GoTo LTD

Consolidated Interim Financial Statements as of June 30, 2024

Unaudited

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<u>Independent Auditor's Review Report to the Shareholders of GoTo Ltd.</u>

Introduction

We have reviewed the attached financial information of GoTo Ltd. and consolidated companies (hereinafter - the "Group"), including the condensed consolidated statement of financial position as of June 30, 2024, and the condensed statements of income and other comprehensive income, changes in equity, and cash flows for the six-month period ended on that date. The Board of Directors and management are responsible for the preparation and presentation of financial information for this interim period in accordance with International Accounting Standard IAS 34 - "Interim Financial Reporting", and they are also responsible for the preparation of financial information for this interim period according to Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970. Our responsibility is to express a conclusion on this interim financial information based on our review.

We did not review the condensed interim financial information of a subsidiary classified as discontinued operations whose assets included in the consolidation constitute approximately 5% of the total consolidated assets as of June 30, 2024, and whose losses classified as discontinued operations amounted to a total of NIS 1,194 thousand for the six-month period ended on that date. The financial information for the interim period of that Company was reviewed by the other accountant whose review reports were provided to us and our conclusion, as far as it relates to the financial information regarding that company, is based on the review report of the other accountant.

Scope of the Review

We conducted our review in accordance with Review Standard (Israel) 2410 of the Institute of Certified Public Accountants in Israel - "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". Review of separate financial information for interim periods consists of inquiries, primarily with individuals responsible for financial and accounting matters, and the application of analytical and other review procedures. A review is substantially narrower in scope than an audit conducted in accordance with generally accepted auditing standards in Israel and therefore does not allow us to obtain assurance that we will become aware of all significant matters that might have been identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review and the review report of the other accountant, nothing has come to our attention that causes us to believe that the above financial information is not prepared, in all material respects, in accordance with International Accounting Standard 34 IAS.

In addition to the aforementioned paragraph, based on our review and the review report of the other accountant, nothing has come to our attention that causes us to believe that the above financial information does not comply, in all material respects, with the disclosure requirements under Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970.

Without qualifying our above conclusion, we draw attention to Note 1B to the Financial Statements regarding the financial position of the Company and the management and Board of Directors' plans in this context.

Tel Aviv, August 26th, 2024	Kost Forer Gabbay & Kasierer Accountants

	As of June 30		As of
	2024	2023	2023
	Unaudited		Audited
	NIS Thousands		
Current assets			
Cash and cash equivalents	13,373	32,775	8,336
Short-term deposits	13,098	-	23,066
Trade receivables, net	7,520	9,906	10,164
Receivables and debit balances	5,470	9,961	3,254
Financial derivative	-	2,257	1,378
Held-for-sale group	3,114	20,978	4,221
	42,575	75,877	50,419
Non-current assets			
Encumbered deposit	60	7,764	396
Intangible assets, net	3,547	5,405	4,405
Right-of-use assets, net	4,602	9,792	6,265
Property, plant and equipment, net	25,724	20,936	20,653
Equity-accounted investment	6,973	-	9,648
	40,906	43,897	41,367
	83,481	**119,774**	**91,786**

The accompanying notes are an integral part of the Consolidated Interim Financial Statements.

	As of June 30		As of December 31st
	2024	2023	2023
	Unaudited		Audited
	NIS Thousands		
Current liabilities			
Credit from banking corporations and others	6,424	9,821	7,872
Loan from a holder of non-controlling interests	14,077	13,605	13,814
Current maturities of lease liabilities	3,455	6,329	4,689
Liabilities to suppliers and service providers	14,334	9,727	10,011
Receivables and credit balances	12,372	18,172	10,255
Liabilities related to held-for-sale assets	-	4,718	-
	50,662	62,372	46,641
Non-current liabilities			
Loans from banking corporations and others	10,204	17,680	11,472
Long-term liabilities to suppliers	3,559	3,740	2,994
Lease liability	1,084	3,579	1,664
	14,847	24,999	16,130
Equity attributable Company's shareholders			
Share capital and premium	269,942	270,981	271,320
Loss balance	(251,145)	(238,110)	(240,955)
Other capital funds	14,402	13,438	13,157
	33,199	46,309	43,522
Non-controlling interests	(15,227)	(13,906)	(14,507)
Total equity	17,972	32,403	29,015
	83,481	**119,774**	**91,786**

The accompanying notes are an integral part of the Consolidated Interim Financial Statements.

August 26, 2024			
Date of approval of the Financial Statements	Yossi Ben Shalom Chairman of the Board	Gil Sin Laser CEO	Tomer Geller CFO

Consolidated Income and Other Comprehensive Statements

		For the 6 months ended on June 30		For the year that ended on December 31st
		2024	2023(*)	2023(*)
		Unaudited		Audited
		NIS Thousands		
	Note			
Revenue	5	42,274	41,276	88,558
Cost of services		28,883	31,572	64,876
Gross profit		13,391	9,704	23,682
Research and development expenses		3,061	2,886	6,359
Selling and Marketing Expenses		4,131	3,930	8,041
General and administrative expenses		11,726	13,943	27,092
Other income		49	6,788	14,077
Other expenses		62	-	309
The Company's share in the losses of equity-accounted companies		3,121	-	3,084
Operating loss		(8,661)	(4,267)	(7,126)
Financing income		545	2,552	4,770
Financing expenses		1,616	716	2,458
Loss before income taxes		(9,732)	(2,431)	(4,814)
Income tax (expense)		16	(1)	(244)
Loss from continuing operations		(9,716)	(2,432)	(5,058)
Loss from discontinued operations	4	(1,194)	(4,136)	(4,956)
loss		(10,910)	(6,568)	(10,014)
Amounts to be reclassified to profit or loss when specific conditions are met:				
Transfer to profit or loss due to the realization of foreign operations and a decrease in the holding rate		64	867	867
Adjustments arising from the translation of financial statements of foreign operations		728	352	(119)
Other comprehensive income		792	1219	748
Total comprehensive loss		(10,118)	(5,349)	(9,266)
Loss attributable to:				
The Company shareholders		(10,190)	(4,719)	(7,564)
Non-controlling interests		(720)	(1,849)	(2,450)
		(10,910)	(6,658)	(10,014)
Loss attributable to:				
the Company shareholders		(9,398)	(3,500)	(6,816)
Non-controlling interests		(720)	(1,849)	(2,450)
		(10,118)	(5,349)	(9,266)

(*) Reclassified.

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Loss per share attributable to the Company shareholders (in NIS)			
Basic and diluted loss from continuing operations (in NIS)	(1.47)	(0.45)	(0.94)
Basic and diluted loss from discontinued operations (in NIS)	(0.07)	(0.77)	(0.47)
Total basic and diluted loss attributable to the Company's shareholders (in NIS)	(1.54)	(1.22)	(1.41)

The accompanying notes are an integral part of the Consolidated Interim Financial Statements.

	Equity Shares	Premium on shares	Loss balance	Capital for transaction with non-controlling interests	Capital for share-based payment transactions	Adjustments arising from the translation of financial statements of foreign operations	Capital for convertible shareholder loan	Capital for transaction with controlling shareholders	Capital for reevaluation of defined benefit plans	Total	Non-controlling interests	Total Equity
	Unaudited											
	NIS Thousands											
Balance as of January 1, 2024	-	271,320	(240,955)	2,882	4,957	1,441	2,647	1,208	22	43,522	(14,507)	29,015
Loss	-	-	(10,190)	-	-	-	-	-	-	(10,190)	(720)	(10,910)
Other comprehensive income	-	-	-	-	-	792	-	-	-	792	-	792
Total comprehensive loss	-	-	(10,190)	-	-	792	-	-	-	(9,398)	(720)	(10,118)
Exercise of warrants	-	(1,378)	-	-	-	-	-	-	-	(1,378)	-	(1,378)
Cost of share-based payment	-	-	-	-	453	-	-	-	-	453	-	453
Balance as of June 30, 2024	-	269,942	(251,145)	2,882	5,410	2,233	2,647	1,208	22	33,199	(15,227)	17,972

The accompanying notes are an integral part of the Consolidated Interim Financial Statements.

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Consolidated Statements of Changes in Equity

	Equity Shares	Premium on shares	Loss balance	Capital for transaction with non-controlling interests	Capital for share-based payment transactions	Adjustments arising from the translation of financial statements of foreign operations	Capital for convertible shareholder loan	Capital for transaction with controlling shareholders	Capital for reevaluation of defined benefit plans	Total	Non-controlling interests	Total Equity
	Unaudited											
	NIS Thousands											
Balance as of January 1, 2023	-	270,981	(233,391)	2,882	3,787	693	2,647	1,208	22	48,829	(12,057)	36,772
Loss	-	-	(4,719)	-	-	-	-	-	-	(4,719)	(1,849)	(6,568)
Other comprehensive income	-	-	-	-	-	1,219	-	-	-	1,219	-	1,219
Total comprehensive loss	-	-	(4,719)	-	-	1,219	-	-	-	(3,500)	(1,849)	(5,349)
Cost of share-based payment	-	-	-	-	980	-	-	-	-	980	-	980
Balance as of June 30, 2023	-	270,981	(238,110)	2,882	4,767	2,233	2,647	1,208	22	46,309	(13.906)	32,403

The accompanying notes are an integral part of the Consolidated Interim Financial Statements.

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Consolidated Statements of Changes in Equity

	Equity Shares	Premium on shares	Loss balance	Capital for transaction with non-controlling interests owner	Capital for share-based payment transactions	Adjustments arising from the translation of financial statements of foreign operations	Capital for convertible shareholder loan	Capital for transaction with controlling shareholders	Capital for reevaluation of defined benefit plans	Total	Non-controlling interests	Total Equity
	NIS Thousands											
Balance as of January 1, 2023	-	270,981	(233,391)	2,882	3,787	693	2,647	1,208	22	48,829	(12,057)	36,772
Loss	-	-	(7,564)	-	-	-	-	-	-	(7,564)	(2,450)	(10,014)
Other comprehensive income	-	-	-	-	-	748	-	-	-	748	-	748
Total other comprehensive loss	-	-	(7,564)	-	-	748	-	-	-	(6,816)	(2,450)	(9,266)
Issuance of shares, net	-	339	-	-	(339)	-	-	-	-	-	-	-
Cost of share-based payment	-	-	-	-	1,509	-	-	-	-	1,509	-	1,509
Balance as of December 31, 2023	-	271,320	(240,955)	2,882	4,957	1,441	2,647	1,208	22	43,522	(14,507)	29,015

The accompanying notes are an integral part of the Consolidated Interim Financial Statements.

	For the 6 months ended on June 30		For the year that ended on December 31
	2024	2023	2023
	Unaudited		Audited
	NIS Thousands		
Cash flows from operating activities			
Loss	(10,910)	(6,568)	(10,014)
Adjustments required to present cash flows from operating activities (a)	14,407	3,808	8,259
Net cash provided by (used in) operating activities	3,497	(2,760)	(1,755)
Cash flows from investing activities			
Proceeds from realization of investments in previously consolidated subsidiary (c)	-	5,782	5,782
Encumbered deposit, net	-	(1,125)	5,824
Change in investment in short-term deposits	10,243	-	(22,918)
Purchase of property, plant and equipment	(3,832)	(7,690)	(12,531)
Repayment of loan from an associate	-	-	1,140
Granting a loan to a held-for-sale disposal group	-	(928)	-
Proceeds from the sale of fixed assets	601	1,416	6,016
Net cash provided by (used in) investing activities	7,012	(2,545)	(16,687)
Cash flows from financing activities			
Securing a loan from a banking corporation	2,028	15,040	15,791
Repayment of a loan from a banking corporation	(4,742)	(573)	(7,361)
Repayment of loan from others	-	-	(1,782)
Lease liability repayment	(2,798)	(5,682)	(9,249)
Net cash provided by (used in) financing activities	(5,512)	8,785	(2,601)
Exchange differences on cash and cash equivalents balances	40	1,209	1,293
Increase (decrease) in cash and cash equivalents	5,037	4,689	(19,750)
Cash and cash equivalents balance at the beginning of the period	8,336	28,086	28,086
Cash and cash equivalents balance at end of period	13,373	32,775	8,336

The accompanying notes are an integral part of the Consolidated Interim Financial Statements.

	For the 6 months ended on June 30		For the year that ended on December 31
	2024	2023	2023
	Unaudited		Audited
	NIS Thousands		
a) Adjustments required to present cash flows from operating activities			
Adjustments to income items:			
Depreciation and amortization	7,352	13,704	20,825
Cost of share-based payment	453	980	1,509
Loss (Profit) from the realization of property, plant and equipment	482	(1,111)	(2,021)
Capital gain from the sale of a previously consolidated subsidiary, net	-	(5,557)	(5,557)
Financing expenses, net	1,129	1,119	535
Decrease (increase) in derivative value	-	(571)	309
The Company's share in the losses of equity-accounted companies	3,121	-	3,084
Profit as a result of loss of control	-	-	(3,644)
	12,537	8,564	15,040
Changes in asset and liability items:			
Decrease (increase) in trade receivables	2,604	(2,036)	(2,291)
Increase in accounts receivable and debit balances	(2,071)	(6,558)	(643)
Decrease in liabilities to suppliers and service providers	(275)	(2,568)	(2,337)
Increase (decrease) in related parties	88	496	(293)
Increase (decrease) in payables and credit balances	2,143	6,272	(702)
	2,489	(4,394)	(6,266)
Cash paid during the period for:			
Distribution of profits from an associate	-	-	1,479
Interest paid	(619)	(362)	(1,994)
	14,407	3,808	8,259
b) Mateiral non-cash activities			
Purchase in credit of property, plant and equipment	5,192	9,518	9,518
Recognition of a right-of-use asset against a lease liability	999	2,973	5,935
	6,191	12,491	15,453
c) Proceeds from realization of investments in previously consolidated subsidiary			
Assets and liabilities of the consolidated company as of the sale date:			
Working capital (excluding cash and cash equivalents)	-	2,683	2,683
Property, plant and equipment	-	403	403
Intangible assets	-	56	56
Asset for right-of-use	-	6,383	6,383
Other liabilities	-	(2,686)	(2,686)
Lease liability	-	(6,614)	(6,614)

Capital gain on sale of a previously consolidated subsidiary	-	5,557	5,557
	-	5,782	5,782

The accompanying notes are an integral part of the Consolidated Interim Financial Statements.

Note 1: - General

a) GoTo Ltd. (hereinafter - the "Company") was established and incorporated in Israel on November 26, 2020. The registered office of the Company is in Tel Aviv, Israel. The Company is a public company whose shares are listed for trading on the Tel Aviv Stock Exchange.

These Financial Statements have been prepared in a condensed format as of June 30, 2024, and for the six-month period ended on that date (hereinafter - "Consolidated Interim Financial Statements"). These statements should be read in conjunction with the Annual Financial Statements of the Group as of December 31, 2023, and for the year ended on that date and the notes thereto (hereinafter - the "Consolidated Annual Financial Statements").

b) The financial position of the Company

The Company has losses in the amount of NIS 10,910 thousand and positive cash flow from operating activities in the amount of approximately NIS 3,497 thousand for the period ended June 30, 2024, and it has a negative working capital in the amount of approximately NIS 8,087 thousand as of that date. Excluding the held-for-sale disposal group, the Company has a negative working capital of NIS 11,201 thousand. See Note 4.

It should be noted that the management of the Company and the Board of Directors of the Company have examined all the sources that may be used by the Company in order to meet its obligations in the foreseeable future. Since the Company has no certainty regarding additional capital raising during this period, the Company has begun to operate with a profitability-focused strategy, and as a result of this strategy, in a streamlining process that includes, among other things: improving the structure of operating expenses through optimization of the existing fleet in Israel and reducing operating expenses in Germany through optimization of tools and their replacement, as well as efficiency at the management and general level. At the Company headquarters level, the Company reduced general and administrative expenses, including reorganization of the Company's management structure. The Board of Directors and the management of the Company believe that the assumptions underlying the projected plan are reasonable. In light of the above, the Board of Directors and the management of the Company believe that the aforementioned streamlining measures will enable the Company to meet all its obligations in the foreseeable future.

c) The effects of inflation and the rise in the interest rate

During 2022, macroeconomic developments began around the world which led, and continue to lead, to an increase in inflation rates in Israel and around the world. As part of the measures taken to curb the rise in prices, central banks around the world, including the Bank of Israel, began raising the interest rate.
The Company examined the implications of the change in interest rates and expects that the change in interest rates will not have a material impact on its financial statements.

Note 2: - Significant accounting policies

a) Format of the Consolidated Interim Financial Statements

The Consolidated Interim Financial Statements are prepared in accordance with International Accounting Standard 34 Interim Financial Reporting, as well as with the disclosure requirements according to Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970.

The accounting policy applied in the preparation of the Consolidated Interim Financial Statements is consistent with that applied in the preparation of the Consolidated Annual Financial Statements except as stated below.

b) First-time application of amendments to existing accounting standards

Amendment to IAS 1 Presentation of Financial Statements
In January 2020, the IASB issued an amendment to IAS 1 regarding the requirements for the classification of liabilities as current or non-current (hereinafter - the "Original Amendment"). In October 2022
the IASB published a follow-up amendment to the aforementioned amendment (hereinafter - the "Follow-Up Amendment").
The Follow-Up Amendment stipulated that:
Only financial covenants that an entity must meet at the end of the reporting period or before that affect the classification of that liability as a current liability or a non-current liability.
For liabilities where the examination of compliance with financial covenants is tested within 12 months following the reporting date, disclosure should be provided in a manner that allows users of the financial statements to assess the risks associated with that liability.
The Original Amendment stipulated that the conversion right of a liability would affect the classification of the entire liability as either current or non-current, except in cases where the conversion component is equity.
The Original Amendment and the Follow-Up Amendment will be applied for annual periods beginning on January 1, 2024, or thereafter. The above correction has no material impact on the Consolidated Interim Financial Statements of the Company.

c) Disclosure of amendments to existing accounting standards in the period before their implementation
International Financial Reporting Standard 18, Presentation and Disclosure in Financial Statements

In April 2024, the International Accounting Standards Board (IASB) published International Financial Reporting Standard 18 (IFRS 18), Presentation and Disclosure in Financial Statements (hereinafter: the "New Standard"), which replaces International Accounting Standard 1 (IAS 1), Presentation of Financial Statements (hereinafter: "IAS 1").
The purpose of the New Standard is to improve comparability and transparency in the financial statements.
The New Standard will include existing requirements from IAS 1 and new requirements for presentation in the statement of income, including the presentation of amounts and subtotals required under the New Standard, disclosure of management-defined performance measures, and new requirements for grouping and disaggregating financial information.
The New Standard does not change the recognition and measurement requirements of items in the financial statements. However, since items in the statement of income will need to be classified into one of five categories (operating activities, investing activities, financing activities, income taxes, and discontinued operations), it may alter the entity's operating profit. Additionally, the publication of the New Standard caused minor amendments to additional accounting standards, including IAS 7 Statement of Cash Flows and IAS 34 Interim Financial Statements.
The New Standard will be applied retroactively starting from annual periods beginning on January 1, 2027, or thereafter. In accordance with the decision of the Israel Securities Authority, early application is possible, with disclosure, starting from the period beginning on January 1, 2025.
The Company examines the impact of the New Standard, including the impact of amendments to additional accounting standards resulting from the New Standard, on its financial statements.

Note 3: Equity-accounted investment

a) Trinity Co.

Further to Note 3 to the Company's Annual Consolidated Statements of Financial Position as of December 31, 2023, regarding the equity method investment.

During the reporting period, the Company decreased its holding rate from 78.13% to 52.56%, as a result of the acceleration of employee options and a repricing plan at Trinity. Total equity losses recognized during the period amounted to NIS 3,121 thousand.

Below are data on the financial position of Trinity from the Company's point of view:

	As of June 30	As of December 31
	2024	2023
	NIS Thousands	
Current assets	4,754	6,403
Non-current assets	118	129
Total assets	4,872	6,532
Current liabilities	3,342	4,311
Non-current liabilities	-	-
Total liabilities	3,342	4,311
Total equity	1,530	2,221
The holding rate in the associate	52.56%	78.13%
Goodwill surplus costs and other adjustments	6,168	7,913
Balance of the investment account in the associate	6,973	9,648

Below are data on the results of operations of Trinity for the period ended June 30, 2024:

	For the period ended June 30	For the year that ended December 31
	2024	2023
	NIS Thousands	
Revenue	6,297	16,456
Gross Profit	4,262	13,226
Operating loss	3,269	2,212
Loss	2,668	1,274

Note 4: - Held-for sale-disposal group and discontinued operation

a) Closure of Malta operations

On September 29, 2022, as part of the Company's decision to focus on profitable core activities, which includes, among other things, closing loss-making activities, the Company's management decided to close the Company's operating segment in Malta (hereinafter - the "Discontinued Activity") which includes the companies GoTo Share Malta and GoTo Malta. As part of this decision, the Company informed its customers, employees, and the Ministry of Transport in Malta of its intention to cease operations starting from September 30, 2022. As of December 31, 2022, the Company's service is no longer available in Malta and the activity has effectively closed.

At the same time, the Company is holding discussions with existing minority shareholders who are partners in activities in Malta, regarding the waiver of mutual claims between the parties, including the remaining balance of the shareholder loans.

The balance of the property, plant and equipment in Malta consists mainly of the fleet of vehicles that are to be sold and thereby actually repay their liabilities to creditors according to the order of priority, with the remaining amount from the sale of the vehicles being distributed proportionally among the shareholders according to the ratio of loans they provided to the Company.

Accordingly, the property, plant and equipment in Malta were classified as an held-for-sale asset.

As of June 30, 2024, the balance of the held-for-sale property, plant and equipment is stated at its reduced cost of approximately NIS 3,114 thousand.

b) Below are data on the results of operations related to discontinued operations in Malta:

	For the 6 months ended on June 30		For the year that ended on December 31
	2024	2023	2023
	Unaudited		Audited
	NIS Thousands		
Revenue	-	-	-
Cost of services	-	-	-
Gross loss	-	-	-
General and administrative expenses	298	1,941	2,254
Other income (expenses) – profit (loss) on sale of vehicles	(420)	429	74
Operating loss	(718)	(1,512)	(2,180)
Financing expenses	231	223	466
Loss from discontinued operations	(949)	(1,735)	(2,646)
Loss from discontinued operations, net	245	1,905	1,814
Loss from discontinued operations, net	(1,194)	(3,640)	(4,460)

Loss attributable to:

Company shareholders	(474)	(1,791)	(1,976)
Non-controlling interests	(720)	(1,849)	(2,484)
	(1,194)	(3,640)	(4,460)

Note 4: - Held-for-sale assets and discontinued operations (continued)

c) Below are data on net cash flows related to discontinued operations in Malta and resulting from activities (used for activities):

	For the 6 months ended on June 30		For the year that ended on December 31
	2024	2023	2023
	Unaudited		Audited
	NIS Thousands		
Operating activities	(529)	(2,148)	(1,058)
Financing activities	18	185	493
Investment activity	503	940	965

d) For further details regarding the sale of the activity in Spain, see Note 6 to the 2023 Consolidated Annual Financial Statements.

Note 5: - Revenue split

	For the 6 months ended on June 30		For the year that ended on December 31
	2024	2023	2023
	Unaudited		Audited
	NIS Thousands		
Round trip service	9,321	10,275	19,204
One-way service	12,337	11,004	22,288
E-Moto service	10,186	8,822	22,456
Revenues from tech services	6,399	7,721(*)	17,144
Revenues from Subscription Fees and Others	4,031	3,454(*)	7,466
	42,274	41,276(*)	88,558
Major client - Tech sector	13%	18%	23%

(*) Reclassified.

Note 6: **Operating segments**

Report on operating segments

The operating segments were determined based on the information reviewed by the chief operating decision maker (CODM) for the purpose of making decisions regarding resource allocation and performance evaluation. Accordingly, for management purposes, the car rental activity is structured according to geographical operating segments (Israel and Germany) and in light of the company's technological activity development, as of December 31, 2023, a technology segment was added.

Israel segment - within this operating segment, the company operates shared transportation services of round-trip vehicles and one-way vehicles.

Germany segment - within this segment of activity the company operates shared transportation services in the form of shared electric scooters.

Technology Segment - within this segment, the Company develops an application and a website for the purpose of car sharing and rental, and additionally provides support for the products it develops. Additionally, this segment includes 100% of the operating results of Trinity starting from the date it began to be equity-accounted (without the impact of cost surpluses). Trinity is engaged in audio and voice advertising activities.

For details regarding the termination of the Spain segment and the Malta segment, see note 4 above.

The accounting policy of the operating segments is identical to that presented in note 2 to the consolidated financial statements as of December 31, 2023.

The results of the segment reported to the codm include items directly attributable to the segment and items that can be reasonably attributed.

Unallocated items, including goodwill impairment as well as research and development costs, technology costs, marketing costs, and global general and administrative costs, are managed on a group basis.

NOTE 6: - OPERATING SEGMENTS (CONTINUED)

	Israel Segment	Germany Segment	Technology Segment	Adjustments	Total
	Unaudited				
	NIS Thousands				
For the period ended June 30, 2024					
Revenues from external sources	24,609	11,266	12,696	(6,297)	42,274
Segment profit (loss)	5,248	(8,001)	(1,763)	471	(4,045)
Expenses not attributed to segments					(4,616)
Financing expenses, net					(1,071)
Loss before taxes on income from continued operations					(9,732)
Additional Information:					
Depreciation and Amortization - Cost of Services	(2,688)	(3,697)	(68)	-	(6,453)

	Israel Segment	Germany Segment	Technology Segment (*)	Total
	Unaudited			
	NIS Thousands			
For the period ended June 30, 2023				
Revenues from external sources	24,225	9,202	7,849	41,276
Segment profit (loss)	4,259	(6,932)	2,870	197
Expenses not attributed to segments				(4,464)
Financing income, net				1,836
Loss before taxes on income from continued operations				(2,431)
Additional information:				
Depreciation and amortization - cost of services	(3,214)	(4,408)	(104)	(7,726)

(*) Re-presented as a result of the addition of the Technology Segment.

Note 6: - Operating segments (continued)

	Israel Segment	Germany Segment	Technology Segment	Adjustments	Total
			Audited		
			NIS Thousands		
For the year ended December 31, 2023					
Revenues from external sources	47,198	24,216	26,621	(9,477)	88,558
Segment profit (loss)	8,365	(11,712)	2,308	(685)	(1,724)
Expenses not attributed to segments					(5,402)
Financing income, net					2,312
Loss before taxes on income from continued operations					(4,814)
Additional information:					
Depreciation and amortization - cost of services	(6,850)	(7,659)	(210)	(48)	(14,767)

Note 7: Events during the reporting period and thereafter

a) Further to Note 1B regarding the merger transaction of NeraTech, on December 6, 2023, the conditions set forth in the merger agreement for the allocation of additional shares to the shareholders of GoTo Global were met, and accordingly, the allocated rights will be converted into shares of the Company and allocated to the shareholders of GoTo Global. On February 22, 2024, the shares were allocated.

b) On May 12, 2024, the Company took a loan from a banking corporation in the amount of NIS 621 thousand, for the financing of vehicle purchases, for a period of 36 months. The loan is not indexed and bears an annual variable interest rate of Prime plus 1.2%. The loan will be repaid in 12 monthly installments, starting from June 2024.
The Company registered a first-degree fixed charge in favor of the bank for the vehicles.

c) On May 20, 2024, the Company took a loan from a banking corporation in the amount of NIS 1,401 thousand, to finance the purchase of vehicles, for a period of 36 months. The loan is not indexed and bears an annual interest rate of Prime plus 1.2%. The loan will be repaid in 12 monthly installments, starting from June 2024.
The Company registered a first-degree fixed charge in favor of the bank for the vehicles.

d) On August 15, 2024, the Company took a loan from a banking corporation in the amount of NIS 1,486 thousand, to finance the purchase of vehicles, for a period of 36 months. The loan is not indexed and bears an annual interest rate of Prime plus 1.2%. The loan will be repaid in 12 monthly installments, starting from September 2024.
The Company registered a first-degree fixed charge in favor of the bank for the vehicles.

e) On June 9, 2024, the Board of Directors decided to approve an allocation of 175,000 options and 170,942 RSU (restricted stock units), convertible into up to 345,942 ordinary shares of NIS 0.01 p.v. of the Company. All options were allocated to officers of the Company. The options are allocated in a capital track according to Section 102 or 3(i) of the Income Tax Ordinance, in accordance with the terms set forth in the Company's options plan.

The terms of the allocated options stipulate that the vesting period shall be as detailed below: all offerees have the right to exercise options over a vesting period of 3 years from the vesting date, in 12 equal quarterly installments. The exercise price for each option for an ordinary share is approximately NIS 5.58.
The fair value of the warrants mentioned above, at the date of their approval, according to the Black-Scholes model, is approximately NIS 1,195 thousand.

Below is a table presenting the data used in measuring the fair value of the stock options settled in the Company's equity instruments, in accordance with the Black-Scholes option pricing model:

	2024
Dividend yield on the share	0
Expected volatility in stock prices (%)	54%
Risk-free interest rate (%)	4.6-4.69
Expected life of the options for shares (years)	3-6.5
Share price (NIS)	5.33

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