
Financing income, net	39,878	31,390	21,989	18,047	82,883
Profit after financing, net	100,019	25,382	96,012	4,804	48,757
Company's share in the results of associates and joint ventures	132,068	60,325	(40,416)	32,522	196,733
Profit before taxes on income	232,087	85,707	55,596	37,326	245,490
Taxes on income	(30,676)	(2,917)	(22,330)	1,603	(8,800)
Profit for the period attributable to the owners of the Company	201,411	82,790	33,266	38,929	236,690
Net earnings per share attributable to the equity holders of the Company (NIS):					
Basic	0.368	0.160	0.061	0.071	0.447
Diluted	0.367	0.157	0.060	0.071	0.435
Weighted average share capital used to compute the earnings per share (thousands of shares):					
Basic	547,853	516,784	547,823	546,293	529,476
Diluted	548,090	551,566	554,195	579,108	564,145
Other comprehensive income items that after initial recognition in comprehensive income were or will be transferred to profit or loss					
Foreign currency translation differences for foreign operation	237,024	138,040	128,117	126,287	199,561
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	(180,010)	(100,112)	(93,649)	(95,342)	(161,328)
Company's share in changes in the capital reserve from cash flow hedge	79,251	4,601	55,857	7,036	(5,893)
Profit (loss) in respect of cash flow hedge - value of time, net of tax	(3,960)	(47,964)	(3,318)	(29,074)	(50,184)
Total other comprehensive income (loss) for the year attributable to the equity holders of the Company	333,716	77,355	120,273	47,836	218,846

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

Energix - Renewable Energies Ltd.

Condensed Interim (Separate) Cash Flow Data

	For the six month period ended June 30		For the three month period ended June 30		As of December 31
	2023	2022	2023	2022	2022
	NIS in thousands				
	(Unaudited)		(Unaudited)		(Audited)
Cash flows - operating activities					
Income for the period	201,411	82,790	33,266	38,929	236,690
Expenses not involving cash flows (Appendix A)	(133,077)	(111,085)	45,482	(49,991)	(295,300)
	68,334	(28,295)	78,748	(11,062)	(58,610)
Changes in working capital (Appendix B)	(87,632)	1,999	(95,277)	(10,758)	13,163
Net cash used in operating activities	(19,298)	(26,296)	(16,529)	(21,820)	(45,447)
Cash flows - investing activities					
Investment in electricity production systems	(416)	(384)	104	(20)	(609)
Consideration from sale of consolidated partnership	-	25,360	-	-	25,360
Advance payments to suppliers of fixed assets	(2,257)	(74,102)	(2,257)	(74,102)	(74,102)
Investment in other fixed assets	(1,330)	(2,119)	(951)	(1,151)	(4,015)
Repayment (provision) of loan	-	13,730	-	13,730	13,730
Settlement of financial instruments	(116,011)	35,812	(54,283)	13,731	18,338
Investment in partnerships and investees	109,692	(306,691)	130,605	(84,315)	(652,903)
Consideration from sale of systems under construction	-	326	-	326	326
Net cash used in investing activities	(10,322)	(308,068)	73,218	(131,801)	(673,875)
Cash flows - financing activities					
Consideration from exercise of share options	167	14,202	167	5,701	29,769
Consideration from issuance of shares	-	334,595	-	-	673,745
Repayment of principal in respect of lease liability	(859)	(766)	(472)	(375)	(1,515)
Receipt of loans from investee companies	63,275	-	8,356	-	-
Transaction with non-controlling interests	-	-	4,800	-	(2,860)
Repayment of bond principal	(37,247)	(37,242)	-	-	(74,489)
Receipt of short term loans from banking corporations	200,500	-	42,500	-	-
Repayment of short term loans from banking corporations	(49,994)	-	(49,994)	-	-
Dividend paid to Company shareholders	(175,300)	(52,003)	(38,348)	(52,003)	(106,779)
Net cash from (used in) financing activities	542	258,786	(32,991)	(46,677)	517,871
Change in cash and cash equivalents	(29,078)	(75,578)	23,698	(200,298)	(201,451)
Balance of cash and cash equivalents at beginning of period	95,456	297,173	44,512	421,611	297,173
Effect of fluctuations in exchange rates on cash and cash equivalents	3,011	468	1,179	750	(266)
Balance of cash and cash equivalents at end of period	69,389	222,063	69,389	222,063	95,456

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

Energix - Renewable Energies Ltd.

Condensed Interim (Separate) Cash Flow Data

	For the six month period ended June 30		For the three month period ended June 30		As of December 31
	2023	2022	2023	2022	2022
	NIS in thousands				
	(Unaudited)		(Unaudited)		(Audited)
Appendix - Adjustments Required to Present Cash Flows from Operating Activities					
a. Income (expenses) not involving cash flows:					
Financing income, net	(40,480)	(40,167)	(20,407)	(18,025)	(100,817)
Tax income recognized in profit (loss) for the period	30,676	2,917	22,330	(1,603)	8,800
Company's share in the results of associates and joint ventures	(132,068)	(60,325)	40,416	(32,525)	(196,734)
Depreciation and amortization	2,393	2,028	1,221	1,055	4,226
Capital gains from sale of investee partnership	-	(18,098)	-	-	(18,098)
Change in provision for employee severance pay	-	-	-	-	343
Share-based payment	6,402	2,560	1,922	1,107	6,980
	(133,077)	(111,085)	45,482	(49,991)	(295,300)
b. Changes in asset and liability items (changes in working capital):					
Increase in trade receivables and other receivables and debit balances	975	(1,332)	1,216	(1,116)	(3,246)
Decrease (increase) in receivables and debit balances in respect of investee companies	(94,603)	(2,119)	(98,820)	(3,053)	1,258
Amortization of premium in respect of cap options	11,090	-	11,090	-	-
Increase (decrease) in trade payables and other payables and credit balances	(5,470)	5,450	(5,784)	(6,934)	15,151
Increase (decrease) in trade payables and other payables and credit balances of investee companies	376	-	(2,979)	345	-
	(87,632)	1,999	(29,277)	(10,758)	13,163
Non-cash activity					
Receivables from non-cash exercise of share options	-	6,352	-	2,750	4,639
Declared dividend	-	-	-	(25,972)	(7,195)
Additional information					
Interest received in respect of operating activities	(1,460)	(302)	(1,002)	(295)	(2,137)
Interest paid in respect of operating activities	5,620	3,927	(208)	3,484	7,683
Dividend received from investee companies	5,000	-	5,000	-	6,800
Interest payments in respect of lease	144	155	72	86	326

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

Energix - Renewable Energies Ltd.

Supplementary Information to the Condensed 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, 2022 (hereinafter **"Separate Annual Financial Statements"**) and in conjunction with the condensed consolidated interim financial statements as of June 30, 2023.

B. Definitions for this Condensed 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, 2022.

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

The separate financial information was drawn up in accordance with the accounting policies that are set out in Note 1b 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 Reporting Date, see Note 7 to the Consolidated Financial Statements for the period.

Deloitte.

August 8, 2023

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 August 8, 2023, regarding the Company's condensed consolidated financial information as of June 30, 2023, for the six and three month periods then ended.
2. The auditor's special report dated August 8, 2023, regarding the Company's separate interim financial information as of June 30, 2023, and for the six and three month periods 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

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