



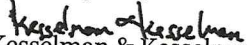
March 11, 2021

Sunflower Sustainable Investments Ltd
Givatayim, ISRAEL

**Re: Sunflower Sustainable Investments Ltd. Financial statements as of
December 31, 2020**

As the auditors of the company and at your request, we confirm that the translated consolidated Statement of financial position as of December 31, 2020 and the consolidated statements of comprehensive income, changes in equity and cash flows for the year ended on that date (hereinafter – the financial statements), attached herewith and stamped by us for identification purposes, are identical to the financial statements as of December 31, 2020 that were approved and signed by the company on March 11, 2021 and published to the public.

Kind Regards,


Kesselman & Kesselman
Certified Public Accountants (Isr.)
PwC Israel

SUNFLOWER SUSTAINABLE INVESTMENTS LTD.

CONSOLIDATED FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2020

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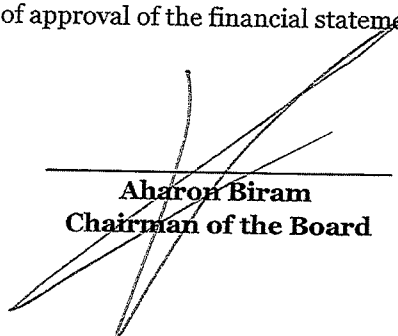
SUNFLOWER SUSTAINABLE INVESTMENTS LTD

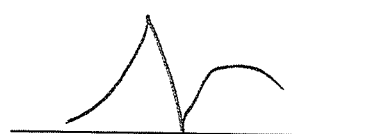
CONSOLIDATED STATEMENTS OF FINANCIAL POSITION


	December 31	
	2020	2019
	NIS in thousands	
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	76,242	51,026
Short-term investments	5,771	5,144
Trade and accrued income	12,748	18,525
Accounts receivable	3,560	2,663
	98,321	77,358
NON-CURRENT ASSETS:		
Accounts receivable	9,061	9,558
Investment in wind technology plants for electricity production	170,190	193,771
Licenses for production of electricity by wind technology	19,451	21,950
Property, plant and equipment	224	258
Investment property	74,300	75,000
Right of use assets	8,102	9,132
Deferred taxes	5,195	7,118
	286,523	316,787
	384,844	394,145

*) Reclassified

Date of approval of the financial statements: March 11, 2021


Aharon Biram
 Chairman of the Board


Orly Kyram
 CEO


Rachel Segal
 CFO

Kesselman & Kesselman
 for identification

SUNFLOWER SUSTAINABLE INVESTMENTS LTD

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

LIABILITIES AND EQUITY	December 31	
	2020	2019
	NIS in thousands	
CURRENT LIABILITIES:		
Short-term credit and current maturities of long-term loans from banks	9,059	8,006
Current maturities of lease liabilities	1,177	975
Loans from non-controlling shareholders in subsidiaries	500	500
Trade payables	1,051	1,060
Accounts payable	12,013	13,615
	23,800	24,156
NON-CURRENT LIABILITIES:		
Loans from banks and others	98,701	114,716
Loans from non-controlling shareholders in subsidiaries	5,575	6,351
Lease liabilities	7,345	8,374
Forward provision	160	-
Deferred taxes	14,323	14,744
	126,104	144,185
EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY:		
Share capital	32,951	32,951
Share premium	208,295	208,295
Capital reserve	(12,457)	558
Foreign currency translation adjustments	337	416
Accumulated earnings (deficit)	7,207	(833)
	236,333	241,387
Non-controlling interests	(1,393)	(15,583)
Total equity	234,940	225,804
	384,844	394,145

*) Reclassified

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for identification

SUNFLOWER SUSTAINABLE INVESTMENTS LTD

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

	<u>Year ended December 31</u>	
	<u>2020</u>	<u>2019</u>
	<u>NIS in thousands</u>	
Revenues	56,415	59,195
Cost of revenues	<u>24,466</u>	<u>23,553</u>
Gross profit	31,949	35,642
Valuation losses of investment property	(700)	(2,750)
General and administrative expenses	<u>(6,090)</u>	<u>(7,122)</u>
Operating income	25,159	25,770
Financial income	1,344	929
Financial costs	<u>(15,225)</u>	<u>(23,382)</u>
Income before taxes on income	11,278	3,317
Taxes on income	<u>2,044</u>	<u>3,882</u>
Income (loss) for the year	9,234	(565)
Items that may be reclassified to profit or loss:		
Foreign currency translation adjustments	<u>22</u>	<u>1,181</u>
Total comprehensive income for the year	<u><u>9,256</u></u>	<u><u>616</u></u>
Income (loss) attributable to:		
Equity holders of the Company	8,040	(834)
Non-controlling interests	<u>1,194</u>	<u>269</u>
	<u><u>9,234</u></u>	<u><u>(565)</u></u>
Total comprehensive income (loss) attributable to:		
Equity holders of the Company	7,961	(42)
Non-controlling interests	<u>1,295</u>	<u>658</u>
	<u><u>9,256</u></u>	<u><u>616</u></u>
<u>Income (loss) per share attributable to equity holders of the Company (in NIS):</u>		
Net income (loss) from continuing operations	<u><u>0.24</u></u>	<u><u>(0.03)</u></u>

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for identification

SUNFLOWER SUSTAINABLE INVESTMENTS LTD

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

Attributable to equity holders of the Company

	Share capital	Share premium	Capital reserve	Foreign currency translation adjustments	Retained earnings (deficit)	Total	Non controlling interests	Total equity
NIS in thousands								
Balance at January 1, 2019	32,951	233,295	558	(376)	26,771	293,199	(16,241)	276,958
Income (loss) for the year	-	-	-	-	(834)	(834)	269	(565)
Comprehensive income - foreign currency translation adjustments	-	-	-	792	-	792	389	1,181
Total comprehensive income (loss)	-	-	-	792	(834)	(42)	658	616
Transactions with equity holders:								
Dividend	-	-	-	-	(26,770)	(26,770)	-	(26,770)
Dividend that did not meet the earning test and was distributed in accordance to the court's approval	-	(25,000)	-	-	-	(25,000)	-	(25,000)
Balance as of December 31, 2019	32,951	208,295	558	416	(833)	241,387	(15,583)	225,804
Income for the year	-	-	-	-	8,040	8,040	1,194	9,234
Comprehensive income (loss) - foreign currency translation adjustments	-	-	-	(79)	-	(79)	101	22
Total comprehensive income (loss)	-	-	-	(79)	8,040	7,961	1,295	9,256
Transactions with equity holders:								
Acquisition of non -controlling interests	-	-	(13,015)	-	-	(13,015)	12,895	(120)
Balance as of December 31, 2020	32,951	208,295	(12,457)	337	7,207	236,333	(1,393)	234,940

SUNFLOWER SUSTAINABLE INVESTMENTS LTD

CONSOLIDATED STATEMENTS OF CASH FLOWS

	<u>Year ended December 31</u>	
	<u>2020</u>	<u>2019</u>
	<u>NIS in thousands</u>	
<u>Cash flow from operating activities:</u>		
Income (loss) for the year	9,234	(565)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:		
Adjustments to the profit or loss items:		
financial costs, net	13,881	22,453
Depreciation and amortization	15,178	15,841
Valuation loss of investment property, net	700	2,750
Taxes on income	2,044	3,882
	<u>31,803</u>	<u>44,926</u>
Changes in asset and liability items:		
Decrease (increase) in trade and accounts receivable	3,868	(4,321)
Increase (Decrease) in trade and accounts payable	(1,235)	2,477
	<u>2,633</u>	<u>(1,844)</u>
Cash paid and received during the period for:		
Interest paid	(5,859)	(7,237)
Interest received	191	83
Taxes paid	(1,792)	(4,698)
	<u>(7,460)</u>	<u>(11,852)</u>
Net cash provided by operating activities	<u>36,210</u>	<u>30,665</u>

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SUNFLOWER SUSTAINABLE INVESTMENTS LTD

CONSOLIDATED STATEMENTS OF CASH FLOWS

Year ended December 31

2020 2019

NIS in thousands

Cash flow from investing activities:

Purchase of fixed assets	(23)	(51)
Purchase of marketable securities	(6,818)	-
Sale of marketable securities	7,554	-
Deposit of bank deposits	-	(688)
	-	(688)
Net cash provided by (used in) investing activities	713	(739)

Cash flow from financing activities:

Repayment of loans from non-controlling shareholders in subsidiaries	(231)	-
Acquisition of non -controlling interests	(120)	-
Repayment of Lease principal	(698)	(977)
Repayment of long-term loans from banks and others	(8,759)	(6,422)
Dividend payment	-	(51,770)
Net cash used in financing activities	(9,808)	(59,169)
Translation differences of balances of cash and cash equivalents	(1,899)	(458)
Increase (decrease) in cash and cash equivalents	25,216	(29,701)
Cash and cash equivalents at the beginning of the year	51,026	80,727
Cash and cash equivalents at the end of the year	76,242	51,026

Significant non-cash transactions:

Recognition of a Right of use asset against a Lease Liability	-	9,121
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