UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16
UNDER THE SECURITIES EXCHANGE ACT OF 1934

For the month of September 2023
Commission File Number: 001-35284

Ellomay Capital Ltd.
(Translation of registrant's name into English)

18 Rothschild Blvd., Tel Aviv 6688121, Israel
(Address of principal executive office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F [X] Form 40-F [ ]

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(1): ____

Indicate by check mark if the registrant is submitting the Form 6-K in paper as permitted by Regulation S-T Rule 101(b)(7): ____

Indicate by check mark whether the registrant by furnishing the information contained in this Form is also thereby furnishing the information to the Commission pursuant to Rule 12g3-2(b) under the Securities Exchange Act of 1934.

Yes [ ] No [X]

If "Yes" is marked, indicate below the file number assigned to the registrant in connection with Rule 12g3-2(b): 82- ________

THE IFRS FINANCIAL RESULTS INLCUDED IN EXHIBIT 99.1 AND THE TEXT OF EXHIBITS 99.2 AND 99.3 OF THIS FORM 6-K ARE HEREBY INCORPORATED BY REFERENCE INTO THE REGISTRANT'S REGISTRATION STATEMENTS ON FORM F-3 (NOS. 333-199696 AND 333-144171) AND FORM S-8 (NOS. 333-187533, 333-102288 AND 333-92491), AND TO BE A PART THEREOF FROM THE DATE ON WHICH THIS REPORT IS SUBMITTED, TO THE EXTENT NOT SUPERSEDED BY DOCUMENTS OR REPORTS SUBSEQUENTLY FILED OR FURNISHED.

Exhibit Index

This Report on Form 6-K of Ellomay Capital Ltd. includes of the following documents, which are attached hereto and incorporated by reference herein:

Exhibit 99.1	-	Press Release: "Ellomay Capital Reports Results for the Three and Six Months Ended June 30, 2023," dated September 28, 2023.
Exhibit 99.2	-	Condensed Consolidated Interim Financial Statements as at June 30, 2023 (Unaudited).
Exhibit 99.3	-	Operating and Financial Review and Prospects for the six months ended June 30, 2023.

Also attached hereto and furnished herewith as Exhibit 101 are the Condensed Consolidated Interim Financial Statements as at June 30, 2023 (Unaudited), formatted in XBRL (eXtensible Business Reporting Language), consisting of the following sub-exhibits:

EX-101.INS	-	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
EX-101.SCH	-	Inline XBRL Taxonomy Extension Schema Document
EX-101.CAL	-	Inline XBRL Taxonomy Extension Calculation Linkbase Document
EX-101.DEF	-	Inline XBRL Taxonomy Extension Definition Linkbase Document
EX-101.LAB	-	Inline XBRL Taxonomy Extension Label Linkbase Document
EX-101.PRE	-	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104	-	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)

Signatures

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

Ellomay Capital Ltd.

By: *<u>/s/ Ran Fridrich</u>*
Ran Fridrich
Chief Executive Officer and Director

Dated: September 28, 2023

Exhibit 99.1

ellomay
CAPITAL LIMITED

Ellomay Capital Reports Results for the Three and Six Months Ended June 30, 2023

Tel-Aviv, Israel, September 28, 2023 – **Ellomay Capital Ltd. (NYSE American; TASE: ELLO) ("Ellomay" or the "Company")**, a renewable energy and power generator and developer of renewable energy and power projects in Europe, USA and Israel, today reported unaudited financial results for the three and six month periods ended June 30, 2023.

Financial Highlights

- Revenues were approximately €25.5 million for the six months ended June 30, 2023, compared to approximately €29.2 million for the six months ended June 30, 2022. This decrease mainly results from the decrease in electricity prices in Spain and from a curtailment of the electricity supply from the Company's facilities to the grid during June 2023 due to maintenance and upgrade work on the main transmission line between Spain and Portugal, which caused a decrease in revenues of approximately €1 million. The Company subsequently implemented a solution aimed at minimizing the impact of future similar curtailments. The decrease in revenues was partially offset by an increase in revenues from the Company's biogas plants in the Netherlands, resulting mainly from increased production and an increase in the 2023 gas price, and from the connection to the grid of Ellomay Solar (a 28 MW photovoltaic plant in Spain) during June 2022, upon which the Company commenced recognition of revenues.

- Operating expenses were approximately €12 million for the six months ended June 30, 2023, compared to approximately €13.1 million for the six months ended June 30, 2022. The decrease in operating expenses mainly results from a decrease in payments under the Spanish RDL 17/2022, caused by a reduction in the electricity market price. RDL 17/2022 established the reduction of returns on the electricity generating activity of Spanish production facilities that do not emit greenhouse gases, accomplished through payments of a portion of the revenues by the production facilities to the Spanish government. As a result of the decrease in the electricity market price in Spain during the first half of 2023, the payments under RDL 17/2022 were lower during this period compared to the same period last year. This decrease in operating expenses was partially offset by increased operating expenses in connection with the Company's biogas operations in the Netherlands caused by the use of higher quality raw materials due to lower availability of cheaper raw materials, and from the connection to the grid of Ellomay Solar during June 2022, upon which the Company commenced recognition of expenses. Depreciation expenses were approximately €8.1 million for the six months ended June 30, 2023, compared to approximately €8 million for the six months ended June 30, 2022.

- Project development costs were approximately €2.2 million for the six months ended June 30, 2023, compared to approximately €1.6 million for the six months ended June 30, 2022. The increase in project development costs is mainly due to the increase in development activities in connection with photovoltaic projects in Israel and USA.

- General and administrative expenses were approximately €2.9 million for the six months ended June 30, 2023, compared to approximately €3.3 million for the six months ended June 30, 2022. The decrease in general and administrative expenses is mostly due to a decrease in D&O liability insurance costs and bonuses paid to employees in 2022.

- Share of profits of equity accounted investee, after elimination of intercompany transactions, was approximately €1.5 million for the six months ended June 30, 2023, compared to share of loss of equity accounted investee of approximately €0.6 million for the six months ended June 30, 2022. The increase in share of profits of equity accounted investee was mainly due to the increase in revenues of Dorad Energy Ltd. ("**Dorad**") due to higher quantities produced and a higher electricity tariff in Israel, partially offset by an increase in operating expenses in connection with the increased production and higher tariff.

- Financing income, net was approximately €1.6 million for the six months ended June 30, 2023, compared to financing expenses, net of approximately €2.2 million for the six months ended June 30, 2022. The change was mainly attributable to income resulting from exchange rate differences amounting to approximately €6.9 million in the six months ended June 30, 2023, mainly in connection with the New Israeli Shekel ("**NIS**") cash and cash equivalents and the Company's NIS denominated debentures, compared to income in the amount of approximately €2.6 million for the six months ended June 30, 2022, caused by the 7.1% appreciation of the euro against the NIS during the six months ended June 30, 2023, compared to the 3.3% appreciation of the euro against the NIS during the six months ended June 30, 2022.

- Tax benefit was approximately €1.2 million for the six months ended June 30, 2023, compared to taxes on income of approximately €1.1 million for the six months ended June 30, 2022.

- Profit for the six months ended June 30, 2023, was approximately €4.6 million, compared to a loss of approximately €0.6 million for the six months ended June 30, 2022.

- Total other comprehensive income was approximately €31.1 million for the six months ended June 30, 2023, compared to total other comprehensive loss of approximately €34.8 million for the six months ended June 30, 2022. The change mainly resulted from changes in fair value of cash flow hedges, including a material increase in the fair value of the financial power swap (the "**Talasol PPA**") that covers approximately 80% of the output of the Talasol PV Plant compared to the same period last year. The Talasol PPA experienced a high volatility due to the significant changes in electricity prices in Europe that included a substantial increase in prices during 2021 and 2022 and a substantial decrease in prices during 2023. In accordance with hedge accounting standards, the changes in the Talasol PPA's fair value are recorded in the Company's shareholders' equity through a hedging reserve and not through the accumulated deficit/retained earnings. The changes do not impact the Company's consolidated net profit/loss or the Company's consolidated cash flows. As the Company controls Talasol, the total impact of the changes in fair value of the Talasol PPA (including the minority share) is consolidated into the Company's financial statements and total equity.

- Total comprehensive income was approximately €35.7 million for the six months ended June 30, 2023, compared to total comprehensive loss of approximately €35.4 million for the six months ended June 30, 2022.

- EBITDA was approximately €9.9 million for the six months ended June 30, 2023, compared to approximately €10.6 million for the six months ended June 30, 2022. See the table on page 14 of this press release for a reconciliation of these numbers to profit and loss.

- Net cash provided by operating activities was approximately €5.3 million for the six months ended June 30, 2023, compared to approximately €8 million for the six months ended June 30, 2022. The decrease in net cash provided by operating activities for the six months ended June 30, 2023, is mainly due to the decrease in electricity prices in Spain.

CEO Review Second Quarter 2023

The first six months of 2023 were characterized by a decline in the electricity prices in Europe in general and in Spain specifically. The second quarter, which is a transition quarter, was mainly harmed by the decrease in electricity prices. During the third quarter, which is a summer quarter, the electricity prices increased and stabilized on approximately €80 per MWh. Despite the decrease in electricity prices during the first half of 2023, the EBITDA decreased only by approximately €0.7 million compared to the same period last year. The development of projects in the USA that was added to the development of projects in Italy and Israel increased the project development expenses. The connection of two first projects in Italy (20 MW PV) is expected in the coming month. The connection will be at a delay of six months compared to the initial expectation and the Company is expected to receive financial indemnification for the delay in the connection from the construction contractor. The Dorad power station showed an increase in revenues and net income and this trend is expected to continue also during the third quarter.

The Company's operations concentrate on three main fields:

- Construction of New Projects: solar projects in Italy and a pumped hydro storage project in the Manara Cliff in Israel.

- Initiating and Developing of New Projects: solar projects in Italy, Spain, USA and Israel.

- Management, Operation and Improvement of Generating Projects: in Israel (PV), Spain (PV) and the Netherlands (bio-gas).

The Company's revenues for the quarter were approximately €13.4 million, a decrease of approximately €4 million compared to the same period last year. These revenues are lower than the revenues for the same period last year mainly due to a decrease in electricity prices in Spain. Maintenance and upgrade work on the main transmission line between Spain and Portugal caused a curtailment of the electricity supply from the Company's facilities to the grid for a short period and the impact of this forced curtailment was approximately €1 million. The decrease in the operating profit was more moderate and amounted to approximately €1 million due to a decrease in the expense resulting from the tax imposed on profits of energy manufacturers, which was also caused by the decrease in the electricity prices in Spain. The decrease in prices was expected and was taken into account by the Company.

The cash flow from operations for the second quarter of 2023 was approximately €3.4 million and the cash flow from operations for the first half of 2023 was approximately €5.3 million.

The net profit for the second quarter of 2023 was approximately €1.3 million and the net profit for the first half of 2023 was approximately €4.6 million.

Activity in Spain:

The electricity prices in Spain decreased during the second quarter of 2023 to an average price of €57 per MWh compared to an average price of €159 per MWh for the same quarter last year.

The Talasol PV project (300 MW PV) (Company's share is 51%) produced during the second quarter revenues from the sale of electricity and green certificates of approximately €7.1 million. Talasol is a party to a financial hedge of its electricity capture price (PPA). Approximately 80% of its production (75% based on P-50) are sold under this agreement for a fixed price. The remaining electricity produced by Talasol is sold directly to the grid, at spot prices.

The Ellomay Solar project (28 MW PV) produced during the second quarter of 2023 revenues from the sale of electricity and green certificates of approximately €1.2 million.

Activity in Italy:

The Company has approximately 505 MW PV projects under advanced development stages, of which licenses have been obtained for approximately 203 MW. Projects with an aggregate capacity of 20 MW are expected to be connected to the grid during the coming month. Preliminary construction works in projects with an aggregate capacity of approximately 105 MW commenced during the third quarter of 2023 and construction works in the remainder of the licenses (approximately 78 MW) are expected to commence in early 2024.

The Company has additional projects in early development stages (in addition to the 505 MW in advanced development stages), the intention of the Company is to reach a portfolio of approximately 1,000 MW PV by the end of 2026. The Company is negotiating a financing agreement with a leading European bank in the field.

Activity in Israel*:*

The Manara Pumped Storage Project (Company's share is 83.34%): The Manara Cliff pumped storage project, with a capacity of 156 MW, is in advanced construction stages and expected to reach commercial operation during the second half of 2026, and to produce average annual revenues of approximately €74 million and EBITDA of approximately €33 million.[1] **The Company and its partner in the project, Ampa, invested the equity required for the project (other than linkage differences)**, and the remainder of the funding is from a consortium of lenders led by Mizrahi Bank, at a scope of approximately NIS 1.18 billion.

Development of PV licenses combined with storage:

Projects no. 1 and 2 are based on tender No. 1 that the Company won and there is an option of transition to regulation that enables a direct sale to end customers.

1. **The Komemiyut Project**: intended for 21 MW PV and 47 MW / hour batteries. The project has an approval for connection to the grid and is in the process of receiving a building permit. Commencement of construction is planned for the first quarter of 2024.

2. **The Qelahim Project**: intended for 15 MW PV and 33 MW / hour batteries. The project has an approval for connection to the grid, and is in the final stages of the zoning approval.

3. **The Talmei Yosef Project**: an expansion of the existing project to 104 dunams, intended for 10 MW PV and 22 MW / hour batteries. The request for zoning approval has been filed and approval is expected to be received in the fourth quarter of 2023.

4. **The Talmei Yosef Storage Project in Batteries**: there is a zoning approval for 30 dunam, intended for approximately 400 MW / hour. The project is designed for the regulation of high voltage storage.

5. **The Sharsheret Project**: intended for 20 MW PV and 44 MW / hour batteries. The zoning request was submitted.

6. In addition, the Company has approximately 250 dunams under advanced planning stages.

Dorad Power Station (Company's share is approximately 9.4%): the gas flow from the Karish reservoir that began in November 2022 reduced the gas costs of Dorad. Dorad benefited from the increase in the TAOZ and the production component compared to the same period last year. In addition, the Israeli Electricity Authority's resolution in connection with the changes of the hourly tariffs, which entered into force in January 2023, means an extension of the "summer" period (a month was added to the "summer" season in which the tariffs are higher), the elimination of the "GEVA" (average consumption) hours and the change in the "PISGA" (peak) hours in the intermediate seasons to the afternoon and evening. As a result, Dorad provides availability to the system manager for the "SHEFEL" (low) period, which is longer and the demand of the system manager is higher. As a result of the continuous operations of the power plant, the maintenance expenses decreased and the hours of operation increased, increasing production and the revenues and profit. Moreover, the Israeli government decided to increase the power station by an additional 650 MW and the National Infrastructure Committee approved the TTL/11/B plan – expansion of the Dorad power station.

In June 2023, an arbitration award was given that, among other issues, obligated Zorlu and Edeltech to refund approximately $130 million to Dorad and to pay the derivative plaintiffs NIS 20 million as reimbursement of legal expenses. The Company expects that appeals on the arbitration award will be submitted and the appeal process was agreed in advance and is limited to approximately a six-month period.

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[1] EBITDA is a non-IFRS measure. The Company is unable to provide a reconciliation of the Manara Project's EBITDA to the Manara Project's net profit/loss on a forward-looking basis without unreasonable effort because items that impact this IFRS financial measure are not within the Company's control and/or cannot be reasonably predicted. These items include, among others, exchange rate fluctuations, depreciation and amortization, other income, finance income, finance expenses and taxes on income. Such items may have a significant impact on the future financial results and the Company believes such a reconciliation for the projected results will not be meaningful.

Activity in the Netherlands:

In connection with the military conflict in Ukraine and the stoppage of Russian gas supply to Europe, there are substantial changes in the field of biogas in the Netherlands and Europe. Europe in general and the Netherlands specifically have set ambitious goals for increasing gas production from waste. Various incentives are being considered, the main one is increasing the price of the green certificates. The price of these certificates has increased from approximately 13–15 euro cents per cubic meter to around 45 euro cents per cubic meter. The prices of greed certificates continue to rise and the expectation is that the price will reach approximately 60 euro cents per cubic meter towards the end of the year.

The Company estimates that with the increasing importance of the biogas field, this field entered into a new era. In the Netherlands, new legislation was adopted that obliges the gas suppliers to incorporate green gas in a scope of up to 20% of the amount supplied by them, valid commencing January 1, 2025. This legislation and the growing demand for green certificates derived from the biogas industry, is expected to add and significantly improve the results of the biogas segment of the Company.

Activity in Texas, USA:

The Company executed a joint development agreement for the development of photovoltaic projects in the State of Texas, USA. The agreement covers an initial two projects, with an aggregate installed capacity of 26 MW DC, and an option for two additional projects under similar terms with an aggregate installed capacity of 20 MW DC. The first two projects have reached ready-to-build status and are expected to be constructed within the next 8-10 months. One of the two additional projects has also reached ready-to-build status and the other additional project is expected to achieve ready-to-build status during the fourth quarter of 2023. It is expected that the two additional projects will be constructed during the second half of 2024. The estimated capital cost for the first two projects is $30-$32 million, of which the Company's share is expected to be approximately $19-$21 million. The estimated capital cost for the two additional projects is $24-$26 million, of which the Company's share is expected to be $15-$17 million. The remaining capital costs are expected to be covered by tax equity partners with whom the Company is currently in discussions.

Use of NON-IFRS Financial Measures

EBITDA is a non-IFRS measure and is defined as earnings before financial expenses, net, taxes, depreciation and amortization. The Company presents this measure in order to enhance the understanding of the Company's operating performance and to enable comparability between periods. While the Company considers EBITDA to be an important measure of comparative operating performance, EBITDA should not be considered in isolation or as a substitute for net income or other statement of operations or cash flow data prepared in accordance with IFRS as a measure of profitability or liquidity. EBITDA does not take into account the Company's commitments, including capital expenditures and restricted cash and, accordingly, is not necessarily indicative of amounts that may be available for discretionary uses. Not all companies calculate EBITDA in the same manner, and the measure as presented may not be comparable to similarly-titled measure presented by other companies. The Company's EBITDA may not be indicative of the Company's historic operating results; nor is it meant to be predictive of potential future results. The Company uses this measure internally as performance measure and believes that when this measure is combined with IFRS measure it add useful information concerning the Company's operating performance. A reconciliation between results on an IFRS and non-IFRS basis is provided on page 14 of this press release.

About Ellomay Capital Ltd.

Ellomay is an Israeli based company whose shares are registered with the NYSE American and with the Tel Aviv Stock Exchange under the trading symbol "ELLO". Since 2009, Ellomay Capital focuses its business in the renewable energy and power sectors in Europe, USA and Israel.

To date, Ellomay has evaluated numerous opportunities and invested significant funds in the renewable, clean energy and natural resources industries in Israel, Italy, Spain and Texas, USA, including:

- Approximately 35.9 MW of photovoltaic power plants in Spain and a photovoltaic power plant of approximately 9 MW in Israel;

- 9.375% indirect interest in Dorad Energy Ltd., which owns and operates one of Israel's largest private power plants with production capacity of approximately 850MW, representing about 6%-8% of Israel's total current electricity consumption;
- 51% of Talasol, which owns a photovoltaic plant with a peak capacity of 300MW in the municipality of Talaván, Cáceres, Spain;
- Groen Gas Goor B.V., Groen Gas Oude-Tonge B.V. and Groen Gas Gelderland B.V., project companies operating anaerobic digestion plants in the Netherlands, with a green gas production capacity of approximately 3 million, 3.8 million and 9.5 million Nm3 per year, respectively;
- 83.333% of Ellomay Pumped Storage (2014) Ltd., which is involved in a project to construct a 156 MW pumped storage hydro power plant in the Manara Cliff, Israel;
- Ellomay Solar Italy One SRL and Ellomay Solar Italy Two SRL that are constructing photovoltaic plants with installed capacity of 14.8 MW and 4.95 MW, respectively, in the Lazio Region, Italy;
- Ellomay Solar Italy Four SRL, Ellomay Solar Italy Five SRL, Ellomay Solar Italy Seven SRL, Ellomay Solar Italy Nine SRL and Ellomay Solar Italy Ten SRL that are developing photovoltaic projects with installed capacity of 15.06 MW, 87.2 MW, 54.77 MW, 8 MW and 18 MW, respectively, in Italy that have reached "ready to build" status; and
- Fairfield Solar Project, LLC, Malakoff Solar I, LLC, Malakoff Solar II, LLC, that are developing photovoltaic projects with installed capacity of 13 MW, 6.5 MW and 6.5 MW, respectively, in the Dallas Metropolitan area, Texas, and have reached "ready to build" status.

For more information about Ellomay, visit http://www.ellomay.com.

Information Relating to Forward-Looking Statements

This press release contains forward-looking statements that involve substantial risks and uncertainties, including statements that are based on the current expectations and assumptions of the Company's management. All statements, other than statements of historical facts, included in this press release regarding the Company's plans and objectives, expectations and assumptions of management are forward-looking statements. The use of certain words, including the words "estimate," "project," "intend," "expect," "believe" and similar expressions are intended to identify forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. The Company may not actually achieve the plans, intentions or expectations disclosed in the forward-looking statements and you should not place undue reliance on the Company's forward-looking statements. Various important factors could cause actual results or events to differ materially from those that may be expressed or implied by the Company's forward-looking statements, including changes in electricity prices and demand, regulatory changes, including extension of current or approval of new rules and regulations increasing the operating expenses of manufacturers of renewable energy in Spain, increases in interest rates and inflation, changes in the supply and prices of resources required for the operation of the Company's facilities (such as waste and natural gas) and in the price of oil, the impact of continued military conflict between Russia and Ukraine, technical and other disruptions in the operations or construction of the power plants owned by the Company and general market, political and economic conditions in the countries in which the Company operates, including Israel, Spain, Italy and the United States. These and other risks and uncertainties associated with the Company's business are described in greater detail in the filings the Company makes from time to time with Securities and Exchange Commission, including its Annual Report on Form 20-F. The forward-looking statements are made as of this date and the Company does not undertake any obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise.

Contact:
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Unaudited Condensed Consolidated Interim Statements of Financial Position

	June 30, 2023	December 31, 2022	June 30, 2023
	€ in thousands		Convenience Translation into US$ in thousands*
Assets			
Current assets:			
Cash and cash equivalents	**73,870**	46,458	**80,229**
Marketable securities	**-**	2,836	**-**
Short term deposits	**1,007**	-	**1,094**
Restricted cash	**810**	900	**880**
Receivable from concession project	**1,638**	1,799	**1,779**
Intangible asset from green certificates	**1,723**	585	**1,871**
Trade and other receivables	**14,404**	12,097	**15,644**
	93,452	64,675	**101,497**
Non-current assets			
Investment in equity accounted investee	**29,345**	30,029	**31,871**
Advances on account of investments	**3,105**	2,328	**3,372**
Receivable from concession project	**22,468**	24,795	**24,402**
Fixed assets	**380,849**	365,756	**413,633**
Right-of-use asset	**30,603**	30,020	**33,237**
Intangible asset	**3,650**	4,094	**3,964**
Restricted cash and deposits	**19,018**	20,192	**20,655**
Deferred tax	**11,613**	23,510	**12,613**
Long term receivables	**9,279**	9,270	**10,078**
Derivatives	**1,221**	1,488	**1,326**
	511,151	511,482	**555,151**
Total assets	**604,603**	576,157	**656,648**
Liabilities and Equity			
Current liabilities			
Current maturities of long-term bank loans	**12,020**	12,815	**13,055**
Current maturities of long-term loans	**5,000**	10,000	**5,430**
Current maturities of debentures	**35,635**	18,714	**38,702**
Trade payables	**3,319**	4,504	**3,605**
Other payables	**15,531**	11,207	**16,868**
Current maturities of derivatives	**8,309**	33,183	**9,024**
Current maturities of lease liabilities	**775**	745	**842**
	80,589	91,168	**87,526**
Non-current liabilities			
Long-term lease liabilities	**22,943**	22,005	**24,918**
Long-term loans	**242,364**	229,466	**263,227**
Other long-term bank loans	**27,915**	21,582	**30,318**
Debentures	**103,943**	91,714	**112,891**
Deferred tax	**6,069**	6,770	**6,591**
Other long-term liabilities	**1,377**	2,021	**1,496**
Derivatives	**563**	28,354	**611**
	405,174	401,912	**440,052**
Total liabilities	**485,763**	493,080	**527,578**
Equity			
Share capital	**25,613**	25,613	**27,818**
Share premium	**86,100**	86,038	**93,512**
Treasury shares	**(1,736)**	(1,736)	**(1,885)**
Transaction reserve with non-controlling Interests	**5,697**	5,697	**6,187**
Reserves	**(577)**	(12,632)	**(627)**
Accumulated deficit	**(1,780)**	(7,256)	**(1,933)**
Total equity attributed to shareholders of the Company	**113,317**	95,724	**123,072**
Non-Controlling Interest	**5,523**	(12,647)	**5,998**
Total equity	**118,840**	83,077	**129,070**
Total liabilities and equity	**604,603**	576,157	**656,648**

* Convenience translation into US$ (exchange rate as at June 30, 2023: euro 1 = US$ 1.086)

Unaudited Condensed Consolidated Interim Statements of Comprehensive Income (Loss)

	For the Three months ended June 30, 2023	For the Three months ended June 30, 2022	For the Six months ended June 30, 2023	For the Six months ended June 30, 2022	For the year ended December 31, 2022	For the six months ended June 30, 2023
	€ in thousands		€ in thousands		€ in thousands	Convenience Translation into US$ in thousands**
Revenues	**13,430**	17,435	**25,458**	29,196	53,360	**27,649**
Operating expenses	**(5,576)**	(7,161)	**(12,028)**	(13,132)	(24,089)	**(13,063)**
Depreciation and amortization expenses	**(3,949)**	(3,964)	**(8,064)**	(7,978)	(16,092)	**(8,758)**
Gross profit	**3,905**	6,310	**5,366**	8,086	13,179	**5,828**
Project development costs	**(1,028)**	(843)	**(2,192)**	(1,554)	(3,784)	**(2,381)**
General and administrative expenses	**(1,431)**	(1,820)	**(2,911)**	(3,297)	(5,892)	**(3,162)**
Share of profits (losses) of equity accounted investee	**363**	(833)	**1,541**	(602)	1,206	**1,674**
Operating profit	**1,809**	2,814	**1,804**	2,633	4,709	**1,959**
Financing income	**3,618**	3,630	**9,021**	4,439	9,565	**9,798**
Financing income (expenses) in connection with derivatives and warrants, net	**(562)**	372	**(476)**	338	605	**(517)**
Financing expenses in connection with projects finance	**(1,897)**	(2,524)	**(3,782)**	(3,889)	(7,765)	**(4,108)**
Financing expenses in connection with debentures	**(1,012)**	(314)	**(1,840)**	(1,343)	(2,130)	**(1,998)**
Interest expenses on minority shareholder loan	**(468)**	(349)	**(933)**	(892)	(1,529)	**(1,013)**
Other financing expenses	**(146)**	(50)	**(434)**	(834)	(1,212)	**(471)**
Financing income (expenses), net	**(467)**	765	**1,556**	(2,181)	(2,466)	**1,691**
Profit before taxes on income	**1,342**	3,579	**3,360**	452	2,243	**3,650**
Tax benefit (Taxes on income)	**(53)**	(808)	**1,203**	(1,087)	(2,103)	**1,307**
Profit (loss) for the period	**1,289**	2,771	**4,563**	(635)	140	**4,957**
Profit (loss) attributable to:						
Owners of the Company	**1,395**	1,712	**5,476**	(1,222)	(357)	**5,947**
Non-controlling interests	**(106)**	1,059	**(913)**	587	497	**(990)**
Profit (loss) for the period	**1,289**	2,771	**4,563**	(635)	140	**4,957**
Other comprehensive income (loss) item that after initial recognition in comprehensive income (loss) were or will be transferred to profit or loss:						
Foreign currency translation differences for foreign operations	**(2,703)**	* (3,585)	**(8,253)**	* (3,683)	* (7,829)	**(8,963)**
Effective portion of change in fair value of cash flow hedges	**9,795**	* 22,311	**44,200**	* (8,875)	* 8,976	**48,004**
Net change in fair value of cash flow hedges transferred to profit or loss	**(2,578)**	* (12,673)	**(4,809)**	* (22,246)	* (36,438)	**(5,223)**
Total other comprehensive income (loss)	**4,514**	6,053	**31,138**	(34,804)	(35,291)	**33,818**
Total other comprehensive income (loss) attributable to:						
Owners of the Company	**1,040**	1,618	**12,055**	(19,051)	(19,920)	**13,093**
Non-controlling interests	**3,474**	4,435	**19,083**	(15,753)	(15,371)	**20,725**
Total other comprehensive income (loss) for the period	**4,514**	6,053	**31,138**	(34,804)	(35,291)	**33,818**
Total comprehensive income (loss) for the period	**5,803**	8,824	**35,701**	(35,439)	(35,151)	**38,775**
Total comprehensive income (loss) attributable to:						
Owners of the Company	**2,435**	3,330	**17,531**	(20,273)	(20,277)	**19,040**
Non-controlling interests	**3,368**	5,494	**18,170**	(15,166)	(14,874)	**19,735**
Total comprehensive income (loss) for the period	**5,803**	8,824	**35,701**	(35,439)	(35,151)	**38,775**
Basic net earnings (loss) per share	**0.11**	0.13	**0.43**	(0.10)	(0.03)	**0.46**
Diluted net earnings (loss) per share	**0.11**	0.13	**0.43**	(0.10)	(0.03)	**0.46**

* Reclassified

** Convenience translation into US$ (exchange rate as at June 30, 2023: euro 1 = US$ 1.086)

Unaudited Condensed Consolidated Statements of Changes in Equity

	Attributable to shareholders of the Company								Non- controlling Interests	Total Equity
	Share capital	Share premium	Accumulated Deficit	Treasury shares	Translation reserve from foreign operations	Hedging Reserve	Interests Transaction reserve with non-controlling Interests	Total		
	€ in thousands									
For the six months ended June 30, 2023:										
Balance as at January 1, 2023	**25,613**	**86,038**	**(7,256)**	**(1,736)**	**7,970**	**(20,602)**	**5,697**	**95,724**	**(12,647)**	**83,077**
Profit (loss) for the period	**-**	**-**	**5,476**	**-**	**-**	**-**	**-**	**5,476**	**(913)**	**4,563**
Other comprehensive loss for the period	**-**	**-**	**-**	**-**	**(7,882)**	**19,937**	**-**	**12,055**	**19,083**	**31,138**
Total comprehensive loss for the period	**-**	**-**	**5,476**	**-**	**(7,882)**	**19,937**	**-**	**17,531**	**18,170**	**35,701**
Transactions with owners of the Company, recognized directly in equity:										
Share-based payments	**-**	**62**	**-**	**-**	**-**	**-**	**-**	**62**	**-**	**62**
Balance as at June 30, 2023	**25,613**	**86,100**	**(1,780)**	**(1,736)**	**88**	**(665)**	**5,697**	**113,317**	**5,523**	**118,840**
For the six months ended June 30, 2022:										
Balance as at January 1, 2022	25,605	85,883	(6,899)	(1,736)	15,365	(8,077)	5,697	115,838	(1,731)	114,107
Profit (loss) for the period	-	-	(1,222)	-	-	-	-	(1,222)	587	(635)
Other comprehensive income (loss) for the period	-	-	-	-	(3,466)	(15,585)	-	(19,051)	(15,753)	(34,804)
Total comprehensive income (loss) for the period	-	-	(1,222)	-	(3,466)	(15,585)	-	(20,273)	(15,166)	(35,439)
Transactions with owners of the Company, recognized directly in equity:										
Issuance of Capital note to non-controlling interest	-	-	-	-	-	-	-	-	3,958	3,958
Share-based payments	-	60	-	-	-	-	-	60	-	60
Balance as at June 30, 2022	25,605	85,943	(8,121)	(1,736)	11,899	(23,662)	5,697	95,625	(12,939)	82,686

Unaudited Condensed Consolidated Interim Statements of Changes in Equity (cont'd)

	Attributable to shareholders of the Company								Non-controlling Interests	Total Equity
	Share capital	Share premium	Accumulated deficit	Treasury shares	Translation reserve from foreign operations	Hedging Reserve	Interests Transaction reserve with non-controlling Interests	Total		
	€ in thousands									
For the year ended December 31, 2022:										
Balance as at January 1, 2022	25,605	85,883	(6,899)	(1,736)	15,365	(8,077)	5,697	115,838	(1,731)	114,107
Profit (loss) for the year	-	-	(357)	-	-	-	-	(357)	497	140
Other comprehensive loss for the year	-	-	-	-	(7,395)	(12,525)	-	(19,920)	(15,371)	(35,291)
Total comprehensive loss for the year	-	-	(357)	-	(7,395)	(12,525)	-	(20,277)	(14,874)	(35,151)
Transactions with owners of the Company, recognized directly in equity:										
Issuance of Capital note to non-controlling interest	-	-	-	-	-	-	-	-	3,958	3,958
Options exercise	8	28	-	-	-	-	-	36	-	36
Share-based payments	-	127	-	-	-	-	-	127	-	127
Balance as at December 31, 2022	25,613	86,038	(7,256)	(1,736)	7,970	(20,602)	5,697	95,724	(12,647)	83,077

Unaudited Condensed Consolidated Interim Statements of Changes in Equity (cont'd)

	Attributable to shareholders of the Company								Non-controlling Interests	Total Equity
	Share capital	Share premium	Retained earnings	Treasury shares	Translation reserve from foreign operations	Hedging Reserve	Interests Transaction reserve with non-controlling Interests	Total		
	Convenience translation into US$ (exchange rate as at June 30, 2023: euro 1 = US$ 1.086)									
For the six months ended June 30, 2023:										
Balance as at January 1, 2023	27,818	93,445	(7,880)	(1,885)	8,655	(22,375)	6,187	103,965	(13,737)	90,228
Profit (loss) for the period	-	-	5,947	-	-	-	-	5,947	(990)	4,957
Other comprehensive loss for the period	-	-	-	-	(8,560)	21,653	-	13,093	20,725	33,818
Total comprehensive loss for the period	-	-	5,947	-	(8,560)	21,653	-	19,040	19,735	38,775
Transactions with owners of the Company, recognized directly in equity:										
Share-based payments	-	67	-	-	-	-	-	67	-	67
Balance as at June 30, 2023	27,818	93,512	(1,933)	(1,885)	95	(722)	6,187	123,072	5,998	129,070

Unaudited Condensed Consolidated Interim Statements of Cash Flow

	For the three months ended June 30,		For the six months ended June 30,		For the year ended December 31,	For the six months ended June 30
	2023	2022	2023	2022	2022	2023
	€ in thousands					Convenience Translation into US$*
Cash flows from operating activities						
Profit (loss) for the period	**1,289**	2,771	**4,563**	(635)	140	**4,957**
Adjustments for:						
Financing expenses, net	**467**	(765)	**(1,556)**	2,181	2,466	**(1,691)**
Depreciation and amortization	**3,949**	3,964	**8,064**	7,978	16,092	**8,758**
Share-based payment transactions	**31**	60	**62**	60	127	**67**
Share of losses (profits) of equity accounted investees	**(363)**	833	**(1,541)**	602	(1,206)	**(1,674)**
Change in trade receivables and other receivables	**1,931**	235	**558**	(2,579)	724	**606**
Change in other assets	**(35)**	(1,788)	**(155)**	53	(209)	**(168)**
Change in receivables from concessions project	**579**	(802)	**836**	(550)	(521)	**908**
Change in trade payables	**(533)**	(726)	**(1,409)**	(801)	1,697	**(1,530)**
Change in other payables	**(1,034)**	2,604	**383**	7,878	3,807	**416**
Income tax expense (tax benefit)	**53**	808	**(1,203)**	1,087	2,103	**(1,307)**
Income taxes paid	**(20)**	(3,255)	**(20)**	(3,255)	(6,337)	**(22)**
Interest received	**860**	451	**1,353**	922	1,896	**1,469**
Interest paid	**(3,741)**	(4,520)	**(4,664)**	(4,924)	(9,459)	**(5,065)**
Net cash provided by (used in) operating activities	**3,433**	(130)	**5,271**	8,017	11,320	**5,724**
Cash flows from investing activities						
Acquisition of fixed assets	**(14,137)**	(6,747)	**(27,468)**	(22,274)	(48,610)	**(29,832)**
VAT associated with the acquisition	**-**	2,225	**-**	-	-	**-**
Repayment of loan by an equity accounted investee	**-**	149	**-**	149	149	**-**
Loan to an equity accounted investee	**(8)**	-	**(68)**	-	(128)	**(74)**
Advances on account of investments	**(395)**	-	**(777)**	-	(774)	**(844)**
Settlement of derivatives contract	**-**	-	**-**	(528)	(528)	**-**
Proceeds from (investment in) in restricted cash, net	**-**	(9,344)	**893**	(8,241)	(4,873)	**970**
Proceeds from (investment in) in short term deposit	**20,688**	27,645	**(1,257)**	27,645	27,645	**(1,365)**
Proceeds from (investment in) marketable securities	**-**	-	**2,837**	-	(1,062)	**3,081**
Net cash provided by (used in) investing activities	**6,148**	13,928	**(25,840)**	(3,249)	(28,181)	**(28,064)**
Cash flows from financing activities						
Proceeds from options	**-**	-	**-**	-	36	**-**
Cost associated with long term loans	**(391)**	(498)	**(706)**	(8,958)	(9,988)	**(767)**
Payment of principal of lease liabilities	**(577)**	(205)	**(777)**	(4,000)	(5,703)	**(844)**
Proceeds from long term loans	**20,735**	-	**21,499**	196,189	215,170	**23,350**
Repayment of long-term loans	**(5,916)**	(22,054)	**(6,602)**	(143,095)	(153,751)	**(7,170)**
Repayment of Debentures	**(17,763)**	(19,764)	**(17,763)**	(19,764)	(19,764)	**(19,292)**
Repayment of SWAP instrument associated with long term loans	**-**	-	**-**	(3,290)	(3,290)	**-**
Proceeds from issuance of Debentures, net	**-**	-	**55,808**	-	-	**60,612**
Proceeds from settlement of derivatives, net	**-**	-	**-**	-	3,800	**-**
Net cash provided by (used in) financing activities	**(3,912)**	(42,521)	**51,459**	17,082	26,510	**55,889**
Effect of exchange rate fluctuations on cash and cash equivalents	**(1,536)**	(2,307)	**(3,478)**	(3,128)	(4,420)	**(3,777)**
Increase (decrease) in cash and cash equivalents	**4,133**	(31,030)	**27,412**	18,722	5,229	**29,772**
Cash and cash equivalents at the beginning of the period	**69,737**	90,981	**46,458**	41,229	41,229	**50,457**
Cash and cash equivalents at the end of the period	**73,870**	59,951	**73,870**	59,951	46,458	**80,229**

* Convenience translation into US$ (exchange rate as at June 30, 2023: euro 1 = US$ 1.086)

Operating Segments (Unaudited)

	Italy	Spain	PV Ellomay Solar	Talasol	USA	Israel	Bio Gas	Dorad	Manara	Total reportable segments	Reconciliations	Total consolidated
	For the six months ended June 30, 2023											
	€ in thousands											
Revenues	-	1,463	2,080	12,666	-	459	8,790	30,305	-	55,763	(30,305)	25,458
Operating expenses	-	(264)	(882)	(3,125)	-	(183)	(7,574)	(22,588)	-	(34,616)	22,588	(12,028)
Depreciation expenses	(1)	(458)	(469)	(5,684)	-	(236)	(1,204)	(2,871)	-	(10,923)	2,859	(8,064)
Gross profit (loss)	(1)	741	729	3,857	-	40	12	4,846	-	10,224	(4,858)	5,366
Adjusted Gross profit (loss)	(1)	741	729	3,857	-	678[2]	12	4,846	-	10,862	(5,496)	5,366
Project development costs												(2,192)
General and administrative expenses												(2,911)
Share of loss of equity accounted investee												1,541
Operating profit												1,804
Financing income												9,021
Financing expenses in connection with derivatives and warrants, net												(476)
Financing expenses in connection with projects finance												(3,782)
Financing expenses in connection with debentures												(1,840)
Interest expenses on minority shareholder loan												(933)
Other financing expenses												(434)
Financing expenses, net												1,556
Income before taxes on Income												3,360
Segment assets as at June 30, 2023	33,932	13,806	19,635	230,428	1,091	31,635	31,910	99,033	155,245	616,715	(12,112)	604,603

[2] The gross profit of the Talmei Yosef PV Plant located in Israel is adjusted to include income from the sale of electricity (approximately €2,032 thousand) and depreciation expenses (approximately €935 thousand) under the fixed asset model, which were not recognized as revenues and depreciation expenses, respectively, under the financial asset model as per IFRIC 12.

Reconciliation of Profit (Loss) to EBITDA (Unaudited)

	For the three months ended June 30,		For the six months ended June 30,		For the year ended December 31,	For the six months ended June 30,
	2023	**2022**	**2023**	**2022**	**2022**	**2023**
	€ in thousands					Convenience Translation into US$ in thousands*
Net profit (loss) for the period	**1,289**	2,771	**4,563**	(635)	140	**4,957**
Financing (income) expenses, net	**467**	(765)	**(1,556)**	2,181	2,466	**(1,691)**
Taxes on income (Tax benefit)	**53**	808	**(1,203)**	1,087	2,103	**(1,307)**
Depreciation	**3,949**	3,964	**8,064**	7,978	16,092	**8,758**
EBITDA	**5,758**	6,778	**9,868**	10,611	20,801	**10,717**

* Convenience translation into US$ (exchange rate as at June 30, 2023: euro 1 = US$ 1.086)

Financial Covenants

Pursuant to the Deeds of Trust governing the Company's Series C, Series D and Series E Debentures (together, the "**Debentures**"), the Company is required to maintain certain financial covenants. For more information, see Item 5.B of the Company's Annual Report on Form 20-F submitted to the Securities and Exchange Commission on April 7, 2023, and below.

Net Financial Debt

As of June 30, 2023, the Company's Net Financial Debt, (as such term is defined in the Deeds of Trust of the Company's Debentures), was approximately €66.5 million (consisting of approximately €291.9[3] million of short-term and long-term debt from banks and other interest bearing financial obligations, approximately €141.4[4] million in connection with the Series C Debentures issuances (in July 2019, October 2020, February 2021 and October 2021), the Series D Convertible Debentures issuance (in February 2021) and the Series E Secured Debentures issuance (in February 2023), net of approximately €74.9 million of cash and cash equivalents, short-term deposits and marketable securities and net of approximately €291.9[5] million of project finance and related hedging transactions of the Company's subsidiaries).

[3] The amount of short-term and long-term debt from banks and other interest-bearing financial obligations amount provided above, includes an amount of approximately €4.6 million costs associated with such debt, which was capitalized and therefore offset from the debt amount that is recorded in the Company's balance sheet.
[4] The amount of the Debentures provided above includes an amount of approximately €1.9 million associated costs, which was capitalized and therefore offset from the debentures amount that is recorded in the Company's balance sheet.
[5] The project finance amount deducted from the calculation of Net Financial Debt includes project finance obtained from various sources, including financing entities and the minority shareholders in project companies held by the Company (provided in the form of shareholders' loans to the project companies).

Information for the Company's Series C Debenture Holders

The Deed of Trust governing the Company's Series C Debentures (as amended on June 6, 2022, the "**Series C Deed of Trust**"), includes an undertaking by the Company to maintain certain financial covenants, whereby a breach of such financial covenants for two consecutive quarters is a cause for immediate repayment. As of June 30, 2023, the Company was in compliance with the financial covenants set forth in the Series C Deed of Trust as follows: (i) the Company's Adjusted Shareholders' Equity (as defined in the Series C Deed of Trust) was approximately €125.5 million, (ii) the ratio of the Company's Net Financial Debt (as set forth above) to the Company's CAP, Net (defined as the Company's Adjusted Shareholders' Equity plus the Net Financial Debt) was 34.7%, and (iii) the ratio of the Company's Net Financial Debt to the Company's Adjusted EBITDA[6], was 3.

The following is a reconciliation between the Company's profit and the Adjusted EBITDA (as defined in the Series C Deed of Trust) for the four-quarter period ended June 30, 2023:

	For the four-quarter period ended June 30, 2023
	Unaudited
	€ in thousands
Profit for the period	**5,338**
Financing expenses, net	**(1,271)**
Taxes on income	**(187)**
Depreciation	**16,178**
Share-based payments	**129**
Adjustment to revenues of the Talmei Yosef PV Plant due to calculation based on the fixed asset model	**2,366**
Adjusted EBITDA as defined the Series C Deed of Trust	**22,553**

[6] The term "Adjusted EBITDA" is defined in the Series C Deed of Trust as earnings before financial expenses, net, taxes, depreciation and amortization, where the revenues from the Company's operations, such as the Talmei Yosef PV Plant, are calculated based on the fixed asset model and not based on the financial asset model (IFRIC 12), and before share-based payments. The Series C Deed of Trust provides that for purposes of the financial covenant, the Adjusted EBITDA will be calculated based on the four preceding quarters, in the aggregate. The Adjusted EBITDA is presented in this press release as part of the Company's undertakings towards the holders of its Series C Debentures. For a general discussion of the use of non-IFRS measures, such as EBITDA and Adjusted EBITDA see above under "Use of NON-IFRS Financial Measures."

Information for the Company's Series D Debenture Holders

The Deed of Trust governing the Company's Series D Debentures includes an undertaking by the Company to maintain certain financial covenants, whereby a breach of such financial covenants for the periods set forth in the Series D Deed of Trust is a cause for immediate repayment. As of June 30, 2023, the Company was in compliance with the financial covenants set forth in the Series D Deed of Trust as follows: (i) the Company's Adjusted Shareholders' Equity (as defined in the Series D Deed of Trust) was approximately €125.5 million, (ii) the ratio of the Company's Net Financial Debt (as set forth above) to the Company's CAP, Net (defined as the Company's Adjusted Shareholders' Equity plus the Net Financial Debt) was 34.7%, and (iii) the ratio of the Company's Net Financial Debt to the Company's Adjusted EBITDA[7] was 3.

The following is a reconciliation between the Company's profit and the Adjusted EBITDA (as defined in the Series D Deed of Trust) for the four-quarter period ended June 30, 2023:

	For the four-quarter period ended June 30, 2023
	Unaudited
	€ in thousands
Profit for the period	**5,338**
Financing expenses, net	**(1,271)**
Taxes on income	**(187)**
Depreciation and amortization expenses	**16,178**
Share-based payments	**129**
Adjustment to revenues of the Talmei Yosef PV Plant due to calculation based on the fixed asset model	**2,366**
Adjusted EBITDA as defined the Series D Deed of Trust	**22,553**

[7] The term "Adjusted EBITDA" is defined in the Series D Deed of Trust as earnings before financial expenses, net, taxes, depreciation and amortization, where the revenues from the Company's operations, such as the Talmei Yosef PV Plant, are calculated based on the fixed asset model and not based on the financial asset model (IFRIC 12), and before share-based payments, when the data of assets or projects whose Commercial Operation Date (as such term is defined in the Series D Deed of Trust) occurred in the four quarters that preceded the relevant date will be calculated based on Annual Gross Up (as such term is defined in the Series D Deed of Trust). The Series D Deed of Trust provides that for purposes of the financial covenant, the Adjusted EBITDA will be calculated based on the four preceding quarters, in the aggregate. The Adjusted EBITDA is presented in this press release as part of the Company's undertakings towards the holders of its Series D Debentures. For a general discussion of the use of non-IFRS measures, such as EBITDA and Adjusted EBITDA see above under "Use of NON-IFRS Financial Measures."

Information for the Company's Series E Debenture Holders

The Deed of Trust governing the Company's Series E Debentures includes an undertaking by the Company to maintain certain financial covenants, whereby a breach of such financial covenants for the periods set forth in the Series E Deed of Trust is a cause for immediate repayment. As of June 30, 2023, the Company was in compliance with the financial covenants set forth in the Series E Deed of Trust as follows: (i) the Company's Adjusted Shareholders' Equity (as defined in the Series E Deed of Trust) was approximately €125.5 million, (ii) the ratio of the Company's Net Financial Debt (as set forth above) to the Company's CAP, Net (defined as the Company's Adjusted Shareholders' Equity plus the Net Financial Debt) was 34.7%, and (iii) the ratio of the Company's Net Financial Debt to the Company's Adjusted EBITDA[8] was 3.

The following is a reconciliation between the Company's profit and the Adjusted EBITDA (as defined in the Series E Deed of Trust) for the four-quarter period ended June 30, 2023:

	For the four-quarter period ended June 30, 2023
	Unaudited
	€ in thousands
Profit for the period	**5,338**
Financing expenses, net	**(1,271)**
Taxes on income	**(187)**
Depreciation and amortization expenses	**16,178**
Share-based payments	**129**
Adjustment to revenues of the Talmei Yosef PV Plant due to calculation based on the fixed asset model	**2,366**
Adjusted EBITDA as defined the Series E Deed of Trust	**22,553**

In connection with the undertaking included in Section 3.17.2 of Annex 6 of the Series E Deed of Trust, no circumstances occurred during the reporting period under which the rights to loans provided to Ellomay Luzon Energy Infrastructures Ltd. (formerly U. Dori Energy Infrastructures Ltd. ("Ellomay Luzon Energy")), which were pledged to the holders of the Company's Series E Debentures, will become subordinate to the amounts owed by Ellomay Luzon Energy to Israel Discount Bank Ltd.

As of June 30, 2023, the value of the assets pledged to the holders of the Series E Debentures in the Company's books (unaudited) is approximately €32.1 million (approximately NIS 128.7 million based on the exchange rate as of such date).

[8] The term "Adjusted EBITDA" is defined in the Series E Deed of Trust as earnings before financial expenses, net, taxes, depreciation and amortization, where the revenues from the Company's operations, such as the Talmei Yosef PV Plant, are calculated based on the fixed asset model and not based on the financial asset model (IFRIC 12), and before share-based payments, when the data of assets or projects whose Commercial Operation Date (as such term is defined in the Series E Deed of Trust) occurred in the four quarters that preceded the relevant date will be calculated based on Annual Gross Up (as such term is defined in the Series E Deed of Trust). The Series E Deed of Trust provides that for purposes of the financial covenant, the Adjusted EBITDA will be calculated based on the four preceding quarters, in the aggregate. The Adjusted EBITDA is presented in this press release as part of the Company's undertakings towards the holders of its Series E Debentures. For a general discussion of the use of non-IFRS measures, such as EBITDA and Adjusted EBITDA see above under "Use of NON-IFRS Financial Measures."

Ellomay Capital Ltd. and its Subsidiaries

Unaudited Condensed Consolidated Interim Financial Statements
As at June 30, 2023

Unaudited Condensed Consolidated Interim Financial Statements

Contents

	Page
Unaudited condensed consolidated interim statements of financial position	F-2
Unaudited condensed consolidated interim statements of profit or loss and other comprehensive income or loss	F-3
Unaudited condensed consolidated interim statements of changes in equity	F-4-7
Unaudited condensed consolidated interim statements of cash flows	F-8
Notes to the condensed consolidated interim financial statements	F-9

Unaudited Condensed Consolidated Interim Statements of Financial Position

	Note	June 30, 2023	December 31, 2022	June 30, 2023
		€ in thousands		Convenience Translation into US$ in thousands*
Assets				
Current assets				
Cash and cash equivalents		**73,870**	46,458	**80,229**
Marketable securities	4	**-**	2,836	**-**
Short term deposits	4	**1,007**	-	**1,094**
Restricted cash	4	**810**	900	**880**
Receivable from concession project		**1,638**	1,799	**1,779**
Intangible asset from green certificates		**1,723**	585	**1,871**
Trade and other receivables	5	**14,404**	12,097	**15,644**
		93,452	64,675	**101,497**
Non-current assets				
Investment in equity accounted investee	6	**29,345**	30,029	**31,871**
Advances on account of investments		**3,105**	2,328	**3,372**
Receivable from concession project		**22,468**	24,795	**24,402**
Fixed assets	8	**380,849**	365,756	**413,633**
Right-of-use asset	10	**30,603**	30,020	**33,237**
Intangible asset		**3,650**	4,094	**3,964**
Restricted cash and deposits	4	**19,018**	20,192	**20,655**
Deferred tax		**11,613**	23,510	**12,613**
Long term receivables	5	**9,279**	9,270	**10,078**
Derivatives	7	**1,221**	1,488	**1,326**
		511,151	511,482	**555,151**
Total assets		**604,603**	576,157	**656,648**
Liabilities and Equity				
Current liabilities				
Current maturities of long-term bank loans		**12,020**	12,815	**13,055**
Current maturities of other long-term loans		**5,000**	10,000	**5,430**
Current maturities of debentures		**35,635**	18,714	**38,702**
Trade payables		**3,319**	4,504	**3,605**
Other payables		**15,531**	11,207	**16,868**
Current maturities of derivatives	7	**8,309**	33,183	**9,024**
Current maturities of lease liabilities		**775**	745	**842**
		80,589	91,168	**87,526**
Non-current liabilities				
Long-term lease liabilities	10	**22,943**	22,005	**24,918**
Long-term bank loans		**242,364**	229,466	**263,227**
Other long-term loans		**27,915**	21,582	**30,318**
Debentures		**103,943**	91,714	**112,891**
Deferred tax		**6,069**	6,770	**6,591**
Other long-term liabilities		**1,377**	2,021	**1,496**
Derivatives	7	**563**	28,354	**611**
		405,174	401,912	**440,052**
Total liabilities		**485,763**	493,080	**527,578**
Equity				
Share capital		**25,613**	25,613	**27,818**
Share premium		**86,100**	86,038	**93,512**
Treasury shares		**(1,736)**	(1,736)	**(1,885)**
Transaction reserve with non-controlling Interests		**5,697**	5,697	**6,187**
Reserves		**(577)**	(12,632)	**(627)**
Accumulated deficit		**(1,780)**	(7,256)	**(1,933)**
Total equity attributed to shareholders of the Company		**113,317**	95,724	**123,072**
Non-Controlling Interest		**5,523**	(12,647)	**5,998**
Total equity		**118,840**	83,077	**129,070**
Total liabilities and equity		**604,603**	576,157	**656,648**

* Convenience translation into US$ (exchange rate as at June 30, 2023: EUR 1 = US$ 1.086)
The accompanying notes are an integral part of the condensed consolidated interim financial statements.

Unaudited Condensed Consolidated Interim Statements of Profit or Loss and Other Comprehensive Income or Loss

	For the six months ended June 30, 2023	For the six months ended June 30, 2022	For the year ended December 31, 2022	For the six months ended June 30, 2023
	€ in thousands (except per share amounts)			Convenience Translation into US$**
Revenues	**25,458**	29,196	53,360	**27,649**
Operating expenses	**(12,028)**	(13,132)	(24,089)	**(13,063)**
Depreciation and amortization expenses	**(8,064)**	(7,978)	(16,092)	**(8,758)**
Gross profit	**5,366**	8,086	13,179	**5,828**
Project development costs	**(2,192)**	(1,554)	(3,784)	**(2,381)**
General and administrative expenses	**(2,911)**	(3,297)	(5,892)	**(3,162)**
Share of profits (losses) of equity accounted investee	**1,541**	(602)	1,206	**1,674**
Operating profit	**1,804**	2,633	4,709	**1,959**
Financing income	**9,021**	4,439	9,565	**9,798**
Financing income (expenses) in connection with derivatives and warrants, net	**(476)**	338	605	**(517)**
Financing expenses	**(6,989)**	(6,958)	(12,636)	**(7,590)**
Financing income (expenses), net	**1,556**	(2,181)	(2,466)	**1,691**
Profit before taxes on income	**3,360**	452	2,243	**3,650**
Tax benefit (Taxes on income)	**1,203**	(1,087)	(2,103)	**1,307**
Profit (loss) for the period	**4,563**	(635)	140	**4,957**
Profit (loss) attributable to:				
Owners of the Company	**5,476**	(1,222)	(357)	**5,947**
Non-controlling interests	**(913)**	587	497	**(990)**
Profit (loss) for the period	**4,563**	(635)	140	**4,957**
Other comprehensive loss items that after initial recognition in comprehensive income (loss) were or will be transferred to profit or loss:				
Foreign currency translation differences for foreign operations	**(8,253)**	*(3,683)	*(7,829)	**(8,963)**
Effective portion of change in fair value of cash flow hedges	**44,200**	*(8,875)	*8,976	**48,004**
Net change in fair value of cash flow hedges transferred to profit or loss	**(4,809)**	*(22,246)	*(36,438)	**(5,223)**
Total other comprehensive income (loss)	**31,138**	(34,804)	(35,291)	**33,818**
Total other comprehensive income (loss) attributable to:				
Owners of the Company	**12,055**	(19,051)	(19,920)	**13,093**
Non-controlling interests	**19,083**	(15,753)	(15,371)	**20,725**
Total other comprehensive income (loss)	**31,138**	(34,804)	(35,291)	**33,818**
Total comprehensive income (loss) for the period	**35,701**	(35,439)	(35,151)	**38,775**
Total comprehensive income (loss) for the period attributable to:				
Owners of the Company	**17,531**	(20,273)	(20,277)	**19,040**
Non-controlling interests	**18,170**	(15,166)	(14,874)	**19,735**
Total comprehensive income (loss) for the period	**35,701**	(35,439)	(35,151)	**38,775**
Basic net earning (loss) per share	**0.43**	(0.10)	(0.03)	**0.46**
Diluted net earning (loss) per share	**0.43**	(0.10)	(0.03)	**0.46**

* Reclassified

** Convenience translation into US$ (exchange rate as at June 30, 2023: EUR 1 = US$ 1.086)

The accompanying notes are an integral part of the condensed consolidated interim financial statements.

Unaudited Condensed Consolidated Interim Statements of Changes in Equity

	Attributable to shareholders of the Company								Non-controlling Interests	Total Equity
	Share capital	Share premium	Accumulated deficit	Treasury shares	Translation reserve from foreign operations	Hedging Reserve	Interests Transaction reserve with non-controlling Interests	Total		
	€ in thousands									
For the six months ended June 30, 2023:										
Balance as at January 1, 2023	25,613	86,038	(7,256)	(1,736)	7,970	(20,602)	5,697	95,724	(12,647)	83,077
Profit (loss) for the period	-	-	5,476	-	-	-	-	5,476	(913)	4,563
Other comprehensive income (loss) for the period	-	-	-	-	(7,882)	19,937	-	12,055	19,083	31,138
Total comprehensive income (loss) for the period	-	-	5,476	-	(7,882)	19,937	-	17,531	18,170	35,701
Transactions with owners of the Company, recognized directly in equity:										
Share-based payments	-	62	-	-	-	-	-	62	-	62
Balance as at June 30, 2023	25,613	86,100	(1,780)	(1,736)	88	(665)	5,697	113,317	5,523	118,840

The accompanying notes are an integral part of the condensed consolidated interim financial statements.

Unaudited Condensed Consolidated Interim Statements of Changes in Equity (cont'd)

	Attributable to shareholders of the Company								Non-controlling Interests	Total Equity
	Share capital	Share premium	Accumulated deficit	Treasury shares	Translation reserve from foreign operations	Hedging Reserve	Interests Transaction reserve with non-controlling Interests	Total		
	€ in thousands									
For the six months ended June 30, 2022:										
Balance as at January 1, 2022	25,605	85,883	(6,899)	(1,736)	15,365	(8,077)	5,697	115,838	(1,731)	114,107
Profit (loss) for the period	-	-	(1,222)	-	-	-	-	(1,222)	587	(635)
Other comprehensive loss for the period	-	-	-	-	(3,466)	(15,585)	-	(19,051)	(15,753)	(34,804)
Total comprehensive loss for the period	-	-	(1,222)	-	(3,466)	(15,585)	-	(20,273)	(15,166)	(35,439)
Transactions with owners of the Company, recognized directly in equity:										
Issuance of Capital note to non-controlling interest	-	-	-	-	-	-	-	-	3,958	3,958
Share-based payments	-	60	-	-	-	-	-	60	-	60
Balance as at June 30, 2022	25,605	85,943	(8,121)	(1,736)	11,899	(23,662)	5,697	95,625	(12,939)	82,686

The accompanying notes are an integral part of the condensed consolidated interim financial statements.

Unaudited Condensed Consolidated Interim Statements of Changes in Equity (cont'd)

	Attributable to shareholders of the Company								Non-controlling Interests	Total Equity
	Share capital	Share premium	Accumulated deficit	Treasury shares	Translation reserve from foreign operations	Hedging Reserve	Interests Transaction reserve with non-controlling Interests	Total		
	€ in thousands									
For the year ended December 31, 2022:										
Balance as at January 1, 2022	25,605	85,883	(6,899)	(1,736)	15,365	(8,077)	5,697	115,838	(1,731)	114,107
Profit (loss) for the year	-	-	(357)	-	-	-	-	(357)	497	140
Other comprehensive loss for the year	-	-	-	-	(7,395)	(12,525)	-	(19,920)	(15,371)	(35,291)
Total comprehensive loss for the year	-	-	(357)	-	(7,395)	(12,525)	-	(20,277)	(14,874)	(35,151)
Transactions with owners of the Company, recognized directly in equity:										
Issuance of Capital note to non-controlling interest	-	-	-	-	-	-	-	-	3,958	3,958
Options exercise	8	28	-	-	-	-	-	36	-	36
Share-based payments	-	127	-	-	-	-	-	127	-	127
Balance as at December 31, 2022	25,613	86,038	(7,256)	(1,736)	7,970	(20,602)	5,697	95,724	(12,647)	83,077

The accompanying notes are an integral part of the condensed consolidated interim financial statements.

Unaudited Condensed Consolidated Interim Statements of Changes in Equity (cont'd)

	Attributable to shareholders of the Company								Non-controlling Interests	Total Equity
	Share capital	Share premium	Accumulated deficit	Treasury shares	Translation reserve from foreign operations	Hedging Reserve	Interests Transaction reserve with non-controlling Interests	Total		
	Convenience translation into US$*									
For the six months ended June 30, 2023:										
Balance as at January 1, 2023	27,818	93,445	(7,880)	(1,885)	8,655	(22,375)	6,187	103,965	(13,737)	90,228
Profit (loss) for the period	-	-	5,947	-	-	-	-	5,947	(990)	4,957
Other comprehensive income (loss) for the period	-	-	-	-	(8,560)	21,653	-	13,093	20,725	33,818
Total comprehensive income (loss) for the period	-	-	5,947	-	(8,560)	21,653	-	19,040	19,735	38,775
Transactions with owners of the Company, recognized directly in equity:										
Share-based payments	-	67	-	-	-	-	-	67	-	67
Balance as at June 30, 2023	27,818	93,512	(1,933)	(1,885)	95	(722)	6,187	123,072	5,998	129,070

* Convenience translation into US$ (exchange rate as at June 30, 2023: EUR 1 = US$ 1.086)
The accompanying notes are an integral part of the condensed consolidated interim financial statements.

Unaudited Condensed Consolidated Interim Statements of Cash Flows

	For the six months ended June 30, 2023	For the six months ended June 30, 2022	For the year ended December 31, 2022	For the six months ended June 30, 2023
	€ in thousands			Convenience Translation into US$*
Cash flows from operating activities				
Profit (loss) for the period	**4,563**	(635)	140	**4,957**
Adjustments for:				
Financing income (expenses), net	**(1,556)**	2,181	2,466	**(1,691)**
Depreciation and amortization	**8,064**	7,978	16,092	**8,758**
Share-based payment transactions	**62**	60	127	**67**
Share of losses (profits) of equity accounted investees	**(1,541)**	602	(1,206)	**(1,674)**
Change in trade receivables and other receivables	**558**	(2,579)	724	**606**
Change in other assets	**(155)**	53	(209)	**(168)**
Change in receivables from concessions project	**836**	(550)	(521)	**908**
Change in trade payables	**(1,409)**	(801)	1,697	**(1,530)**
Change in other payables	**383**	7,878	3,807	**416**
Income tax expense (tax benefit)	**(1,203)**	1,087	2,103	**(1,307)**
Income taxes paid	**(20)**	(3,255)	(6,337)	**(22)**
Interest received	**1,353**	922	1,896	**1,469**
Interest paid	**(4,664)**	(4,924)	(9,459)	**(5,065)**
Net cash provided by operating activities	**5,271**	8,017	11,320	**5,724**
Cash flows from investing activities				
Acquisition of fixed assets	**(27,468)**	(22,274)	(48,610)	**(29,832)**
Repayment of loan by an equity accounted investee	**-**	149	149	**-**
Loan to an equity accounted investee	**(68)**	-	(128)	**(74)**
Advances on account of investments	**(777)**	-	(774)	**(844)**
Settlement of derivatives contract	**-**	(528)	(528)	**-**
Proceeds from (investment in) in restricted cash, net	**893**	(8,241)	(4,873)	**970**
Proceeds from (investment in) short term deposit	**(1,257)**	27,645	27,645	**(1,365)**
Proceeds from (investment in) marketable securities	**2,837**	-	(1,062)	**3,081**
Net cash used in investing activities	**(25,840)**	(3,249)	(28,181)	**(28,064)**
Cash flows from financing activities				
Proceeds from options	**-**	-	36	**-**
Cost associated with long term loans	**(706)**	(8,958)	(9,988)	**(767)**
Payment of principal of lease liabilities	**(777)**	(4,000)	(5,703)	**(844)**
Proceeds from long term loans	**21,499**	196,189	215,170	**23,350**
Repayment of long-term loans	**(6,602)**	(143,095)	(153,751)	**(7,170)**
Repayment of Debentures	**(17,763)**	(19,764)	(19,764)	**(19,292)**
Repayment of SWAP instrument associated with long term loans	**-**	(3,290)	(3,290)	**-**
Proceed from settlement of derivatives, net	**-**	-	3,800	**-**
Proceeds from issuance of Debentures, net	**55,808**	-	-	**60,612**
Net cash provided by financing activities	**51,459**	17,082	26,510	**55,889**
Effect of exchange rate fluctuations on cash and cash equivalents	**(3,478)**	(3,128)	(4,420)	**(3,777)**
Increase in cash and cash equivalents	**27,412**	18,722	5,229	**29,772**
Cash and cash equivalents at the beginning of the period	**46,458**	41,229	41,229	**50,457**
Cash and cash equivalents at the end of the period	**73,870**	59,951	46,458	**80,229**

* Convenience translation into US$ (exchange rate as at June 30, 2023: EUR 1 = US$ 1.086)

The accompanying notes are an integral part of the condensed consolidated interim financial statements.

Note 1 - General

Ellomay Capital Ltd. (hereinafter - the "Company"), is an Israeli Company operating in the business of renewable energy, and a power generator and developer of renewable energy and power projects in Europe, Israel and USA. As of June 30, 2023, the Company owns seven photovoltaic plants (each, a "PV Plant" and, together, the "PV Plants") connected to their respective national grids and operating as follows: (i) five PV Plants in Spain with an aggregate installed capacity of approximately 35.9 Mega Watt ("MW"), (ii) 51% of Talasol, which owns a PV Plant with installed capacity of 300MW in the municipality of Talaván, Cáceres, Spain (hereinafter – the "Talasol PV Plant") and (iii) one PV Plant in Israel with an aggregate installed capacity of approximately 9 MW. In addition, the Company indirectly owns: (i) 9.375% of Dorad Energy Ltd. (hereinafter - "Dorad"), (ii) Ellomay Solar Italy One SRL and Ellomay Solar Italy Two SRL that are constructing PV Plants with installed capacity of 14.8 MW and 4.95 MW, respectively, in the Lazio Region, Italy, (iii) Ellomay Solar Italy Four SRL, Ellomay Solar Italy Five SRL, Ellomay Solar Italy Seven SRL, Ellomay Solar Italy Nine SRL and Ellomay Solar Italy Ten SRL that are developing photovoltaic projects with installed capacity of 15.06 MW, 87.2 MW, 54.77 MW, 8 MW and 18 MW, respectively, in the Lazio Region, Italy that have reached "ready to build" status, (iv) Groen Gas Goor B.V., Groen Gas Oude-Tonge B.V. and Groen Gas Gelderland B.V., project companies operating anaerobic digestion plants in the Netherlands, with a green gas production capacity of approximately 3 million, 3.8 million and 9.5 million Normal Cubic Meter ("Nm3") per year, respectively, (v) 83.333% of Ellomay Pumped Storage (2014) Ltd., which is constructing a 156 MW pumped storage hydro power plant in the Manara Cliff, Israel (hereinafter – the "Manara PSP") and (vi) Fairfield Solar Project, LLC, Malakoff Solar I, LLC, Malakoff Solar II, LLC, that are developing photovoltaic projects with installed capacity of 13 MW, 6.5 MW and 6.5 MW, respectively, in the Dallas Metropolitan area, Texas, and have reached "ready to build" status.

The Company also develops additional PV projects in Italy, US, Spain, and Israel.

The ordinary shares of the Company are listed on the NYSE American and on the Tel Aviv Stock Exchange (under the symbol "ELLO"). The address of the Company's registered office is 18 Rothschild Blvd., Tel Aviv, Israel.

Issuance of the Company's Series E Debentures in February 2023

On February 1, 2023, the Company issued NIS 220 million (approximately €58.5 million, as of the issuance date) of the Series E Secured Debentures, due March 31, 2029, through a public offering in Israel. The net proceeds of the offering, net of related expenses such as consultancy fee and commissions, were approximately NIS 218 million (approximately €56 million as of the issuance date). The Series E Secured Debentures are secured by the following pledges:

i. a fixed pledge first degree on shares of Ellomay Luzon Energy Ltd. ("Ellomay Luzon Energy") held by Ellomay Clean Energy Limited Partnership ("Ellomay Energy LP"), a limited partnership directly and indirectly wholly-owned by the Company, representing a 50% ownership of Ellomay Luzon Energy, which holds 18.75% of Dorad;

ii. a floating first degree pledge and an assignment by way of a pledge of, and with respect to, Ellomay Energy LP's rights and agreements in connection with shareholder's loans provided by Ellomay Energy LP to Ellomay Luzon Energy; and

iii. a fixed first degree pledge on the Company's rights and the rights of Ellomay Energy LP in and to a trust bank account in the name of the trustee of the Series E Secured Debentures.

The Series E Secured Debentures are traded on the TASE.

Note 1 – General (cont'd)

Issuance of the Company's Series E Debentures in February 2023 (cont'd)

The principal amount of Series E Secured Debentures is repayable in four equal installments on March 31 from 2026 through 2029 (inclusive). The Series E Secured Debentures bear a fixed interest at the rate of 6.05% per year (that is not linked to the Israeli CPI or otherwise), payable semi-annually on March 31 and September 30, commencing March 31, 2023 through March 31, 2029 (inclusive).

The Series E Deed of Trust includes customary provisions, including (i) a negative pledge such that the Company may not place a floating charge on all of the Company's assets, subject to certain exceptions and (ii) an obligation to pay additional interest for failure to maintain certain financial covenants, with an increase of 0.25% in the annual interest rate for the period in which the Company does not meet each standard and up to an increase of 0.75% in the annual interest rate. The Series E Deed of Trust does not restrict the Company's ability to issue any new series of debt instruments, other than in certain specific circumstances, and enables the Company to expand the Series E Secured Debentures up to an aggregate par value of NIS 220 million subject to certain conditions.

The Series E Deed of Trust includes a number of customary causes for immediate repayment, including a default with certain financial covenants for the applicable period, and as noted above a mechanism for the update of the annual interest rate in the event the Company do not meet certain financial covenants. The financial covenants are as follows:

a. The Company's Adjusted Balance Sheet Equity (as such term is defined in the Series E Deed of Trust, which, among other exclusions, excludes changes in the fair value of hedging transactions of electricity prices, such as the PPA executed in connection with the Talasol PV Plant), on a consolidated basis, shall not be less than €75 million for two consecutive quarters for purposes of the immediate repayment provision and shall not be less than €80 million for purposes of the update of the annual interest provision;

b. The ratio of (a) the short-term and long-term debt from banks, in addition to the debt to holders of debentures issued by the Company and any other interest-bearing financial obligations provided by entities who are in the business of lending money (excluding financing of projects and other exclusions as set forth in the Series E Deed of Trust), net of cash and cash equivalents, short-term investments, deposits, financial funds and negotiable securities, to the extent that these are not restricted (with the exception of a restriction for the purpose of securing any financial debt according to this definition) (hereinafter, together – the "Series E Net Financial Debt"), to (b) the Company's Adjusted Balance Sheet Equity, on a consolidated basis, plus the Series E Net Financial Debt (hereinafter – the "Series E CAP, Net"), to which the Company refer herein as the Series E Ratio of Net Financial Debt to Series E CAP, Net, shall not exceed the rate of 65% for three consecutive quarters for purposes of the immediate repayment provision and shall not exceed a rate of 60% for purposes of the update of the annual interest provision; and

c. The ratio of (a) the Company's Series E Net Financial Debt, to (b) the Company's earnings before financial expenses, net, taxes, depreciation and amortization, where the revenues from the Company's operations, such as the Talmei Yosef project, are calculated based on the fixed asset model and not based on the financial asset model (IFRIC 12), and before share-based payments, when the data of assets or projects whose Commercial Operation Date occurred in the four quarters that preceded the test date will be calculated based on Annual Gross Up (as such terms are defined in the Series E Deed of Trust), based on the aggregate four preceding quarters (hereinafter – the "Series E Adjusted EBITDA"), to which the Company refer to herein as the Series E Ratio of Net Financial Debt to Series E Adjusted EBITDA, shall not be higher than 12 for three consecutive

Note 1 – General (cont'd)

Issuance of the Company's Series E Debentures in February 2023 (cont'd)

quarters for purposes of the immediate repayment provision and shall not be higher than 11 for purposes of the update of the annual interest provision.

As of June 30, 2023, the financial covenants were met.

Note 2 - Basis of Preparation and Significant Accounting Policies

The accounting policies applied by the Company in these condensed consolidated unaudited interim financial statements are the same as those applied by the Company in its annual financial statements for 2022.

A. Statement of compliance

These condensed consolidated interim financial statements have been prepared in accordance with 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 Company's financial statements as at and for the year ended December 31, 2022 (hereinafter – "the annual financial statements").

These condensed consolidated interim financial statements were authorized for issue on September 28, 2023.

B. Use of estimates and judgments

The preparation of financial statements in conformity with IFRS requires management to exercise judgment when making assessments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

The significant judgments made by management in applying the Company's accounting policies and the principal assumptions used in the estimation of uncertainty were the same as those that applied to the annual financial statements.

C. Initial application of new standards, amendments to standards and interpretations

Amendment to IAS 12, ***Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction*** **("the Amendment") –**
The Amendment narrows the scope of the exemption from recognizing deferred taxes as a result of temporary differences created at the initial recognition of assets and liabilities, so that it does not apply to transactions that give rise to equal and offsetting temporary differences.

As a result, companies will need to recognize a deferred tax asset or a deferred tax liability for these temporary differences at the initial recognition of transactions that give rise to equal and offsetting temporary differences, such as lease transactions and provisions for decommissioning and restoration.

The Amendment is effective for annual periods beginning on or after January 1, 2023 for deferred taxes arising from leases and from decommissioning and restoration liabilities. The Amendment is applied by amending the opening balance of retained earnings for the earliest comparative data presented or adjusting a different component of equity in the period the Amendment was first adopted.

Note 2 - Basis of Preparation and Significant Accounting Policies (cont'd)

C. Initial application of new standards, amendments to standards and interpretations (cont'd)

Amendment to IAS 12, *Income Taxes: Deferred Tax related to Assets and Liabilities arising from a Single Transaction* ("the Amendment") (cont'd) –

Application of the Amendment did not have a material effect on the financial statements.

Note 3 - Seasonality

Solar power production has a seasonal cycle due to its dependency on the direct and indirect sunlight and the effect the amount of sunlight has on the output of energy produced. Thus, low radiation levels during the winter months decrease power production.

Note 4 - Restricted Cash, Deposits and Marketable Securities

	June 30, 2023	December 31, 2022
	€ in thousands	
Marketable securities (1)	**-**	2,836
Short-term restricted cash	**810**	900
Short-term deposits	**1,007**	-
Restricted cash and bank deposits, long-term (2)	**19,018**	20,192

1. During 2022, the Company invested in a traded Corporate Bond with a coupon rate of 3.255% that were sold at the beginning of 2023.
2. Deposits used to secure obligations towards the Israeli Electricity Authority for the license for the pumped-storage project in the Manara Cliff in Israel and to secure obligations under loan agreements.

Note 5 - Trade and Other Receivables

	June 30, 2023	December 31, 2022
	€ in thousands	
Current Assets:		
Trade and other receivables:		
Government authorities	**4,203**	3,752
Income receivable	**2,686**	1,062
Interest receivable	**379**	125
Advance tax payment	**481**	566
Trade receivable	**530**	420
Inventory	**914**	1,201
Derivatives (Note 7)	**366**	273
Prepaid expenses and other	**2,127**	2,033
Short term loan given to an equity accounted investee	**2,718**	2,665
	14,404	12,097
Non-current Assets:		
Long term receivables		
Prepaid expenses associated with long term loans	**8,465**	8,417
Annual rent deposits	**288**	290
Loans to others	**510**	546
Other	**16**	17
	9,279	9,270

Note 6 - Investee Companies and Other Investments

Information about investee companies and other investments

A. Ellomay Luzon Energy (formerly U. Dori Energy Infrastructures Ltd.)-

The Company, through its wholly owned subsidiary, Ellomay Clean Energy Ltd. ("Ellomay Energy"), entered into an Investment Agreement (the "Dori Investment Agreement") with Amos Luzon Entrepreneurship and Energy Group Ltd. (the "Luzon Group"), and Ellomay Luzon Energy, with respect to an investment in Ellomay Luzon Energy. Ellomay Luzon Energy holds 18.75% of the share capital of Dorad, which owns an approximate 850 MW bi-fuel operated power plant in the vicinity of Ashkelon, Israel (the "Dorad Power Plant"). Dorad holds production and supply licenses, both expiring in May 2034 and commenced commercial operation in May 2014.
Dorad provided guarantees in favor of the Israeli Electricity Authority, NOGA - electricity system management Ltd. and Israel Natural Gas Lines Ltd. These guarantees were provided through Dorad's shareholders at their proportionate holdings, as required by the financing agreements executed by Dorad. As of June 30, 2023, total performance guarantees provided by Dorad amounted to approximately NIS 163,000 thousand (approximately €40,500 thousand). The Company's indirect share of guarantees that Dorad provided through its shareholders is approximately NIS 15,300 thousand (approximately €3,800 thousand).

Dorad and its shareholders are involved in several legal proceedings as follows:

<u>Petition to Approve a Derivative Claim filed by Ellomay Luzon Energy and Ran Fridrich and Third Party Notices</u>
In connection with the description of the petition to approve a derivative claim filed by Ellomay Luzon Energy and Hemi Raphael (replaced by Ran Fridrich) and related third party notices included in Note 6.A to the annual financial statements, an arbitration award was issued on June 28, 2023. The arbitration award accepted the majority of the claims made by the Plaintiffs (Ellomay Luzon Energy, Ran Fridrich and Eilat Ashkelon Infrastructure Services Ltd.) and the arbitrator ruled that the defendants, severally and jointly, are required to: (i) pay Dorad an amount of $100 million, bearing interest pursuant to applicable law from January 1, 2013 until the payment date, (ii) bear the expenses of the plaintiffs, including Ellomay Luzon Energy, in an aggregate amount of NIS 20 million, plus VAT, and (iii) bear 80% of the expenses of Dorad in the proceeding (while the Plaintiffs will bear the remaining 20%).

<u>Petition to Approve a Derivative Claim filed by Edelcom</u>
In connection with the description of the petition to approve a derivative claim filed by Edelcom Ltd., one of the shareholders of Dorad ("Edelcom"), included in Note 6.A to the annual financial statements, in connection with an alleged breach of the entrepreneurship agreement, the arbitration award issued on June 28, 2023 provided, inter alia, that the entrepreneurship agreement was not breached and therefore there is no basis for approving a derivative claim.
On July 4, 2023 and on July 5, 2023, the parties to the arbitration (other than Dorad) approached the retired judge named in the arbitration agreement as the agreed appeal arbitrator asking him to agree to rule on the appeal concerning the arbitration award. On July 6, 2023, the judge notified the parties that he agrees to rule on the appeal. In accordance with an agreed procedural arrangement that was approved by the arbitrator in the appeal, the deadline for filing appeals is October 15, 2023, the deadline for submitting a responses to the appeal is November 29, 2023 and the deadline for submitting positions in connection with the responses is December 14, 2023. The arrangement further provides that a counter-appeal can be filed after the main appeal has been filed. A preliminary procedural meeting whose purpose is to set a schedule for submitting written arguments is scheduled for January 4, 2024.
To the Company's knowledge, the parties to the arbitration intend to submit an appeal (and a counterappeal). Therefore, the effect of the aforementioned arbitrator ruling has not yet been included in the financial statements.

Note 6 - Investee Companies and Other Investments (cont'd)

Information about investee companies and other investments (cont'd)

A. Ellomay Luzon Energy Ltd. (formerly U. Dori Energy Infrastructures Ltd.) (cont'd)-

Potential Expansion of the Dorad Power Plant ("Dorad 2")

With reference to Note 6.A to the annual financial statements under the heading "*Potential Expansion of the Dorad Power Plant ("Dorad 2")*", on May 28, 2023, the Israeli Government approved the national infrastructures plan (TT"L 11/b) which governs, among other issues, the expansion of the power plant owned by Doard by approximately 650 MW in a combined cycle technology, resulting in aggregate capacity of approximately 1,500 MW. This plan also enables adding batteries with a capacity of approximately 80 MW. On July 12, 2023, Dorad received a copy of a petition submitted by O.P.C Hadera Expansion Ltd. ("OPC") concerning the approval of the Israeli Government. On July 19, 2023, the Israeli Supreme Court rejected the petition submitted by OPC due to non-exhaustion of proceedings. On July 24, 2023, Dorad received a copy of OPC's letter to the Israeli Government, through the Secretary of the Government, requesting an urgent response to OPC's letter dated July 3, 2023 and noting that to the extent the Government does not act accordingly, OPC will have no other recourse and will file a new petition with the court. Furthermore, on July 17, 2023, Dorad received a copy of a petition submitted by Reindeer Energy Ltd. ("Reindeer") concerning the same approval of the Israeli Government. On July 19, 2023, the Israeli court resolved that Reindeer is required to notify the court by July 24, 2023 why its petition should not be deleted as it is premature, without an order to pay legal expenses and while reserving its claims until a final resolution is adopted in the matter. On July 25, 2023, Dorad received a copy of Reindeer's response, claiming that the petition is not premature and that without the court's interference at this stage, the possibility to compete over building a power plant in Central Israel will be eliminated until 2035, therefore, Reindeer claims that the court's suggestion does not maintain its rights but eliminates them and harms the public interest, which requires a discussion of the petition. On July 27, 2023, the court rejected Reindeer's petition resolving that it is premature and that under the circumstances there is no justification to discuss it at this time because it is unclear what the recommendation of the National Infrastructure Committee will be after another discussion and what will be the final resolution of the Israeli Government and the basis of the resolution.

B. Manara Pumped Storage Project –

On May 30, 2023, Ellomay PS made a third withdrawal in the amount of NIS 83,000 thousand (approximately €20,845 thousand). The amount withdrawn from the senior Secured Tranche was approximately NIS 76,490 thousand (approximately €19,210 thousand) at an annual interest rate of 4.49% during the construction period and 3.11% from the date of commercial operation. The amount drawn from the Subordinated Secured B Tranche was approximately NIS 6,510 thousand (approximately €1,635 thousand) at an annual interest rate of 4.35% during the construction period and 3.9% from the date of commercial operation.

As part of the Manara PSP project finance, as of June 30, 2023, Ellomay PS paid upfront agency and commitment fees in the accumulated amount of approximately NIS 40,300 thousand (approximately €10,028 thousand), of which approximately NIS 34,000 thousand (approximately €8,461 thousand) were included as other long-term receivables and approximately NIS 6,300 thousand (approximately €1,567 thousand) were capitalized to the amounts drawn from the PSP project finance.

Note 6 - Investee Companies and Other Investments (cont'd)

Information about investee companies and other investments (cont'd)

C. Development of Photovoltaic Plants in Texas, USA –

In March 2023 the Company entered into a Joint Development Agreement (hereinafter – the "JDA") with AVI Energy Management LLC (hereinafter – "AVI") for the development of photovoltaic projects in the State of Texas, USA. AVI is a local project development company whose principals are experienced in the development of energy projects, site acquisition, capital markets and commercial management. The JDA provides for the initial development, design, and construction of two solar photovoltaic projects with an aggregate installed capacity of 26 MW DC (hereinafter – the "First Projects") and for the development and design of two additional photovoltaic projects with an aggregate installed capacity of 20 MW DC (hereinafter – the "Additional Projects"). As of the reporting date, both of the First Projects have achieved "ready to build" status and will be constructed within the coming 8-10 months. One of the Additional Projects has also achieved "ready to build" status, and the other project is expected to achieve "ready to build" status during the fourth quarter of 2023. The Additional Projects are expected to be constructed during the second half of 2024. The estimated capital costs for the First Projects are between $30-$32 million and the Company's share of such capital costs is expected to be approximately $19-$21 million. The estimated capital costs for the Additional Projects are between $24-$26 million and the Company's share of such capital costs is expected to be approximately $15-$17 million. The remaining capital costs are intended to be covered by tax equity sources with whom the Company is currently in discussions.

D. Development of PV Projects in Italy

In connection with the Framework Agreement executed in December 2019 and further detailed in Note 6.C to the annual financial statements, in connection with the first two photovoltaic plants with an aggregate capacity of approximately 20 MW, a notice to proceed was issued to the EPC contractor in May 2023. The construction works are in advanced stages and these PV plants are expected to be connected to the grid during October 2023.

In addition to the aforementioned PV plants currently under construction, projects with an aggregate capacity of 183 MW reached RTB ("ready to build") status. Of these projects, two PV plants with an aggregate capacity of approximately 105 MW entered into engineering, procurement & construction agreements with METKA EGN Italy S.r.l.

Note 7 - Financial Instruments

Fair value

(1) Financial instruments - the composition of the derivatives

	June 30, 2023	December 31, 2022
	€ in thousands	
Derivatives presented under current assets		
Swap contracts	**366**	273
Derivatives presented under non-current assets		
Swap contracts	**1,221**	1,488
Derivatives presented under current liabilities		
Financial power swap	**(8,309)**	(33,183)
Derivatives presented under non-current liabilities		
Financial power swap	**(563)**	(28,354)

(2) Financial instruments measured at fair value for disclosure purposes only

The carrying amounts of certain financial assets and liabilities, including cash and cash equivalents, trade receivables, other receivables, other short-term investments, deposits, derivatives, bank overdraft, short-term loans and borrowings, trade payables and other payables are the same or proximate to their fair value.

The fair values of the other financial assets and liabilities, together with the carrying amounts shown in the statement of financial position, are as follows:

	June 30, 2023					
		Fair value				
	Carrying amount	Level 1	Level 2	Level 3	Valuation techniques for determining fair value	Inputs used to determine fair value
	€ in thousands					
Non-current liabilities:						
Debentures	**139,578**	**134,454**	**-**	**-**		
Loans from banks and others (including current maturities)	**287,299**	**-**	**250,362**	**-**	Discounting future cash flows by the market interest rate on the date of measurement.	Discount rate of Euribor+ 2% with a zero floor, Euribor+ 5.27%, fixed rate for 5 years, 2.65%-4.5% Linkage to Euribor, fixed rate 2.58%-3.03%, fixed rate 2.75%-7% Linkage to Consumer price index in Israel and floating interest rate based on the Bank of Israel Rate plus a spread of 4.35%.
	426,877	**134,454**	**250,362**	**-**		

Note 7 - Financial Instruments (cont'd)

Fair value (cont'd)

(2) Financial instruments measured at fair value for disclosure purposes only (cont'd)

	December 31, 2022					
		Fair value				
	Carrying amount	Level 1	Level 2	Level 3	Valuation techniques for determining fair value	Inputs used to determine fair value
	€ in thousands					
Non-current liabilities:						
Debentures	110,428	102,957	-	-		
Loans from banks and others (including current maturities)	273,863	-	217,073	-	Discounting future cash flows by the market interest rate on the date of measurement.	Discount rate of Euribor+ 2% with a zero floor, Euribor+ 5.27%, fixed rate for 5 years 2.65%-4.5% Linkage to Euribor, fixed rate 2.58%-3.03%, fix rate 2.75%-7% Linkage to Consumer price index in Israel and floating interest rate based on the Bank of Israel Rate plus a spread of 4.35%.
	384,291	102,957	217,073	-		

(3) Fair value hierarchy of financial instruments measured at fair value

The table below presents an analysis of financial instruments measured at fair value on the temporal basis using valuation methodology in accordance with hierarchy fair value levels. The various levels are defined as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical instruments.
- Level 2: inputs other than quoted prices included within Level 1 that are observable, either directly or indirectly.
- Level 3: inputs that are not based on observable market data (unobservable inputs).

	June 30, 2023				
	Level 1	Level 2	Level 3	Total	Valuation techniques for determining fair value
	€ in thousands				
Swap contracts	**-**	**1,587**	**-**	**1,587**	Fair value is measured by discounting the future cash flows, over the period of the contract and using market interest rates appropriate for similar instruments, including the adjustment required for the parties' credit risks.
Financial power swap	**-**	**-**	**(8,872)**	**(8,872)**	Fair value is measured by discounting the future fixed and assessed cash flows over the period of the contract and using market interest rates appropriate for similar instruments. The value is adjusted for the parties' credit risks.

There have been no transfers from any Level to another Level during the six months ended June 30, 2023.

Note 7 - Financial Instruments (cont'd)

Fair value (cont'd)

(3) Fair value hierarchy of financial instruments measured at fair value (cont'd)

	December 31, 2022				
	Level 1	**Level 2**	**Level 3**	**Total**	**Valuation techniques for determining fair value**
		€ in thousands			
Marketable securities	2,836	-	-	2,836	Market price
Swap contracts	-	1,761	-	1,761	Fair value is measured by discounting the future cash flows, over the period of the contract and using market interest rates appropriate for similar instruments, including the adjustment required for the parties' credit risks.
Financial power swap	-	-	(61,537)	(61,537)	Fair value is measured by discounting the future fixed and assessed cash flows over the period of the contract and using market interest rates appropriate for similar instruments. The value is adjusted for the parties' credit risks.

(4) Level 3 financial instruments carried at fair value

The table hereunder presents a reconciliation from the beginning balance to the ending balance of financial instruments carried at fair value in level 3 of the fair value hierarchy:

	Financial assets
	Financial power swap **€ in thousands**
Balance as at December 31, 2022	**(61,537)**
Total gains (losses) recognized:	
In profit or loss	
Unrealized under financing income and expenses	**271**
Realized under financing income and expenses	**6,141**
In other comprehensive income	**46,253**
Balance as at June 30, 2023	**(8,872)**

Note 8 - Fixed assets

	Photovoltaic plants	Pumped storage	Biogas installations	Office furniture and equipment	Total
			€ in thousands		
Cost					
Balance as at January 1, 2023	**266,062**	**102,472**	**36,355**	**224**	**405,113**
Additions	**10,254**	**17,712**	**1,001**	**12**	**28,979**
Effect of changes in exchange rates	**-**	**(6,362)**	**-**	**(1)**	**(6,363)**
Balance as at June 30, 2023	**276,316**	**113,822**	**37,356**	**235**	**427,729**
Balance as at January 1, 2022	251,027	78,892	35,192	190	365,301
Additions	15,036	29,124	1,163	33	45,356
Effect of changes in exchange rates	(1)	(5,544)	-	1	(5,544)
Balance as at December 31, 2022	266,062	102,472	36,355	224	405,113
Depreciation					
Balance as at January 1, 2023	**29,530**	**-**	**9,652**	**175**	**39,357**
Depreciation for the period	**6,321**	**-**	**1,191**	**12**	**7,524**
Effect of changes in exchange rates	**-**	**-**	**-**	**(1)**	**(1)**
Balance as at June 30, 2023	**35,851**	**-**	**10,843**	**186**	**46,880**
Balance as at January 1, 2022	17,297	-	6,952	155	24,404
Depreciation for the year	12,233	-	2,700	21	14,954
Effect of changes in exchange rates	-	-	-	(1)	(1)
Balance as at December 31, 2022	29,530	-	9,652	175	39,357
Carrying amounts					
As at June 30, 2023	**240,465**	**113,822**	**26,513**	**49**	**380,849**
As at December 31, 2022	236,532	102,472	26,703	49	365,756

Note 9 - Operating Segments

The basis of segmentation and the measurement basis for the segment profit or loss are the same as that presented in Note 22 regarding operating segments in the annual financial statements. Segment assets consist of current assets, fixed assets and intangible assets, as included in reports provided regularly to the chief operating decision maker.

	PV									Total		
			Ellomay				Bio			reportable		Total
	Italy	Spain	Solar	Talasol	USA	Israel[1]	Gas	Dorad	Manara	segments	Reconciliations	consolidated
	For the six months ended June 30, 2023											
	€ in thousands											
Revenues	**-**	**1,463**	**2,080**	**12,666**	**-**	**459**	**8,790**	**30,305**	**-**	**55,763**	**(30,305)**	**25,458**
Operating expenses	**-**	**(264)**	**(882)**	**(3,125)**	**-**	**(183)**	**(7,574)**	**(22,588)**	**-**	**(34,616)**	**22,588**	**(12,028)**
Depreciation expenses	**(1)**	**(458)**	**(469)**	**(5,684)**	**-**	**(236)**	**(1,204)**	**(2,871)**	**-**	**(10,923)**	**2,859**	**(8,064)**
Gross profit	**(1)**	**741**	**729**	**3,857**	**-**	**40**	**12**	**4,846**	**-**	**10,224**	**(4,858)**	**5,366**
Adjusted gross profit	**(1)**	**741**	**729**	**3,857**	**-**	**678[1]**	**12**	**4,846**	**-**	**10,862**	**(5,496)**	**5,366**
Project development costs												**(2,192)**
General and administrative expenses												**(2,911)**
Share of profits of equity accounted investee												**1,541**
Operating profit												**1,804**
Financing income												**9,021**
Financing expenses in connection with derivatives and warrants, net												**(476)**
Financing expenses												**(6,989)**
Income before taxes on Income												**3,360**
Segment assets as at June 30, 2023	**33,932**	**13,806**	**19,635**	**230,428**	**1,091**	**31,635**	**31,910**	**99,033**	**155,245**	**616,715**	**(12,112)**	**604,603**

[1] The gross profit of the Talmei Yosef PV Plant located in Israel is adjusted to include income from the sale of electricity (approximately €2,032 thousand) and depreciation expenses (approximately €935 thousand) under the fixed asset model, which were not recognized as revenues and depreciation expenses, respectively, under the financial asset model as per IFRIC 12.

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

Note 9 - Operating Segments (cont'd)

	PV										
	Italy	Spain	Ellomay Solar	Talasol	Israel[1]	Bio Gas	Dorad	Manara	Total reportable segments	Reconciliations	Total consolidated
	For the six months ended June 30, 2022										
	€ in thousands										
Revenues	-	2,081	327	20,402	556	5,830	26,756	-	55,952	(26,756)	29,196
Operating expenses	-	(100)	(191)	(7,088)	(214)	(5,539)	(20,769)	-	(33,901)	20,769	(13,132)
Depreciation expenses	-	(452)	-	(5,655)	(254)	(1,607)	(3,240)	-	(11,208)	3,230	(7,978)
Gross profit (loss)	-	1,529	136	7,659	88	(1,316)	2,747	-	10,843	(2,757)	8,086
Adjusted gross profit (loss)	-	1,529	136	7,659	764[2]	(1,316)	2,747	-	11,519	(3,433)	8,086
Project development costs											(1,554)
General and administrative expenses											(3,297)
Share of profits of equity accounted investee											(602)
Operating profit											2,633
Financing income											4,439
Financing expenses in connection with derivatives and warrants, net											338
Financing expenses											(6,958)
Income before taxes on Income											452
Segment assets as at June 30, 2022	7,273	15,376	21,684	267,090	36,404	31,661	108,718	120,906	609,112	(34,776)	574,336

* Segment presentation for prior periods was adjusted to reflect revenues and operating expenses for the Talmei Yosef PV Plant under IFRIC 12 and not under the fixed asset model and to include the adjusted gross profit of such segment, to align the presentation with the presentation of the segments for the period ended June 30, 2023.

[2] The gross profit of the Talmei Yosef PV Plant located in Israel is adjusted to include income from the sale of electricity (approximately €2,246 thousand) and depreciation expenses (approximately €1,014 thousand) under the fixed asset model, which were not recognized as revenues and depreciation expenses, respectively, under the financial asset model as per IFRIC 12.

Notes to the Unaudited Condensed Consolidated Interim Financial Statements

Note 9 - Operating Segments (cont'd)

	PV										
	Italy	Spain	Ellomay Solar	Talasol	Israel[1]	Bio Gas	Dorad	Manara	Total reportable segments	Reconciliations	Total consolidated
	For the year ended December 31, 2022										
	€ in thousands										
Revenues	-	3,264	3,597	32,740	1,119	12,640	62,813	-	116,173	(62,813)	53,360
Operating expenses	-	(322)	(1,399)	(8,764)	(418)	(13,186)	(47,442)	-	(71,531)	47,442	(24,089)
Depreciation expenses	-	(908)	(427)	(11,400)	(512)	(2,824)	(6,339)	-	(22,410)	6,318	(16,092)
Gross profit (loss)	-	2,034	1,771	12,576	189	(3,370)	9,032	-	22,232	(9,053)	13,179
Adjusted gross profit (loss)	-	2,034	1,771	12,576	1,565[3]	(3,370)	9,032	-	23,608	(10,429)	13,179
Project development costs											(3,784)
General and administrative expenses											(5,892)
Share of loss of equity accounted investee											1,206
Operating profit											4,709
Financing income											9,565
Financing expenses in connection with derivatives and warrants, net											605
Financing expenses, net											(12,636)
Loss before taxes on income											2,243
Segment assets as at December 31, 2022	22,608	14,577	20,090	244,584	34,750	32,002	107,079	137,432	613,122	(36,965)	576,157

[3] The gross profit of the Talmei Yosef PV Plant located in Israel is adjusted to include income from the sale of electricity (approximately €3,427 thousand) and depreciation expenses (approximately €2,051 thousand) under the fixed asset model, which were not recognized as revenues and depreciation expenses, respectively, under the financial asset model as per IFRIC 12.

Note 10 - Leases

1. Material lease agreements entered into during the period

Ellomay Solar Italy Seven and Ellomay Solar Italy Nine each lease land in in the municipality of Masserano, Biella, Piemonte Region, Italy and Jesi, Ancona, Marche Region, Italy, respectively, from private lessors for a period of 31 years, on which they are constructing photovoltaic facilities. A right-of-use asset in the amount of €2,527 thousand has been recognized in the statement of financial position in respect of leases of land. A lease liability in the amount of €2,527 thousand has been recognized in the statement of financial position in respect of such leases of land, out of which an amount of €14 thousand has been recognized in short term liabilities.

2. Right-of-use assets

	Gelderland	Italy	Spain	Talasol	Talmei Yosef	Pumped storage	Total
	€ in thousands						
Cost							
Balance as at January 1, 2023	**46**	**8,733**	**2,314**	**7,183**	**1,331**	**10,413**	**30,020**
Additions	**-**	**2,527**	**155**	**867**	**72**	**83**	**3,704**
Depreciation for the period	**(13)**	**(139)**	**(64)**	**(227)**	**(28)**	**(220)**	**(691)**
Other	**-**	**(1,629)**	**-**	**-**	**-**	**-**	**(1,629)**
Effect of changes in exchange rates	**-**	**-**	**-**	**-**	**(118)**	**(683)**	**(801)**
Balance as at June 30, 2023	**33**	**9,492**	**2,405**	**7,823**	**1,257**	**9,593**	**30,603**

3. Lease liability

Maturity analysis of the company's lease liabilities

	June 30, 2023
	€ in thousands
Less than one year	**775**
One to five years	**3,280**
More than five years	**19,663**
Total	**23,718**
Current maturities of lease liability	**775**
Long-term lease liability	**22,943**

Operating and Financial Review and Prospects

The following discussion and analysis is based on and should be read in conjunction with our condensed consolidated interim financial statements for the six month period ended June 30, 2023 (unaudited) furnished herewith as Exhibit 99.2 and in conjunction with our consolidated financial statements, including the related notes, and the other financial information included in our annual report on Form 20-F for the year ended December 31, 2022, or the Annual Report, filed with the Securities and Exchange Commission, or SEC, on April 7, 2023. The following discussion contains forward-looking statements that reflect our current plans, estimates and beliefs and involve risks and uncertainties. Our actual results may differ materially from those discussed in the forward-looking statements. Factors that could cause or contribute to such differences include those discussed below and in the Annual Report.

All references to "€," "euro" or "EUR" are to the legal currency of the European Union, or EU, all references to "NIS" or "New Israeli Shekel" are to the legal currency of Israel and all references to "$," "dollar," "US$," "USD" or "U.S. dollar" are to the legal currency of the United States of America. Other than as specifically noted, all amounts translated into a different currency were translated based on the exchange rate as of June 30, 2023.

IFRS

Our financial statements have been prepared in accordance with International Financial Reporting Standards, or IFRS, as issued by the IASB, which differ in certain respects from U.S. Generally Accepted Accounting Principles, or U.S. GAAP.

General

We are involved in the initiation, development, construction and production of renewable and clean energy facilities. We own seven photovoltaic ("PV") plants that are operating and connected to their respective national grids as follows: (i) five PV plants in Spain with an aggregate installed capacity of approximately 35.9 MWp, (ii) 51% of Talasol Solar S.L.U, or Talasol, which owns a PV plant with an installed capacity of 300 MW in the municipality of Talaván, Cáceres, Spain, and (iii) one photovoltaic plant in Israel with an installed capacity of approximately 9 MWp. In addition, we indirectly own: (i) 9.375% of Dorad Energy Ltd., or Dorad, which owns an approximate 850MWp dual-fuel operated power plant in the vicinity of Ashkelon, Israel, (ii) Ellomay Solar Italy One SRL and Ellomay Solar Italy Two SRL, that are constructing PV plants with installed capacity of 14.8 MW and 4.95 MW, respectively, in the Lazio Region, Italy, (iii) Ellomay Solar Italy Four SRL, Ellomay Solar Italy Five SRL, Ellomay Solar Italy Seven SRL, Ellomay Solar Italy Nine SRL and Ellomay Solar Italy Ten SRL that are developing PV projects with installed capacity of 15.06 MW, 87.2 MW, 54.77 MW, 8 MW and 18 MW, respectively, in the Lazio Region, Italy that have reached "ready to build" status, (iv) Groen Gas Goor B.V., Groen Gas Oude-Tonge B.V. and Groen Gas Gelderland B.V., project companies operating anaerobic digestion plants in the Netherlands, with a green gas production capacity of approximately 3 million, 3.8 million and 9.5 million Normal Cubic Meter, or Nm3, per year, respectively, (v) 83.333% of Ellomay Pumped Storage (2014) Ltd., which is constructing a 156 MW pumped storage hydro power plant In the Manara Cliff, Israel, or the Manara PSP and (vi) Fairfield Solar Project, LLC, Malakoff Solar I LLC, Malakoff Solar II, LLC, that are developing photovoltaic projects with installed capacity of 13 MW, 6.5 MW and 6.5 MW, respectively, in the Dallas Metropolitan area, Texas, and have reached "ready to build" status. We also initiate and develop additional PV projects in Italy, US, Spain and Israel.

The following table includes information concerning our revenues per facility:

Name	**Installed/ production Capacity**[1]	**Location**	**Type of Plant**	**Connection to Grid**	**Fixed Tariff**	**Revenue in the six months ended June 30, 2022 (in thousands)**[2]	**Revenue in the six months ended June 30, 2023 (in thousands)**[2]
"Rinconada II"	2,275 kWp	Municipality of Córdoba, Andalusia, Spain	PV – Fixed panels	July 2010	N/A	€601	€441
"Rodríguez I"	1,675 kWp	Province of Murcia, Spain	PV – Fixed panels	November 2011	N/A	€442	€308
"Rodríguez II"	2,691 kWp	Province of Murcia, Spain	PV – Fixed panels	November 2011	N/A	€716	€509
"Fuente Librilla"	1,248 kWp	Province of Murcia, Spain	PV – Fixed panels	June 2011	N/A	€322	€205
"Talmei Yosef"	9,400 kWp	Talmei Yosef, Israel	PV – Fixed panels	November 2013	1.0185[3] (NIS/kWh)	€556[4]	€459[4]
"Talasol"	300,000 kWp	Talaván, Cáceres, Spain	PV – Fixed panels	December 2020	N/A	€20,402	€12,666
"Ellomay Solar"	28,000 kWp	Talaván, Cáceres, Spain	PV – Fixed panels	June 2022	N/A	€327	€2,080
"Groen Gas Goor"	3 million Nm3 per year	Goor, the Netherlands	Biogas	November 2017	N/A	€1,354	€2,366
"Goren Gas Oude-Tonge"	3.8 million Nm3 per year	Oude-Tonge, the Netherlands	Biogas	June 2018	N/A	€1,417	€2,624
"Groen Gas Gelderland"	7.5 million Nm3 per year[6]	Gelderland, the Netherlands	Biogas	April 2017	N/A	€3,059	€3,800

1. The actual capacity of a photovoltaic plant is generally subject to a degradation of 0.5%-0.7% per year, depending on climate conditions and quality of the solar panels.

2. These results are not indicative of future results due to various factors, including changes in the regulation and the climate and the degradation of the solar panels.

3. The initial tariff of NIS 0.9631/kWh was fixed for a period of 20 years and is updated once a year based on changes to the Israeli CPI of October 2011. The tariff was NIS 1.0185/kWh in 2022 and increased to NIS 1.0722/kWh in 2023.

4. As a result of the accounting treatment of the Talmei Yosef project as a financial asset, out of total proceeds from the sale of electricity of approximately €2 million for the six months ended June 30, 2023 compared to approximately €2.2 million for the six month period ended June 30, 2022, only revenues related to the ongoing operation of the plant in the amount of approximately €0.5 million for each of the six month periods ended June 30, 2023 compared to approximately €0.6 million for the six months ended June 30, 2022, are recognized as revenues.

5. The Talasol PV Plant is 51% owned by us.

6. This plant's permit enables it to produce approximately 7.5 million Nm3 per year, however the actual production capacity of the plant is approximately 9.5 million Nm3 per year.

Our ordinary shares are listed on the NYSE American and on the Tel Aviv Stock Exchange under the symbol ELLO. The address of our registered office is 18 Rothschild Blvd., 1st Floor, Tel Aviv 6688121, Israel.

Operating Results

Segments

Our reportable segments, which form our strategic business units, are as follows: (i) PV power plants presented per plant or per geographical areas (Italy, Spain, Ellomay Solar, Talasol and Israel), (ii) 9.375% indirect interest in Dorad, (iii) anaerobic digestion plants ("Biogas") in the Netherlands, and (iv) pumped storage hydro power plant in Manara, Israel. For more information see note 9 of our condensed consolidated interim financial statements as at June 30, 2023.

Results of Operations

Six Months Ended June 30, 2023 Compared with Six Months Ended June 30, 2022

Revenues

Revenues were approximately €25.5 million for the six months ended June 30, 2023, compared to approximately €29.2 million for the six months ended June 30, 2022. This decrease mainly results from the decrease in electricity prices in Spain and from a curtailment of the electricity supply from the Company's facilities to the grid during June 2023 due to maintenance and upgrade work on the main transmission line between Spain and Portugal, which caused a decrease in revenues of approximately €1 million. The Company subsequently implemented a solution aimed at minimizing the impact of future similar curtailments. The decrease in revenues was partially offset by an increase in revenues from the Company's Biogas plants in the Netherlands, resulting mainly from increased production and an increase in the 2023 gas price, and from the connection to the grid of Ellomay Solar (a 28 MW photovoltaic plant in Spain) during June 2022, upon which the Company commenced recognition of revenues.

Revenues by Segments

(Euro in thousands)	Six months ended June 30, 2023	2022	June 30, 2023 vs. June 30, 2022 Change €	%
Spanish PV segment	1,463	2,081	(618)	(30%)
Ellomay Solar PV segment	2,080	327	1,753	536%
Talasol PV segment	12,666	20,402	(7,736)	(38%)
Israeli PV segment	459	556	(97)	(17%)
Netherlands Biogas segment	8,790	5,830	2,960	51%
Dorad segment	30,305	26,756	3,549	13%

Spanish PV Segment. Revenues from our Spanish PV segment were approximately €1.5 million for the six months ended June 30, 2023, compared to approximately €2.1 million for the six months ended June 30, 2022. The decrease mainly resulted from the decrease in electricity prices in Spain.

Ellomay Solar PV Segment. Revenues from our Ellomay Solar PV segment were approximately €2.1 million for the six months ended June 30, 2023, compared to approximately €0.3 for the six months ended June 30, 2022. The Ellomay Solar PV Plant was connected to the Spanish national grid on June 11, 2022 and therefore no revenues were generated or recognized prior to such date.

Talasol PV Segment. Revenues from our Talasol PV segment were approximately €12.7 million for the six months ended June 30, 2023, compared to approximately €20.4 for the six months ended June 30, 2022. The decrease mainly resulted from the decrease in electricity prices in Spain and from a curtailment of the electricity supply from the Company's facilities to the grid during June 2023 due to maintenance and upgrade work on the main transmission line between Spain and Portugal, which caused a decrease in revenues of approximately €1 million.

Israeli PV Segment. Revenues from our Israeli PV segment were approximately €0.5 million for the six months ended June 30, 2023, compared to approximately €0.6 million for the six months ended June 30, 2022. The segment revenues for our PV Plant located in Israel are presented under the IFRIC 12 financial asset model as applied in our financial statements. Proceeds for electricity produced by our Israeli PV segment under the fixed asset model were approximately €2 million for the six months ended June 30, 2023, compared to approximately €2.2 million for the six month period ended June 30, 2022. The decrease in revenues is due to the translation from NIS to euro resulting from the strengthening of the euro against the NIS.

Netherlands Biogas Segment. Revenues from our Netherlands Biogas segment were approximately €8.8 million for the six months ended June 30, 2023, compared to approximately €5.8 million for the six months ended June 30, 2022. The increase in revenues is mainly due to increased production and an increase in the 2023 gas price.

Dorad Segment. The segment results for Dorad are presented as our share in the results of Dorad in NIS translated into Euro and not under the equity method (equity accounted investee) as applied in our financial statements. Our share in the revenues of Dorad was approximately €30.3 million (approximately NIS 117.6 million) for the six months ended June 30, 2023, compared to approximately €26.8 million (approximately NIS 95.7 million) for the six months ended June 30,

2022. The increase in Dorad's revenues is mainly due to higher quantities produced and a higher electricity tariff in Israel.

Operating Expenses and Depreciation Expenses

Operating expenses were approximately €12 million for the six months ended June 30, 2023, compared to approximately €13.1 million for the six months ended June 30, 2022. The decrease in operating expenses mainly results from a decrease in payments under the Spanish RDL 17/2022, caused by a reduction in the electricity market price. RDL 17/2022 established the reduction of returns on the electricity generating activity of Spanish production facilities that do not emit greenhouse gases, accomplished through payments of a portion of the revenues by the production facilities to the Spanish government. As a result of the decrease in the electricity market price in Spain during the first half of 2023, the payments under RDL 17/2022 were lower during this period compared to the same period last year. This decrease in operating expenses was partially offset by increased operating expenses in connection with the Company's biogas operations in the Netherlands caused by the use of higher quality raw materials due to lower availability of cheaper raw materials, and from the connection to the grid of Ellomay Solar during June 2022, upon which the Company commenced recognition of expenses. Depreciation expenses were approximately €8.1 million for the six months ended June 30, 2023, compared to approximately €8 million for the six months ended June 30, 2022.

Operating Expenses by Segments

	Six months ended June 30,		June 30, 2023 vs. June 30, 2022 Change	
(Euro in thousands)	**2023**	**2022**	**€**	**%**
Spanish PV segment	264	100	164	164%
Ellomay Solar PV segment	882	191	691	362%
Talasol PV segment	3,125	7,088	(3,963)	(56%)
Israeli PV segment	183	214	(31)	(14%)
Netherlands Biogas segment	7,574	5,539	2,035	37%
Dorad segment	22,588	20,769	1,819	9%

Spanish PV Segment. Operating expenses in connection with our Spanish PV segment were approximately €0.3 million for the six months ended June 30, 2023, compared to approximately €0.1 million for the six months ended June 30, 2022. The increase mainly resulted from insurance reimbursement received in 2022.

Ellomay Solar PV Segment. Operating expenses in connection with our Ellomay Solar PV segment were approximately €0.9 million for the six months ended June 30, 2023, compared to approximately €0.2 for the six months ended June 30, 2022. The Ellomay Solar PV Plant was connected to the Spanish national grid on June 11, 2022 and therefore no operating expenses were recognized prior to such date.

Talasol PV Segment. Operating expenses in connection with our Talasol PV segment were approximately €3.1 million for the six months ended June 30, 2023, compared to approximately €7.1 million for the six months ended June 30, 2022. The decrease resulted mainly reduced payments under Spanish RDL 17/2021 due to the lower electricity price.

Israeli PV Segment. Operating expenses in connection with our Israeli PV segment were approximately €0.2 million for each of the six month periods ended June 30, 2023 and 2022.

Netherlands Biogas Segment. Operating expenses in connection with our Netherlands biogas segment were approximately €7.6 million for the six months ended June 30, 2023, compared to approximately €5.5 million for the six months ended June 30, 2022. The increase is mainly attributable to the use of higher quality raw materials due to lower availability of cheaper raw materials.

Dorad Segment. The segment results for Dorad are presented as our share in the results of Dorad in NIS translated into euro and not under the equity method (equity accounted investee) as applied in our financial statements. Operating expenses in connection with our Dorad segment were approximately €22.6 million (approximately NIS 87.7 million) for the six months ended June 30, 2023, compared to approximately €20.8 million (approximately NIS 74.3 million) for the six months ended June 30, 2022. The increase in Dorad's operating expenses is mainly due to an increase in gas consumption and increased tariff.

Project Development Costs

Project development costs were approximately €2.2 million for the six months ended June 30, 2023, compared to approximately €1.6 million for the six months ended June 30, 2022. The increase in project development costs is mainly due to the increase in development activities in connection with photovoltaic projects in Israel and USA.

General and Administrative Expenses

General and administrative expenses were approximately €2.9 million for the six months ended June 30, 2023, compared to approximately €3.3 million for the six months ended June 30, 2022. The decrease in general and administrative expenses is mostly due to a decrease in D&O liability insurance costs and bonuses paid to employees in 2022.

Share of Profit / Loss of Equity Accounted Investee

Our share of profit of equity accounted investee, after elimination of intercompany transactions, was approximately €1.5 million for the six months ended June 30, 2023, compared to a loss of approximately €0.6 million in the six months ended June 30, 2022. The increase in share of profits of equity accounted investee was mainly due to the increase in revenues of Dorad due to higher quantities produced and a higher electricity tariff in Israel, partially offset by an increase in operating expenses in connection with the increased production and higher tariff.

Financing Income (Expenses), Net

	For the six months ended June 30	
	2023	**2022**
	€ in thousands	
Interest income and consumer price index in Israel in connection to concession project	**792**	1,689
Interest income	**1,359**	122
Gain from exchange rate differences, net	**6,870**	2,628
Change in fair value of derivatives, net	**(476)**	338
Debentures interest and related expenses	**(1,840)**	(1,343)
Consumer price index in Israel for loan	**(364)**	(551)
Interest and commissions related to projects finance	**(3,280)**	(3,206)
Amortization of capitalized expenses related to projects finance	**(138)**	(132)
Interest on minority shareholder loan	**(933)**	(892)
Bank charges and other commissions	**(227)**	(656)
Interest on lease liability	**(207)**	(178)
Total financing income (expenses), net	**1,556**	(2,181)

Financing income, net was approximately €1.6 million for the six months ended June 30, 2023, compared to financing expenses, net of approximately €2.2 million for the six months ended June 30, 2022.

Taxes on Income / Tax Benefit

Tax benefit was approximately €1.2 million for the six months ended June 30, 2023, compared to taxes on income of approximately €1.1 million for the six months ended June 30, 2022. The change is mainly due to deferred tax recognized for carry forward losses.

Profit / Loss

Profit was approximately €4.6 million for the six months ended June 30, 2023, compared to a loss of approximately €0.6 million for the six months ended June 30, 2022.

Total Other Comprehensive Income / Loss

Total other comprehensive income was approximately €31.1 million for the six months ended June 30, 2023, compared to total other comprehensive loss of approximately €34.8 million for the six months ended June 30, 2022. The change mainly resulted from changes in fair value of cash flow hedges, including a material increase in the fair value of the financial power swap, or the Talasol PPA, which covers approximately 80% of the output of the Talasol PV Plant compared to the same period last year. The Talasol PPA experienced a high volatility due to the significant changes in electricity prices in Europe that included a substantial increase in prices during 2021 and 2022 and a substantial decrease in prices during 2023. In accordance with hedge accounting standards, the changes in the Talasol PPA's fair value are recorded in the Company's shareholders' equity through a hedging reserve and not through the accumulated deficit/retained earnings. The changes do not impact the Company's consolidated net profit/loss or the Company's consolidated cash flows. As the Company controls Talasol, the total impact of the changes in fair value of the Talasol PPA (including the minority share) is consolidated into the Company's financial statements and total equity.

Total Comprehensive Income / Loss

Total comprehensive income was approximately €35.7 million for the six months ended June 30, 2023, compared to total comprehensive loss of approximately €35.4 million for the six months ended June 30, 2022.

Impact of Fluctuation of Currencies

We hold cash and cash equivalents, marketable securities and restricted cash in various currencies, mainly in euro and NIS. Our investments in our Spanish PV plants, in the Biogas plants and in the Talasol PV plant are denominated in euro and our investments in Dori Energy, in the Talmei Yosef PV plant and in Manara PSP are denominated in NIS. Our debentures are denominated in NIS and the interest and principal payments are made in NIS, the financing of the Talmei Yosef PV plant and the Manara PSP is denominated in NIS and the financing we and Talasol have obtained in connection with our Spanish PV Plants is denominated in euro and, other than the Talasol financing, bears interest that is based on EURIBOR rate. We therefore are affected by changes in the prevailing euro/NIS exchange rates. We cannot predict the rate of appreciation/depreciation of the NIS against the euro in the future, and whether these changes will have a material adverse effect on our finances and operations.

The table below sets forth the annual and semi-annual rates of appreciation (or devaluation) of the NIS against the Euro.

	Year ended December 31,		Six months ended June 30,	
	2022	**2021**	**2023**	**2022**
Appreciation (Devaluation) of the euro against the NIS	6.6%	(10.8)%	7.1%	3.3%

The representative NIS/euro exchange rate was NIS 4.019 for one euro on June 30, 2023 and NIS 3.6364 for one euro on June 30, 2022. The average exchange rates for converting NIS to euro during the six-month periods ended June 30, 2023 and 2022 were NIS 3.881 and NIS 3.577 for one euro, respectively. The exchange rate as of September 1, 2023 was NIS 4.117 for one euro.

Governmental Economic, Fiscal, Monetary or Political Policies or Factors that have or could Materially Affect our Operations or Investments by U.S. Shareholders

Governmental Regulations Affecting the Operations of our PV Plants and other Facilities

Our PV Plants and other energy manufacturing plants are subject to comprehensive regulation and we sell the electricity and energy produced for rates determined by governmental legislation and to local governmental entities. Any change in the legislation that affects plants such as our plants could materially adversely affect our results of operations. An economic crisis in Europe and specifically in Spain, the Netherlands and Italy, or financial distress of the Israel Electric Corporation or the Israeli electricity system manager could cause the applicable legislator to reduce benefits provided to operators of PV plants or other privately-owned energy manufacturing plants or to revise the incentive regimes that currently govern the sale of electricity in Spain, the Netherlands, Israel and Italy.

For more information see "Item 3.D: Risk Factors - Risks Related to our Renewable Energy Operations," "Item 3.D: Risk Factors - Risks Related to our Investment in Dori Energy," "Item 3.D: Risk Factors - Risks Related to our Other Operations", "Item 4.B: Material Effects of Government Regulations on the PV Plants," "Item 4.B: Material Effects of Government Regulations on Dorad's Operations," "Item 4.B: The Netherlands Waste-to-Energy Market and Regulation" and "Item 4.B: Material Effects of Government Regulations on The Manara PSP" of our Annual Report.

Liquidity and Capital Resources

General

We entered into various project finance agreements in connection with the financing of our Spanish PV Plants, including the Talasol PV plant, the Talmei Yosef PV plant, the Netherlands biogas plants and the Manara PSP. In July 2019, October 2020, February 2021 and October 2021 we issued the Series C Debentures, in February 2021 we issued the Series D Convertible Debentures and in February 2023 we issued the Series E Secured Debentures. We will require additional funds in order to advance the projects that are currently under development or that will be developed in the future. For more information concerning our financing activities, see "Item 5.B. Liquidity and Capital Resources" of our Annual Report.

As of June 30, 2023, our working capital was approximately €12.9 million. In our opinion our working capital is sufficient for our present requirements.

We currently invest our excess cash in cash and cash equivalents that are highly liquid and in marketable securities.

As of June 30, 2023, we held approximately €73.9 million in cash and cash equivalents, approximately €1 million in short-term deposits, approximately €0.8 million in short-term restricted cash and approximately €19 million in long-term restricted cash and deposits, compared with approximately €46.5 million in cash and cash equivalents, approximately €2.8 million in marketable securities, approximately €0.9 million in short-term restricted cash and approximately €20.2 million in long-term restricted cash and deposits we held at December 31, 2022. The change in cash and cash equivalents is mainly due to the issuance of our Series E Secured Debentures in February 2023, partially offset by project development expenses and repayments made on account of our other Debentures.

From 2017 through September 1, 2023, we made capital expenditures in an aggregate amount of approximately €11.9 million in connection with the acquisition of the Talmei Yosef PV Plant. The aggregate capital expenditures in connection with the Manara PSP through September 1, 2023 were approximately €137 million. From 2017 through September 1, 2023, capital expenditures incurred by the project companies in connection with the Waste-to-Energy projects in the Netherlands was approximately €37 million. From 2017 through September 1, 2023, we made aggregate capital expenditures of approximately €257 million in connection with our operating Spanish PV Plants. Our aggregate capital expenditures in connection with PV Plants under development and construction in Europe, USA and Israel, including amounts recorded in project development costs, was approximately €32.5 million.

Cash flows

The following table summarizes our cash flows for the periods presented:

	Six months ended June 30,	
	2023	**2022**
	(euro in thousands)	
Net cash provided by operating activities	5,271	8,017
Net cash used in investing activities	(25,840)	(3,249)
Net cash provided by financing activities	51,459	17,082
Exchange differences on balances of cash and cash equivalents	(3,478)	(3,128)
Increase in cash and cash equivalents	27,412	18,722
Cash and cash equivalents at beginning of period	46,458	41,229
Cash and cash equivalents at end of period	73,870	59,951

Operating activities

In the six months ended June 30, 2023, we had a profit of approximately €4.6 million. Net cash provided by operating activities was approximately €5.3 million.

In the six months ended June 30, 2022, we had a loss of approximately €0.6 million. Net cash provided by operating activities was approximately €8 million. The net cash provided by operating activities for the six months ended June 30, 2022 included a nonrecurring advance payment of income tax as per a tax assessment agreement (timing differences of payable income tax) to the Israeli Tax Authority in connection with the Talmei Yosef PV Plant in the amount of approximately €3.2 million.

Investing activities

Net cash used in investing activities was approximately €25.8 million in the six months ended June 30, 2023, primarily due to investments in the PV projects under development in Italy and USA and the Manara PSP.

Net cash used in investing activities was approximately €3.2 million in the six months ended June 30, 2022, primarily due to investments in the Ellomay Solar PV Plant and the Manara PSP, partially offset by proceeds from short term deposits.

Financing activities

Net cash provided by financing activities in the six months ended June 30, 2023 was approximately €51.5 million, resulting mainly from proceeds from the issuance of our Series E Secured Debentures in February 2023 and a third withdrawal under the Manara PSP, partially offset by repayments made on account of our Debentures and repayments of loans.

Net cash provided by financing activities in the six months ended June 30, 2022 was approximately €17.1 million, resulting mainly from proceeds from long term loans from banks and others, including the refinancing of Talasol's debt, offset by the repayment of the previous financing of the Talasol PV Plant and repayments made on account of our other Debentures.

As of June 30, 2023, we were not in default of any financial covenants for immediate repayment under the various financing agreements we executed or under the Deeds of Trust for our outstanding Debentures.

As of June 30, 2023, our total current assets amounted to approximately €93.5 million, of which approximately €73.9 million was in cash and cash equivalents, compared with total current liabilities of approximately €80.6 million. Our assets held in cash equivalents are held in money market accounts and short-term deposits, substantially all of which are highly liquid investments readily convertible to cash with original maturities of three months or less at the date acquired.

As of June 30, 2022, our total current assets amounted to approximately €78.5 million, of which approximately €60 million was in cash and cash equivalents, compared with total current liabilities of approximately €103.9 million. Our assets held in cash equivalents are held in money market accounts and short-term deposits, substantially all of which are highly liquid investments readily convertible to cash with original maturities of three months or less at the date acquired.

Certain Critical Accounting Policies and Estimates

Our discussion and analysis of our financial condition and results of operations are based on our condensed consolidated interim financial statements (unaudited), which have been prepared in accordance with IFRS. While all the accounting policies impact the financial statements, certain policies may be viewed to be critical. These policies are most important for the fair portrayal of our financial condition and results of operations and are those that require our management to make difficult, subjective and complex judgments, estimates and assumptions, based upon information available at the time that they are made, historical experience and various other factors that are believed to be reasonable under the circumstances. These estimates, judgments and assumptions can affect the reported amounts of assets and liabilities as of the date of the condensed consolidated interim financial statements, as well as the reported amounts of expenses during the periods presented. Actual results could differ from those estimates.

The critical accounting policies described in Item 5 of our Annual Report, in note 2 of our consolidated annual financial statements and in note 2 of our condensed consolidated interim financial statements as at June 30, 2023, are those that require management's more significant judgments and estimates used in the preparation of our condensed consolidated interim financial statements.

Disclosure about Market Risk

We are exposed to a variety of risks, including foreign currency fluctuations and changes in interest rates. We regularly assess currency and interest rate risks to minimize any adverse effects on our business as a result of those factors and periodically use hedging transactions in order to attempt to limit the impact of such changes.

We hold cash and cash equivalents, marketable securities and restricted cash in various currencies, including euro and NIS. Our holdings in the Italian and Spanish PV Plants and in the Netherlands Biogas Projects are denominated in euros and our holdings in the Talmei Yosef PV Plant and in Dori Energy are denominated in NIS. The financing we have in connection with our Italian PV Plants and the Netherlands Biogas Projects is denominated in euros and the financing we have in connection with our Italian PV Plants bears interest that is based on EURIBOR rate. Our Debentures and the project finance debt of the Talmei Yosef PV Plant are denominated in NIS and are to be repaid (principal and interest) in NIS.

For more information concerning hedging transactions, see note 7 of our condensed consolidated interim financial statements as at June 30, 2023.

Forward-Looking Statements

With the exception of historical facts, the matters discussed in this report and the financial statements attached hereto are forward-looking statements. Forward-looking statements may relate to, among other things, future actions, future performance generally, business development activities, future capital expenditures, strategies, the outcome of contingencies such as legal proceedings, future financial results, financing sources and availability and the effects of regulation and competition. When we use the words "believe," "intend," "expect," "may," "will," "should," "anticipate," "could," "estimate," "plan," "predict," "project," or their negatives, or other similar expressions, the statements which include those words are usually forward-looking statements. When we describe strategy that involves risks or uncertainties or include statements that do not relate strictly to historical or current facts, we are making forward-looking statements.

Achievement of future results is subject to risks, uncertainties and inaccurate assumptions. Should known or unknown risks or uncertainties materialize, or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Please see Item 3.D. "Risk Factors" in our Annual Report, in which we have identified important factors that, individually or in the aggregate, could cause actual results and outcomes to differ materially from those contained in any forward-looking statements made by us; any such statement is qualified by reference to the following cautionary statements. You should understand that it is not possible to predict or identify all risk factors. Consequently, you should not consider the said section to be a complete discussion of all potential risks or uncertainties. Readers are cautioned not to place undue reliance on these forward-looking statements.

We warn you that forward-looking statements are only predictions. Actual events or results may differ as a result of risks that we face. Forward-looking statements speak only as of the date they were made and we undertake no obligation to update them.