

An aerial photograph of a solar power plant. In the foreground, rows of solar panels are visible. In the center, there is a substation with various electrical equipment, including transformers and circuit breakers, enclosed in a fenced area. A large transmission tower stands to the left of the substation. In the background, more solar panels are laid out in rows on a flat, arid landscape. A small yellow building is located near the substation. The overall scene is set in a dry, hilly environment.

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Solaer Renewable Energies Ltd.  
Summarized Separate Interim  
Financial Statements

**SOLAER**  
RENEWABLE ENERGIES

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**Attention**

**The Shareholders of Solaer Renewable Energies Ltd.**

**Re: The special report of the Auditor on the separate financial statements pursuant to Regulation 9c of the Securities (Periodic and Immediate Reports) Regulations, 5730 – 1970**

We have audited the interim separate financial statements introduced pursuant to Regulation 38d of the Securities Regulations (Periodic and Immediate Reports), 5730 – 1970 of Solaer Renewable Energies Ltd. (hereinafter – "the Company") as at March 31, 2025 and 2023 and for the three-month period ending on that date. The interim separate financial statements are the responsibility of the Company's Board of Directors and Management. Our responsibility is to express an opinion on the separate financial statements based on our audit.

**The Scope of the Review**

We conducted our audit pursuant to Review Standard (Israel) 2410 of the Institute of Certified Public Accountants in Israel "Review of Financial Statements for Interim Periods that were Prepared by the Entity's Auditor." A review of financial statements for interim periods includes clarifications, primarily with personnel responsible for financial and accounting matters and of implementation of analytical review and other procedures. A review is substantially more limited in scope than an audit conducted pursuant to generally accepted audit standards in Israel and, therefore, does not enable us to attain any assurance that we were exposed to all the significant matters, which would have been identifiable in an audit. Accordingly, we do not express an opinion of an audit.

**Conclusion**

Based on our review, our attention was not drawn to anything causing us to believe that, to all material intents and purposes, the aforementioned separate interim financial statements have not been prepared pursuant to the instructions in Regulation 38d of the Securities Regulations (Periodic and Immediate Reports), 5730 – 1970.

Somekh Chaykin

CPA

May 28, 2025



## Summarized Interim Statements on the Financial Position

	As at March 31		As at December 31
	2025	2024	2024
	Unaudited		Audited
	NIS thousands		
<b><u>Current Assets</u></b>			
Cash and cash equivalents	103,463	60,375	52,853
Trade receivables	62	10	75
Other accounts receivable	2,017	6,086	2,920
Associates	1,871	4,052	1,327
Loan to a related party	7,797	-	7,652
Loans to partners	7,253	46,521	7,394
Loans to investees	38,780	41,973	36,388
Assets held for sale	48,044	-	-
	209,287	159,017	108,609
<b><u>Non-Current Assets</u></b>			
Encumbered deposit	8,756	5,305	3,750
Investment in investees	54,318	71,375	(*) 54,502
Loans to investees	336,253	222,965	295,107
Loans to partners	278,137	124,942	213,913
Electricity generating systems in construction and development	1,685	1,815	1,622
Property, plant and equipment, net	1,296	549	760
Right of use assets	2,077	2,870	2,335
Deferred taxation assets	8,091	4,410	8,130
Loan to a related party	-	7,068	-
Long-term accounts receivable	5,036	3,626	5,344
	695,649	444,925	585,463
	904,936	603,942	694,072

(\*) Reclassified.

The additional information attached to the summarized separate interim financial statements constitutes an integral part hereof.

## Summarized Interim Statements on the Financial Position

	As at March 31		As at December 31
	2025	2024	2024
	Unaudited		Audited
	NIS thousands		
<u>Current Liabilities</u>			
Current maturities of bonds	18,633	49,037	18,580
Trade payables	1,501	1,873	3,869
Other accounts payable	10,346	5,995	6,677
Current tax liabilities	7,654	-	-
Current maturities of lease liabilities	1,095	1,188	1,231
Liabilities held for sale	33,665	-	-
	72,894	58,093	30,357
<u>Non-Current Liabilities</u>			
Bonds	538,394	239,264	392,841
Employee benefit liabilities, net	213	206	210
Surplus liabilities over assets in affiliates accounted for under the equity method	36,133	23,082	47,605 (**)
Long-term lease liabilities	858	1,389	1,056
	575,598	263,941	441,712
<u>Equity</u>			
Share capital	- (*)	- (*)	- (*)
Share premium	238,786	238,317	238,786
Capital reserves	52,978	71,913	54,137
Receipts on account of options and shares	13,724	9,581	9,581
Retained loss	(49,044)	(37,903)	(80,501)
Total equity attributed to the owners of the Company	256,444	281,908	222,003
Total liabilities and equity	904,936	603,942	694,072

(\*) Represents a sum lower than NIS 1

(\*\*) Reclassified.

The additional information attached to the summarized separate interim financial statements constitutes an integral part hereof.

May 28, 2025

Confirmation  
date of the  
the financial  
statements.

Paula Vilin Segev  
Chairperson of the  
Board of Directors

Alon Segev  
CEO

Yair Eisen  
CFO

## Summarized Interim statements on Comprehensive Income (Loss)

	For the three-month period ending on March 31		For the year ending December 31
	2025	2024	2024
	Unaudited		Audited
	NIS thousands		
Revenues	24,301	2,596	31,423
Expenses			
Cost of revenues	(1,177)	(1,310)	(8,369)
Project development expenses	-	(20)	(30)
Salary and social benefits	(2,868)	(3,968)	(13,214)
Administration, head office and others	(1,829)	(2,664)	(12,076)
Profit (loss ) before taxes, financing, depreciation and amortization, loss from investees	18,427	(5,366)	(2,266)
Loss from investees	(21,669)	(7,196)	(33,438)
Loss before taxes, financing, depreciation and amortization	(3,242)	(12,562)	(35,704)
Depreciation and amortization	(295)	(362)	(1,530)
Loss before taxes and financing	(3,537)	(12,924)	(37,234)
Finance expenses	(6,282)	(5,885)	(71,331)
Finance income	50,090	11,022	52,831
Finance income, net	43,808	5,137	(18,500)
Pre taxes on income earnings (loss)	40,271	(7,787)	(55,734)
Taxes on income revenue (expenses)	(9,216)	(258)	3,303
Earnings (loss) for the period	31,055	(8,045)	(52,431)
Other comprehensive income			
Adjustments deriving from translating the financial statements of external operations of Investees	(744)	(423)	755
Net change in the fair value of financial instruments used for hedging cash flows	(69)	774	214
<u>Sums that will not be reclassified later to profit or loss (net of tax)</u>			
Earnings from re-measuring defined benefit programs	-	-	4
The share in comprehensive income of investees	33	-	(16,358)
Other total comprehensive income (loss) for the period	(780)	351	(15,385)
Comprehensive income (loss) for the period, net of tax	30,275	(7,694)	(67,816)

The additional information attached to the summarized separate interim financial statements constitutes an integral part hereof.

**Additional Information to the Summarized Interim Separate Financial Statements**

	For the three-month period ending on		For the year ending
	March 31		December 31
	2025	2024	2024
	Unaudited		Audited
	NIS thousands		
<u>Cash flows for regular operations</u>			
Earnings (loss) for the period	31,055	(8,045)	(52,431)
<u>Revenue and expenses that are not involved in the cash flow</u>			
Depreciation and amortization	295	362	1,530
Taxes on income expenses (revenues)	9,216	258	(3,303)
Finance income, net	(43,808)	(5,137)	18,500
Share in the losses (earnings) of investees	21,669	7,196	33,438
Share-based transactions payment	23	148	365
	(12,605)	2,827	50,530
<u>Changes in the assets and liabilities entries</u>			
Decrease (increase) in trade receivables	13	-	(65)
Decrease (increase) in other accounts receivable	919	(311)	3,839
Increase in the balances of associates, net	(24,639)	(6,345)	(16,835)
Increase (decrease) in trade payables	(2,367)	475	361
Increase (decrease) in other accounts payable	(2,836)	399	1,917
	(28,910)	(5,782)	(10,783)
Cash paid and received during the year for:			
Interest paid	(5)	(51)	(6,365)
Taxes paid	-	(109)	(1,120)
Interest received	544	589	7,441
	539	429	(44)
Net cash used for regular operations	(9,921)	(10,571)	(12,728)

The additional information attached to the summarized separate interim financial statements constitutes an integral part hereof.

**Additional Information to the Summarized Interim Separate Financial Statements**

	For the three-month period ending on		For the year ending
	March 31		December 31
	2025	2024	2024
	Unaudited		Audited
	NIS thousands		
<u>Cash flows from investment operations:</u>			
Acquisition of property, plant and equipment	(561)	(157)	(497)
Loan extended to investee companies	(40,225)	(3,566)	(73,986)
Extending loans to partners	(40,681)	(3,816)	(68,103)
Retirement of loans from investees	-	-	17,464
Retirement of loans from partners	-	-	18,241
Investment in electricity generation systems in construction and development	(63)	(500)	(294)
Deposit to encumbered deposits	(5,000)	-	1,802
Net cash used for investment operations	(86,530)	(8,039)	(105,373)
<u>Cash flows from (to) financing operations:</u>			
Share issue (less the issue expenses)	4,131	-	-
Month issue (less the issue expenses)	144,571	-	111,822
Payment of a leasing liability reserve	(334)	(315)	(1,084)
Payment of a bonds reserve	-	-	(18,579)
Payment for settling derivative financial instruments	-	-	(1,133)
Net cash deriving from (used for) financing operations	148,368	(315)	91,026
<u>Impact of exchange rate fluctuations on cash and cash equivalent balances</u>			
Impact of exchange rate fluctuations on cash and cash equivalent balances	(1,307)	402	1,030
<u>Increase (decrease) in cash and cash equivalents</u>	50,610	(18,523)	(26,045)
<u>Cash and cash equivalents balance at the beginning of the period.</u>	52,853	78,898	78,898
<u>Cash and cash equivalents balance at the end of the period.</u>	103,463	60,375	52,853

(a) Non-monetary material operations			
Increase in a right of use asset against leasing liabilities as a result of new leasing agreements	-	-	1,499

The additional information attached to the summarized separate interim financial statements constitutes an integral part hereof.



**Additional Information to the Summarized Interim Separate Financial Statements**

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**Note 1 - General**

Solaer Renewable Energies Ltd. (hereinafter: "the Company") was established and incorporated in Israel on June 26, 2019 (hereinafter: "the establishment date"), as a private limited liability company, pursuant to the Companies Law, 5759 – 1999,

From the Company's establishment date until the date of the initial public issue, on February 2, 2021, the Company had not had any activity. On the issue date, the operations from a sister company and holding of entities dealing in the promotion, development, planning, licensing, management of financing procedures, construction, management, activation and maintenance of electricity producing systems from renewable energy sources, were transferred to the ownership of the Company pursuant to Section 105 of the Income Tax Ordinance.

The Company, including through the corporations held by it directly and indirectly (hereinafter jointly: "The Group") deals in promoting, developing, planning, licensing, managing financing procedures, constructing, managing, activating and maintaining electricity producing systems from renewable energy sources in Israel, Spain, Italy and Poland. The Company is examining opportunities and collaboration in additional countries globally.

Following are the financial data from the Group's Summarized Interim Consolidated Financial Statements as at March 31, 2025 (hereinafter – "the Summarized Interim Consolidated Financial Statements"), which are published in the framework of the periodic reports, attributed to the Company itself (hereinafter – "summarized interim separate financial statements"), which are presented pursuant to Regulation 38d (hereinafter – "the Regulation") and the Tenth Addendum to the Securities Regulations (Periodic and Immediate Reports), 5730 – 1970 (hereinafter – "the Tenth Addendum"), regarding the Corporation's separate financial statements.

These summarized interim separate financial statements should be read together with the separate financial statements as at December 31, 2024 and together with the consolidated reports

In these separate financial statements –

- (1) The Company - Solaer Renewable Energies Ltd.
- (2) Consolidated Companies/Subsidiaries- Companies, including the partnerships the financial statements of which are fully consolidated whether directly or indirectly in the Company's financial statements
- (3) Affiliates - Consolidated companies and companies, including partnerships or joint ventures, in which the Company's investment is included, whether directly or indirectly in the financial statements on the basis of the equity value.

**Note 2 – The Principles of the Accounting Policy Applied in the Summarized Separate Interim Financial Statements**

The accounting policy in these summarized separate interim financial statements are in accordance with the accounting policy rules detailed in the separate financial statements as at December 31, 2024

**Additional Information to the Summarized Interim Separate Financial Statements**

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**Note 3- Initial Implementation of the New Standards, Amendments to the Standards and Interpretations**

See Note 3a of the summarized consolidated interim financial statements as at March 31, 2025 for an expansion.

**Note 4 – Material Events During and After the Reporting Period**

See Note 4 of the Summarized Consolidated Interim Financial Statements as at March 31, 2025 for additional information regarding events in and after the reporting period..

**Note 5 - Transactions with Stakeholders and Related Parties in the Report Period:**

Further to Note 6 to the summarized interim consolidated financial statements as at March 31, 2025, during the report period, an agreement was signed between the Company, the Partner and S.A. Trends Industrial ("Trends"), pursuant to which, Trends, which has rights in the "ENAPAC" Project being developed in Chile and, which is held by the Company in concatenation at a rate of 51%, was debited with management and development fees by Agua-Sol Development S.L. ("Agua-Sol").

Pursuant to the agreement terms, Agua-Sol is entitled to a success fee of NIS 29.7 million, pursuant to the parties' agreements. 77.59% of the success fee is attributed to the Company and 22.41% is attributed to the Partner. Eligibility for the success fee in the project in Chile is exercisable after the accumulated existence of three principal conditions as detailed below: (a) Receipt of an Environmental Control Report (RCA), which confirms evaluation of the environmental effect of the project; (b) Receipt of authorization for connecting to the national electricity grid from the relevant regulator; and (c) Submitting a work commencement declaration relating to the projects to the relevant authorities in Chile. During the report period, authorization for connecting to the electricity grid was received, which, on its receipt all the aforementioned conditions precedent were met. As a result, the Company recognized revenues from success fees of NIS 23 million.