



SRE

SOLAER RENEWABLE ENERGIES  
2023 Investor Presentation

The current presentation was prepared by Solaer Renewable Energies Ltd. (the Company or Solaer) as a generalized presentation of the company and its held companies (the Group). This presentation does not constitute an offer to purchase or sell the company's securities nor solicitation of proposals to that effect.

The information included in the presentation (the Information) is provided for convenience only and does not provide a basis for investment decisions, a recommendation or an opinion, and is not a substitute for the investor's own discretion. The presentation does not purport to encompass or contain all the information that may be relevant for making any decision regarding an investment in the company's securities. It does not encompass the entire scope of data regarding the Group and its activities, does not replace the need to evaluate the company's public reports and announcements, particularly the Company's Prospectus published on February 1, 2021 (dated February 2, 2021) and the Company's 2023 Annual Report. For a comprehensive view of the Company's activities and the risks it faces, one should read the Company's prospectus, its periodic reports, and on-going reports, which are published on the Tel Aviv Stock Exchange website.

Any mention of the Company refers to the Company and companies held by it, directly or indirectly. Furthermore, unless explicitly stated otherwise, the data presented for projects in the presentation reflect 100% project holdings and do not represent the company's share. It should be noted that the current presentation contains information considered forward looking statements as defined in the Israeli Securities Law of 1968, based to a great degree on the expectations and the assessment of the Company regarding economic and industry developments, and the execution of the Company's plans on their estimated dates, and their reliance on each other. Such information is found in the following places in the presentation: Executive Summary (Slide 3), Key Activities up to the Report Date (Slide 4); Market Analysis and decline in construction costs (Slides 5-6); Strategy (Slide 7); Company Activities and pipeline in Israel and abroad including expected construction costs, remaining equity requirement, expected leverage, expected EPC profit, forecasted revenue, EBITDA and FFO (Slides 8-10); Market Risk Management and Goals for 2023 (Slides 16-17).

Said information comprises forward looking statements as defined in the Israeli Securities Law, and the company's assessments provided herein were made diligently based on past experience and professional knowledge accrued within the Company. While the Company believes that its assessments are reasonable, they are uncertain by nature and are based to some extent on subjective assessment only. The information may not materialize, fully or partially, or materialize in a different manner than that predicted by the Company, both in relation to the Company's assessments regarding the macro factors and relation to the rest of the data provided, due to many factors, most of which are out of the Company's control, for example: difficulty obtaining the necessary financing to develop the Company's activities or an increase in financing expenses; failure to receive the necessary approvals to construct the systems, either on the date estimated or at all; difficulties and setbacks in constructed various types of systems; changes in applicable laws; difficulty finding partners or collaboration with international professional organizations; difficulty in locating rooftops or land to construct systems; difficulty in engaging various stakeholders required to execute the Company's plans and goals; failure by the government to publish competitive tenders for systems; changes in revenue schemes; operational issues in projects; missed assessments by the Company regarding the expected cost of maintaining and operating systems and of their expected output; changes in climate conditions; failure of land owners or clients to meet their obligations to the Company's; adverse changes in macro-economic conditions; adverse changes in electricity rates currently estimated by the company; changes in the consumption of electricity from systems installed by the Company, changes in foreign exchange rates, available grid capacity, continuation of the COVID-19 crisis and limitations that may be applied as a result. As such, the readers of this presentation are here warned that the results and achievements of the Company in the future may be significantly different than those portrayed in the forward-looking statements presented in this presentation.

Notes (1) to (4) in the presentation refer to the following:

- (1) It is hereby clarified that in relation to the projects referred to herein, the Company, is evaluating said projects and there is no certainty that said projects will be realized. Said projects include Enapac PV, Calbuco Wind, Poland 2, and 5 projects in Sardinia totaling around 1,620 MW with estimated construction cost of around NIS 4,287, annual revenue of around NIS 586 million, annual EBITDA of NIS 462 million, and annual FFO of NIS 258 million.
- (2) In relation to the Storage component of projects in Spain, the Company has not yet obtained the required permits for said storage, and the binding legislation in relation to storage has not yet been finalized.
- (3) For additional information in relation to the sale of the Gravinia de Puglia project, please refer to Company's immediate report on September 28, 2023 (Ref: 2023-01-110802, in Hebrew)
- (4) For the removal of doubt, the Company has signed a binding agreement in relation to projects in Spain totaling around 300 MW. For additional information in relation to agreements with the European Investment Fund, please refer to Company's immediate report from January 5, 2023 (Ref 2023-01-002880, in Hebrew).

Furthermore, the Company's forecasts and assessments presented in this presentation are based on the data and information known to the Company at the time of its publishing, and the Company is not obliged to update or change any forecast or assessment to reflect the events that occur following the publishing of this presentation. הפניות (1) עד (4) המופיעות במצגת.

1

### PPA Agreements

Around 450 MW in Spain  
Around 178 MW in Chile in negotiations

2

### Added Significant Storage

Around 780 Mwh of storage approved for construction in Chile, in the process of adding hundreds of Mwh in Spain <sup>(2)</sup>

3

### Construction Momentum in Spain and Chile

Through EPC owned by the Company generating cashflow as contractor

4

### Strengthened Capital Structure

Around NIS 80 million raised in 2023 from leading institutions

5

### ENAPAC Project Progress

Achieved key permits for construction of the project and engaged with leading global investment for capital and debt fundraising

6

### Realized development premium on Projects

Binding agreement to sell a 140 MW project in Italy at significant premium, in negotiations to sell additional projects in Spain and Italy <sup>(4)(3)</sup>

7

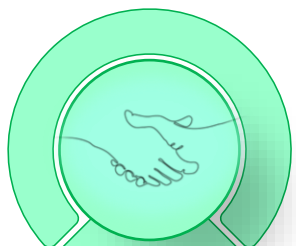
### Upgrading Rooftop Portfolio

Company is installing technological upgrades for operational improvement and to increase cashflow from systems with capacity totaling around 71MW

8

### Improved Financial Performance

Increase in Operating profit (excluding depreciation and amortization) of around 400% compared to 2022



### Complete Project sales

Finalize the sale of Gravinia de Puglia in Italy and conclude the transaction with the European investment fund in Spain<sup>(4)(3)</sup>



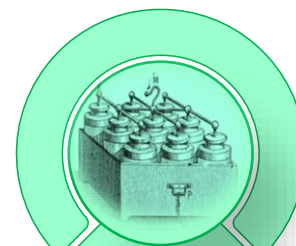
### Execute PPAs

Sign agreements with rated buyers for sale of energy in Chile



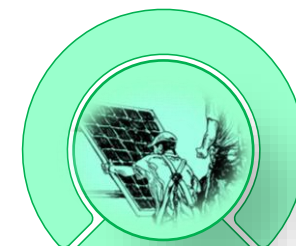
### Achieve Ready-to-Build in ENAPAC

First phase of the Project has received the required permits. Phase B is expected to receive them in the 2<sup>nd</sup> half of 2024



### Integrate Storage in Spain

Completion of permitting and planning for adding storage systems in select projects in Spain <sup>(2)</sup>

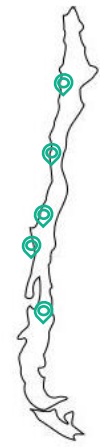


### Accelerate Construction and Connections

Accelerate construction of around 700 MWs, along with the sale of additional projects totaling around 300 MW

Slide contains forward looking statements

### Chile



Generation: 334 MW<sup>(1)</sup>  
Storage :1,180 MWh

### Poland



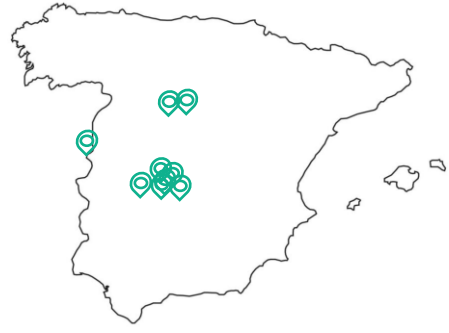
Generation: 203MW<sup>(1)</sup>

### Italy



Generation: 1,757MW<sup>(1)(3)</sup>

### Spain



Generation: 1,383 MW<sup>(1)</sup>  
Storage: 2,226 Mwh <sup>(2)</sup>

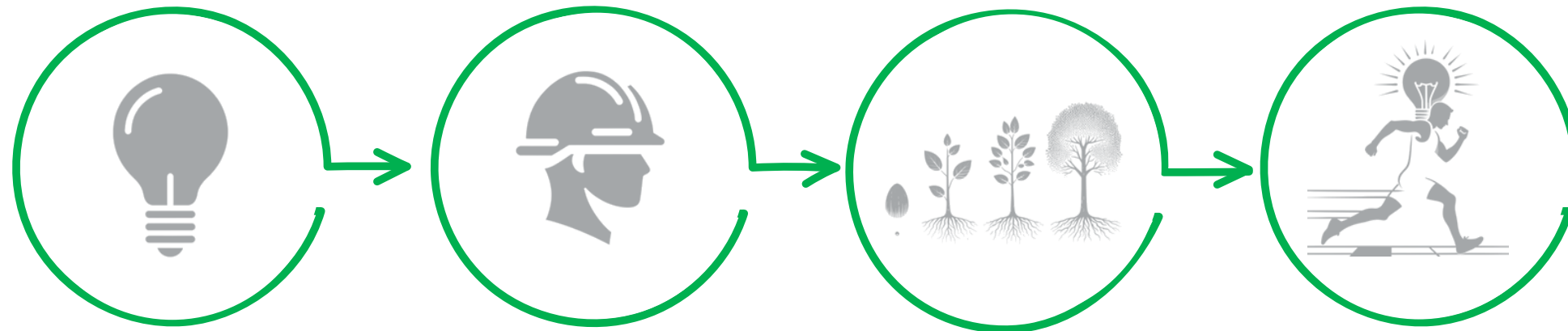
### Israel



Generation : 329 MW  
Storage :110 MWh



SOLAER RENEWABLE ENERGIES



### Development Profit

Around 60-70 Million Euros expected from sale of Gravinia de Puglia and investment by European investment fund in Spain projects<sup>(4)(3)</sup>

### Contractor Profit

Around 130 Million Euros contractor profit expected by 2027 (Company's share)

### PPA Agreements

Around for 400 Million Euros expected from signed PPAs over 15 year duration of contracted energy sale

### Grid Services

Capacity payments and additional grid payments from storage facilities



## Israel

Around 110 MWh

Planned, additional storage being evaluated for Rooftop Storage

---

## Spain

Around 2,200 Mwh

Planned (2)



---

## Chile

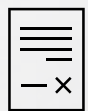
Around 780 Mwh approved for construction

Around 400 MWh planned



- ✓ Phase 1: Construction surge to complete a target of 700 MW connected in Spain by the end of 2025
- ✓ Phase 2: Begin construction of remaining pipeline in Spain during the first half of 2025
- ✓ Financial feasibility for adding storage systems  
Major price differences between day and night  
Enables sale of grid services, such as a balancing  
Capacity availability ipayments in 2025
- ✓ Spanish authorities given an extension for granting approvals and project connections  
As a result of heavy load on planning authorities
- ✓ Transition Targets for Renewable Energies  
74% of electricity production by 2030  
(around 50% in 2023)
- ✓ Long-term price decline in daytime prices  
Production to be moved to evening hours using  
storage systems in all projects to be  
implemented in two phases





Signed PPA for 400 MW  
10-15 years



Location  
Spain 7 Locations



Technology  
Bi-facial + Trackers



Status  
Construction or Preconstruction



Projected Construction Cost  
Approx. €550 million



Power and storage capacity  
Approx. 650 MW + 800 MWh storage<sup>(2)</sup>



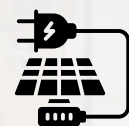
Projected annual revenue  
Approx. €85 million



Annual Production  
2,000 Kwh/Kwp



Projected annual EBITDA  
Approx. €72 million



Grid connection distance  
Project dependent

## One of the five most attractive markets for renewable energies according to Bloomberg

- ✓ Some of the world's highest production potential for solar and wind
- ✓ A (S&P) Credit Rating and Aggressive Emissions Targets
- ✓ Burden on transmission infrastructure from north (production) to center (consumers)
- ✓ Regulation strongly supports storage – high-capacity payments and upcoming tender
- ✓ High gaps in energy prices between day and night (arbitrage option)
- ✓ Significant private PPA market, with a clear trend towards agreements including storage and sale of energy to companies with high credit ratings



Chile's Long and Narrow  
Transmission Network

# Energy Project Status

- ✓ 136 MW ready for construction plus 780 MWh storage
- ✓ Significant development profit expected prior to construction
- ✓ Operations through a subsidiary managed by a local professional team
- ✓ Projects with double-digit equity returns
- ✓ Advanced PPA negotiations with graded entities

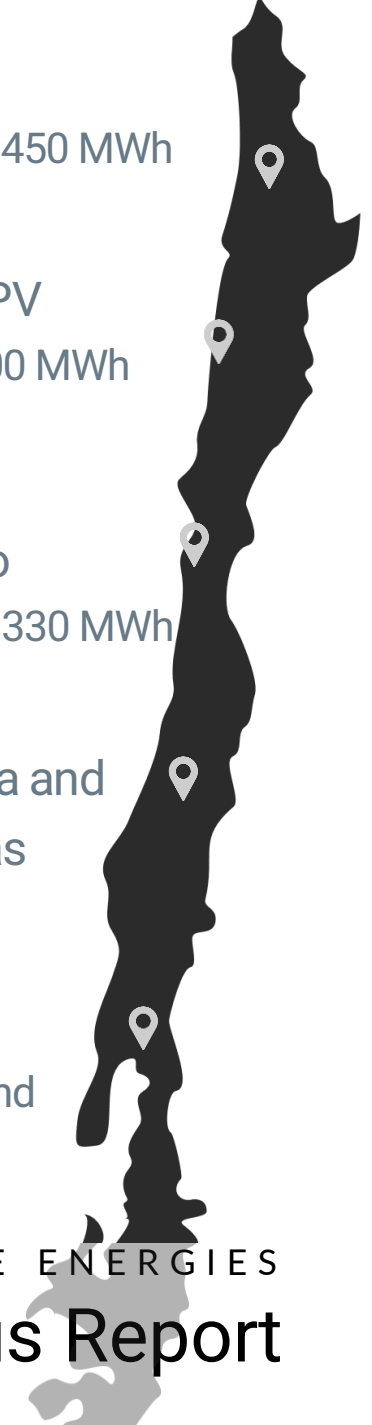
Qanqiña  
84 MW PV, 450 MWh  
Storage

ENAPAC PV  
150 MW, 400 MWh  
Storage

Cachiyuyo  
46 MW PV, 330 MWh  
Storage

Esmaralda and  
Hortencias  
6 MW PV

Calbuco  
48 MW Wind  
Project

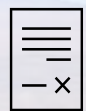


Slide contains forward looking statements



SOLAER RENEWABLE ENERGIES

## Chile - Status Report



PPA (negotiations)

**10-15 years**



Technology

**Bi-facial + Trackers**



Projected construction cost

**Approx. \$145 million**



Projected annual revenue

**Approx. \$21 million**



Projected annual EBITDA

**Approx. \$19 million**



Location

**Tarapaca, Chile**



Status

**Ready to build**



Power and storage capacity

**84 MWp + 450 MWh**



Annual Production

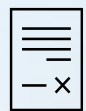
**2,700 Kwh/Kwp**



Grid connection distance

**Approx. 1 km**

# Qanqiña Project



PPA (negotiations)

**10-15 years**



Technology

**Bi-facial + Trackers**



Projected construction cost

**Approx. \$95 million**



Projected annual revenue

**Approx. \$11.6 million**



Projected annual EBITDA

**Approx. \$10.5 million**



Location

**Vallenar, Chile**



Status

**Ready to build**



Power and storage capacity

**46 MWp + 330 MWh**



Annual Production

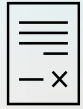
**2,500 Kwh/Kwp**



Grid connection distance

**Approx. 1 km**

# Cachiyuyo Project



PPA (negotiations)

**10-15 years**



Technology

**8 x 6MW Turbines**



Projected construction cost

**Approx. \$58 million**



Projected annual revenue

**Approx. \$11 million**



Projected annual EBITDA

**Approx. \$10 million**



Location

**Los Lagos, Chile**



Status

**Ready to build in H2**



Power and storage capacity

**48 MW**



Annual Production

**2,900 Kwh/Kw**



Grid connection distance

**Approx. 1 km**

# Calbuco Project

Slide contains forward looking statements



SRE

SOLAER RENEWABLE ENERGIES



Projected Construction Cost  
Approx. \$1.5 billion



Status  
Ready to build in Q4



Projected revenue (first year)  
Approx. \$227 million



Water volume and solar power  
1,750 l/s  
150 MW



EBITDA (1st year)  
Approx. \$171 million



WPA (MOUs)  
Negotiations with 11 mines  
for contracts 15-20 years

## Status

- Agreement with global investment bank to raise the debt and capital
- All substantive approvals for the first phase were received
- Expected environmental approval for the second phase later this year
- Teaming agreement with global EPC company for project construction

## ENAPAC Project



## Supportive energy and environmental policies

- Regulation of energy storage, opening various grid services to storage facilities, potential for new sources of income
- The closure of coal-fired plants creates opportunities for the construction of renewable energy projects

## Bottlenecks in permitting and grid connections

- High congestion among planning and energy authorities, especially in Spain and Italy, leading to delays in obtaining permits
- Spain – Deadline for connection extended from 5 to 8 years
- Lack of capacity in the electric grid – greater power loading on small network connections, focusing on storing and selling electricity in the evening, as a possible solution

## Gaps in electricity prices between day and night

- A downward trend in daytime electricity prices in the long term
- Opportunity to increase revenue through batteries, arbitrage, availability fees, balance fees, etc.

## Input prices are declining

- Battery prices are at historic lows, below \$200 per kWh  
Panel prices range from about 11 to 14 cents per watt
- Delivery dates shortened in view of increased global production capacity
- Inverters and transformers continue to be sought-after products with long lead times

Slide contains forward looking statements

Status	Country	Projected Connection	Project Name	Power (MW)	Storage Capacity (MWh)	Solaer's share	Estimated leverage %	Projected construction costs	Equity invested	Balance of equity for investment (Company Share)	Expected Contractor Profit (Company Share)	Revenue	EBITDA	FFO	
															NIS Millions
Connected	Spain	Connected	Alizarsun	50	-	71.3%	-	-	-	-	-	16	12	8	
	Israel		Rooftop Portfolio	71	-	93.0%	-	-	-	-	-	33	22	19	
In Construction / Preconstruction	Spain	2024	Alizarsun 1b	6	-	47.4%	85%	7	-	1	1	3	3	2	
			Fargue(1)	25	-	11.9%	70%	60	-	2	3	12	10	8	
			Cacin	25	-	11.9%	70%	60	3	-	3	12	10	8	
			Ashdot Yaakov	8	10	100.0%	85%	29	1	3	3	5	4	3	
			Esmeralda + Hortencias	6	-	47.4%	85%	15	5	-	1	2	1	1	
			Poland	Poland 1a	3	-	70.0%	0%	6	2	4	-	1	1	1
			Chile	2025	Calasparra&Villena	49	-	47.4%	85%	118	31	-	6	22	19
	Mequinenza	125			-	47.4%	85%	302	35	5	15	56	47	33	
	Elche 1	20			-	51.0%	85%	48	-	4	2	9	8	5	
	(2)Alfonso El Sabio 1	200			400	47.4%	70%	800	55	88	32	113	96	68	
	(2)Alfonso El Sabio 2	200			400	47.4%	70%	800	48	91	32	113	97	69	
	Cachiyuyo	46			330	47.4%	85%	347	20	15	11	42	38	20	
	Qanqina	84			450	47.4%	85%	523	21	27	17	76	69	42	
	Italy		Calbuco Wind(1)	48	-	47.4%	85%	209	2	14	5	40	37	26	
Gravinia de Puglia(3)(1)			140	-	47.4%	85%	360	13	19	17	53	47	30		
Total				1,106	1,590	50.3%	71%	3,684	236	273	148	608	521	356	

**SRE**

SOLAER RENEWABLE ENERGIES

Slide contains forward looking statements

Status	Country	Projected Connection	Project Name	Power (MW)	Storage Capacity (MWh)	Solaer's share	Estimated leverage %	Projected construction costs	Equity invested	Balance of equity for investment( Company Share)	Expected Contractor Profit (Company Share)	Revenue	EBITDA	FFO
Advanced Development	Italy	2025	Ferrandina	70	-	47.4%	85%	180	8	9	8	29	23	15
			Genzano Energia	99	-	47.4%	85%	255	22	7	12	41	32	20
	Spain	2026	Toledo	133	266	47.4%	85%	553	19	30	21	73	61	35
			(2)Alfonso El Sabio 3	200	400	47.4%	70%	832	56	92	32	118	101	72
			Alizarsun 2	50	100	47.4%	85%	200	-	14	8	28	24	15
	Italy		Matera Energia	151	-	47.4%	85%	364	20	16	18	65	53	36
Early Development	Spain	2026	(2)Elche 2+3	130	260	51.0%	85%	541	-	41	21	73	63	37
			(2)Elche 4+5	100	200	51.0%	85%	400	-	31	16	56	48	29
			(2)Elche 6	100	200	51.0%	85%	400	-	31	16	56	48	29
	Italy		(1)Sardinia	1,297	-	47.4%	85%	3,133	-	223	154	398	297	151
	Poland		Poland 1	100	-	70.0%	85%	242	-	25	12	35	27	16
			(1)Poland 2	100	-	70.0%	85%	242	-	25	12	35	27	16
	Chile		(1)ENAPAC PV	150	400	51.0%	85%	643	10	44	24	101	91	57
	Israel	2027	Ayit	250	100	81.0%	85%	750	3	89	32	165	156	118
Total				2,930	1,929	52%	84%	8,735	135	677	386	1,273	1,051	646

**SRE**

SOLAER RENEWABLE ENERGIES

## Overview of consolidated total profit or loss

Thousands of NIS	2023	2022	2021
<b>Revenue</b>	<b>47,670</b>	<b>38,694</b>	<b>15,733</b>
System Maintenance and Assoc. costs	(10,604)	(11,352)	(7,697)
Project development expenses	(1,782)	(1,895)	(3,548)
Payroll and related	(10,123)	(8,079)	(8,769)
General and Administrative expenses	(12,691)	(14,880)	(11,146)
<b>Profit (loss) before taxes, financing, depreciation, amortization and profits of held companies</b>	<b>12,470</b>	<b>2,488</b>	<b>(15,427)</b>
Company's share of the profits of a held company using the equity value method	102	71	-
<b>Profit (loss) before taxes, financing, depreciation and amortization</b>	<b>12,572</b>	<b>2,559</b>	<b>(15,427)</b>
Depreciation, amortization and impairment of systems	(24,027)	(21,549)	(5,941)
<b>Loss before taxes and financing</b>	<b>(11,455)</b>	<b>(18,990)</b>	<b>(21,368)</b>
Financing expenses, net	(22,063)	(23,151)	(15,040)
Income Tax Revenue (Expense) on income	4,280	(916)	4,755
<b>Loss for year</b>	<b>(29,238)</b>	<b>(43,057)</b>	<b>(31,653)</b>
<b>Total other profit per year</b>	<b>26,339</b>	<b>24,521</b>	<b>4,932</b>
<b>Total Loss, after tax</b>	<b>(2,899)</b>	<b>(18,536)</b>	<b>(26,721)</b>

## Overview of Consolidated Financial Position

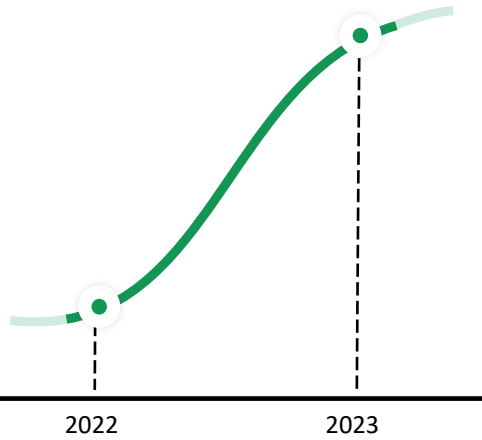
Thousands of NIS	31.12.2023	31.12.2022
Cash and cash equivalents	152,578	69,616
Other current assets	118,274	67,801
Non-current assets	1,002,842	896,916
<b>Total Assets</b>	<b>1,273,694</b>	<b>1,034,333</b>
Accounts Payable and Creditors	23,134	18,032
Credit + Current Maturities of Bonds	63,522	47,921
Bonds	238,072	225,200
Lease Commitments	133,074	125,299
Liabilities to Banking Corporations and Other Service Providers	489,399	379,059
Other liabilities	880	882
Deferred tax obligations	53,194	44,123
<b>Total Liabilities</b>	<b>1,011,344</b>	<b>849,535</b>
<b>Total Equity</b>	<b>262,350</b>	<b>184,798</b>

## Increase in Revenue

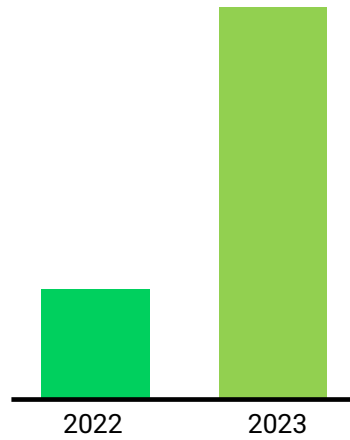
## Increase in operating profit (Excluding depreciation and amortization)

## Increase in Equity

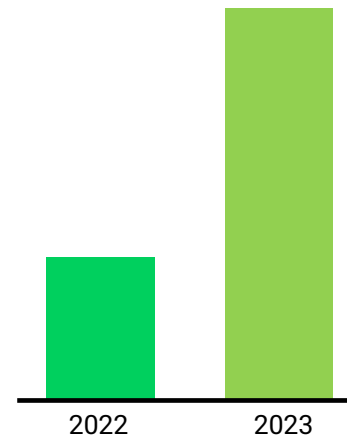
## Increase in Working Capital



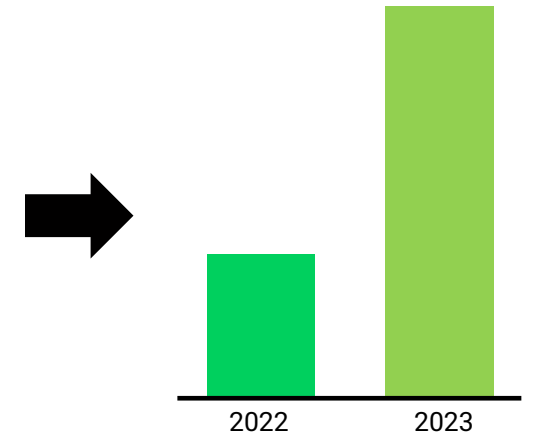
+23%



+401%



+42%



+179%



SRE

SOLAER RENEWABLE ENERGIES

Thank you for Reading