Goto Ltd (formerly known as Neratech Media Ltd)
Consolidated Financial Statements

As of December 31, 2022

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KOST FORER GABBAY & KASIERER
144a Derech Menachem Begin
Tel-Aviv 6492102
Tel. +972-3-6232525
Fax +972-3-5622555
ey.com

Auditor's Report

For the shareholders of

Goto Ltd (formerly known as Neratech Media Ltd)

We audited the attached consolidated financial reports of Goto Ltd (formerly known as Neratech Media Ltd.) (hereinafter "**the company**") for the days of December 31, in the years 2022 and 2021, as well as the consolidated reports of profit or loss and profit including other, the changes in equity and cash flows for each of the three years during the period ending on December 31, 2022. These financial statements are the responsibility of the company's board of directors and management. It is our duty, based on our audit, to form an opinion on these financial statements.

We did not audit the financial statements of an incorporated subsidiary whose incorporated assets constitute about 10% and about 8% of the entirety of all incorporated assets on the days of December 31, 2022 and 2021 respectively, nor its outcomes, shown as part of a discontinued activity, constituting about 3.5%, about 13% and about 30% of the entirety of all incorporated assets on the dates of December 31, 2022, 2021 and 2020 respectively.

We have conducted our audit according to the Generally Accepted Auditing Principles in Israel, including the standards set in the Auditors' Regulations (Auditor's Mode of Performance), 5733-1973. According to such standards, we are required to plan and conduct the audit with the aim of achieving reasonable certainty that the financial statements do not include material misrepresentations. The audit consists of a sample examination of evidence supporting the amounts and information presented in the financial statements. The audit also consists of an examination of the accounting principles and material estimates employed by the company's board of directors and its management, as well as a general adequacy assessment of the presentation in the financial statements. We believe that our audit and the reports of other auditors provide a solid foundation for our opinion.

It is our opinion, based on our audit and on the reports of other audit, that in all material aspects such consolidated financial reports properly reflect the financial position of the company and its incorporated companies as of December 31, 2022 and 2021, as well as the outcomes of their operations, changes in equity and cash flows in each of the three years of the period ending on December 31, 2022, and all in compliance with the International Financial Report Standards (IFRS) and the provisions of the Securities Regulations (annual financial statements) 5770-2010.

Without qualifying our foregoing opinion, we wish to draw attention to the content of note 1c of these financial statements pertaining to the company's financial position and the board of directors and management's plans in this regard.

Tel-Aviv,

March 29, 2023

KOST FORER GABBAY
& KASIERER
Accountants

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	Explanation	As of December 31 2022	As of December 31 2021(*)
		In Thousands ILS	
CURRENT ASSETS			
Cash and cash equivalents	6	28,086	12,977
Clients, net	7	8,037	6,068
Receivables and debt balances	8	4,272	3,822
Financial derivative	1d	1,686	-
Assets held for sale	5	20,483	-
		62,564	22,867
NON-CURRENT ASSETS			
Encumbered deposit	18a	7,664	7,301
Intangible assets, net	9	6,367	10,499
Easement assets, net	10	15,990	26,981
Fixed assets, net	11	8,309	27,897
Reputation	9	-	73,223
		38,330	145,901
Total assets		100,894	168,768
CURRENT LIABILITIES			
Credit from banking institutions and others	14	2,689	13,045
A loan from a non-controlling shareholder	5	12,496	11,331
Current maturities of lease related liabilities	15	11,360	13,101
Engagements with suppliers and service providers	12	13,457	10,514
Credited accounts and credit balance	13	10,773	9,206
Liabilities pertaining to assets held for sale	5	3,939	-
		54,714	57,197
NON-CURRENT LIABILITIES			
Long-term engagements with suppliers	14f	3,839	4,960
Loans from banking institutions and others	14	327	11,386
Lease related liabilities	15	5,242	14,520
Long-term deferred revenues		-	39
		9,408	30,905
Total liabilities		64,122	88,102
EQUITY (DEFICIT) ATTRIBUTABLE TO COMPANY SHAREHOLDERS			
Share capital	19	-	-
Share premium		270,981	176,002
Accumulated deficit		(233,391)	(95,842)
Other capital funds		11,239	9,245
		48,829	89,405
Non-controlling interests		(12,057)	(8,739)
Total equity		36,772	80,666
		100,894	168,768

The accompanying notes are an integral part of the consolidated financial statements.
(*) Resubmitted due to a reverse takeover, see note 1b

March 23, 2023			
Financial Statements' Date of Confirmation	Yossi Ben Shalom Chairman of the board of directors	Gil Laser CEO	Tomer Geller CFO

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER OVERALL PROFIT

		For the year ending on December 31		
		2022	2021(*)	2020(*)
	Notes	In Thousands ILS (exclusive of shares' loss information)		
Revenues	21a	77,273	51,438	37,764
Cost of services	21b	81,977	54,905	30,598
Gross profit (loss)		(4,704)	(3,467)	7,166
Costs of Research and Development	21d	5,689	5,800	4,515
Costs of Selling and Marketing	21c	16,021	9,675	3,807
Costs of Administration and Generalities	21e	34,573	20,058	12,218
Other revenues	21f	(5,487)	(3,384)	-
Other costs	21g	78,100	-	-
Operational loss		(133,600)	(35,616)	(13,734)
Financing proceeds	21h	(1,785)	(71)	(50)
Financing expenses	21h	2,644	5,510	3,834
Loss before income taxes		(134,459)	(41,055)	(17,158)
Income taxes	16	457	1	227
Loss caused by on going activity		(134,916)	(41,056)	(17,385)
Loss caused by discontinued activity	5b	(4,902)	(6,175)	(7,285)
Loss		(139,818)	(47,231)	(24,670)
Other overall profit (loss)				
Sums re-classified as profit or loss where the following specific conditions exist:				
Adjustments resulting from translating a foreign activity's financial statements		(1,773)	2,242	(86)
Other overall profit (loss)		(1,773)	2,242	(86)
Total loss		(141,591)	(44,989)	(24,756)

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER OVERALL PROFIT

Loss attributable to:				
The company's shareholders		(137,549)	(43,816)	(20,301)
Non-controlling interests		(2,269)	(3,415)	(4,369)
		(139,818)	(47,231)	(24,670)
Overall loss attributable to:				
Company shareholders		(138,273)	(42,544)	(20,324)
Non-controlling interests		(3,318)	(2,445)	(4,432)
		(141,591)	(44,989)	(24,756)
Loss per share attributable to the Company's shareholders (in ILS) (**)				
Basic and diluted loss (in ILS) in an ongoing activity	22	(32.18)	(17.18)	(10.25)
Basic and diluted loss (in ILS) in a discontinued activity	22	(1.17)	(3.46)	(7.61)
Total basic and diluted Loss to the Company's shareholders (in ILS)		(33.35)	(20.64)	(17.86)

(*) RESUBMITTED DUE TO A DISCONTINUED ACTIVITY, SEE NOTE 5.
(**) THE CHANGE IN LOSS PER SHARE STEMMING PRIMARILY FROM ISSUANCE FO SHARES IN A MERGER FOR MORE DETAILS SEE NOTES 1B AND 19B.

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Capital Shares	Share premium Shares	Accumulated Loss	Capital funds in a transaction with non-controlling interests	Share-based payment of a transaction fund	Adjustments deriving from translating the financial statements of foreign operations	A fund deriving from a convertible owner's loan	A fund deriving from a transaction with controlling shareholders	A fund deriving from the re-measurement of the plans for a defined benefit	Total	Non-controlling interests	Total Capital
	In Thousands ILS											
Balance on January 1, 2022	-	176,002	(95,842)	2,882	1,069	1,417	2,647	1,208	22	89,405	(8,739)	80,666
Loss	-	-	(137,549)	-	-	-	-	-	-	(137,549)	(2,269)	(139,818)
Adjustments resulting from translating the financial statements of a foreign activity	-	-	-	-	-	(724)	-	-	-	(724)	(1,049)	(1,773)
Total of other overall loss			(137,549)			(724)				(138,273)	(3,318)	(141,591)
Issuance of net share capital	-	17,331	-	-	-	-	-	-	-	17,331	-	17,331
A reverse takeover and capital issuances in a merger (see note 1a	-	76,850	-	-	-	-	-	-	-	76,850	-	76,850
Cost of share-based payment	-	798	-	-	2,718	-	-	-	-	3,516	-	3,516
Balance on December 31, 2022	-	270,981	(233,391)	2,882	3,787	693	2,647	1,208	22	48,829	(12,057)	36,772

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Capital Shares	Share premium Shares	Accumu-lated Loss	A fund deriving from transaction with non-controlling interests	Share-based payment transaction fund	Adjustments from translations of financial statements of foreign operations	A fund deriving from a convertible owner's loan	A fund deriving from a transaction with controlling shareholders	A fund deriving from the re-measurement of the plans for a defined benefit	Total	Non-controlling interests	Total Capital
	In Thousands ILS											
Balance on January 1, 2021*)	-	69,963	(52,026)	2,687	685	145	2,647	1,208	22	25,331	(6,464)	18,867
Loss	-	-	(43,816)	-	-	-	-	-	-	(43,816)	(3,415)	(47,231)
Adjustments resulting from the translation of the financial statements of a foreign activities	-	-	-	-	-	1,272	-	-	-	1,272	970	2,242
Total of other overall loss			(43,816)			1,272				(42,544)	(2,445)	(44,989)
Issuance of net share capital	-	106,039	-	-		-	-	-	-	106,039	-	106,039
Cost of share-based payment	-	-	-	-	384	-	-	-	-	384	-	384
Issuance of capital to non-controlling interests	-	-	-	195	-	-	-	-	-	195	170	365
Balance on December 31, 2021	-	176,002	(95,842)	2,882	1,069	1,417	2,647	1,208	22	89,405	(8,739)	80,666

(*) RESUBMITTED DUE TO A REVERSE TAKEOVER, SEE NOTE 1B

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Capital Shares	Share premium Shares	Accumulated loss	A fund deriving from transaction with non-controlling interests	Share-based payment transaction fund	Adjustments resulting from translating the financial statements of foreign operations	A fund deriving fund for a convertible owner's loan	A fund deriving from a transaction with controlling shareholders	Fund from re-measurement of defined benefit plans	Total	Non-controlling interests	Total Capital
	in Thousands ILS											
Balance on January 1, 2020	-	7,179	(31,725)	2,732	145	168	2,647	1,208	22	(17,624)	(3,197)	(20,821)
Loss	-	-	(20,301)	-	-	-	-	-	-	(20,301)	(4,369)	(24,670)
Adjustments resulting from translating the financial statements of a foreign activity	-	-	-	-	-	(23)	-	-	-	(23)	(63)	(86)
Total of other overall loss			(20,301)			(23)				(20,324)	(4,432)	(24,756)
Issuance of share capital issuance	-	33,549	-	-	-	-	-	-	-	33,549	-	33,549
Conversion of a shareholders' loan into shares	-	29,235	-	-	-	-	-	-	-	29,235	-	29,235
Cost of a share-based payment	-	-	-	-	540	-	-	-	-	540	-	540
Issuance of capital to non-controlling shareholders	-	-	-	599	-	-	-	-	-	599	521	1,120
Transfer of shares from non-controlling shareholders	-	-	-	(644)	-	-	-	-	-	(644)	644	-
Balance on December 31, 2020	-	69,693	(52,026)	2,687	685	145	2,647	1,208	22	25,331	(6,464)	18,867

(*) RESUBMITTED DUE TO A REVERSE TAKEOVER, SEE NOTE 1B
THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	For the year ending on December 31		
	2022	2021	2020
	In Thousands ILS		
Cash Flows From Current Activities			
Loss	(139,818)	(47,231)	(24,670)
Adjustments needed to present the cash flows created by current activity (a)	104,332	23,659	15,008
Net cash used in the current activity	(35,486)	(23,572)	(9,662)
Cash flows from an investing activity			
Acquisition of a subsidiary incorporated for the first time (c)	-	4,890	-
A reverse takeover constituting a joint venture	35,692	-	-
A purchase of fixed property	(2,128)	(8,875)	(2,881)
Encumbered deposit	(232)	(336)	250
A purchase of intangible assets	(145)	(15)	(75)
Giving a loan to a realization group held for sale	(3,836)	-	-
Proceeds from selling fixed property	2,648	524	236
Net cash created by (used in) an investment activity	31,999	(3,812)	(2,470)
Cash flows from a financing activity			
Change in a banking institution's short-term credit, net	-	-	(777)
Receipt of a loan from a banking institution	1,750	2,500	23,618
Repayment of a loan from a banking institution	(19,166)	(609)	(14,206)
Receiving a loan from non-controlling shareholders	-	994	2,930
Repayment of a loan from others	(1,559)	(2,582)	(5,772)
Issuance of shares capital, deducting the issuance costs	49,781	11,655	33,549
Owner's investment	-	15,681	-
Repayment of a lease obligation	(12,449)	(10,363)	(4,380)
Net cash deriving from a financing activity	18,357	17,276	34,962
Exchange differences in cash balances and equivalents	239	(410)	5
Cash and cash value increase (decrease)	15,109	(10,518)	22,835
Cash and cash equivalents at the beginning of the year	12,977	23,495	660
Cash and cash equivalents at the end of the year	28,086	12,977	23,495

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS.

CONSOLIDATED CASH FLOWS STATEMENTS

		For the year ending on December 31		
		2022	2021*)	2020*)
		In Thousands ILS		
(a)	Adjustments required to present cash flows provided by an on going activity			
	Income and expenses not involving cash flows:			
	Depreciation and amortizations	30,516	22,349	12,664
	Cost of a share-based payment	2,718	384	540
	Loss (Profit) deriving from selling fixed property	264	(48)	157
	Net financing expenses	(1,454)	3,004	1,694
	Change in liabilities due to employees benefits, net	-	(83)	-
	A change in reputation and in assets held for sale, net	74,672	-	-
		106,716	25,606	15,055
	Changes in property and liability clauses:			
	Decrease (increase) in clients	(1,755)	1,194	(141)
	Dicrease (increase) in receivables and debit balances	(207)	(6,171)	-
	Increase in liabilities to suppliers and service providers	1,503	4,584	1,710
	Increase (decrease) in related parties	106	99	(1,875)
	Increase (decrease) in credited accounts and credit balances	(193)	(968)	893
		(546)	(1,262)	587
	Cash paid during this period for:			
	Interest paid	(1,838)	(685)	(634)
		104,332	23,693	15,008
(b)	Significant non-cash activities			
	Conversion of shareholders' loans into capital	-	-	(29,235)
	Recognition of a right-of-use asset against a lease obligation	2,642	19,679	10,939
		2,642	19,679	(18,296)
(c)	Acquisition of a subsidiary incorporated for the first time			
	Assets and liabilities of the incorporated subsidiary as of the date of acquisition:			
	Working capital (excluding cash and cash equivalents)	-	(11,762)	-
	Other debtors	-	1,198	-
	Fixed property	-	5,219	-
	Right-of-use assets	-	5,746	-
	Intangible assets	-	10,820	-
	Reputation	-	73,223	-
	Lease related liabilities	-	(5,958)	-
	Other Liabilities	-	(4,673)	-
	Issuance of shares	-	(78,703)	-
		-	(4,890)	-

THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF THE CONSOLIDATED FINANCIAL STATEMENTS.
(*) RESUBMITTED DUE TO A REVERSE TAKEOVER, SEE NOTE 1B.

NOTE 1:- GENERAL

A. Goto ltd (formerly known as ‘Neratech Media ltd.’) (hereinafter “**the company**”) was founded and incorporated in Israel on the 26th day of November 2020. The company’s registered office is located in Tel Aviv, Israel. The company is a public company whose shares are trade-able in the Tel Aviv stock exchange.

B. a merger transaction - Neratech Media Ltd.(hereinafter “**a reverse takeover**”)

On June 6, 2022, a merger was completed between Goto global mobility Ltd. and the public company Neratech Media Ltd. (hereinafter “Neratech”) by way of allocating Neratech shares to Goto global mobility Ltd.’s shareholders (hereinafter **“the offerees”**). At the time of said merger, Goto global mobility Ltd.’s preferred shares were converted into regular shares, so, each offeree holding such preferred share received 1.2 regular Goto global mobility ltd shares. Under this agreement, the offerees transferred the entirety of their holdings in Goto global mobility ltd in exchange for an allocation of 195,259,311 regular shares of the company, thus holding about 73% of the issued and paid capital of the company, thereby making Goto global mobility Ltd. a fully owned subsidiary of the company.
Furthermore, under the merger agreement, the company has issued the offerees the right to receive 82,626,380 regular shares provided the following terms exist:

An additional allocation of 82,626,380 regular shares to the offerees if within a year and a half from the time of the merger the company fails to sell its Trinity audio Ltd. subsidiary, or raise at least 2 million USD at a value higher than 15 million USD.

Insofar as within a year and a half of such merger, the company does sell Triniti Audio Ltd or raise more than 2 million USD with a value higher than 15 million USD and lower than 30 million USD, the offerees will be allocated the relative part of the rights per such value. Insofar as within a year and a half of such merger, the company does sell Triniti Audio Ltd or raise more than 2 million USD with a value higher than 30 million USD, the offerees will be allocated the relative part of the rights per such value.

As part of the pending warranties of this merger agreement, and concurrent with it, Goto global mobility ltd has raised a sum total of about 20.7 million USD (about 71 million ILS) from investors and company shareholders during the years 2021-2022. On June 6, 2022, the foregoing transaction as well as the allocation of shares to the offerees were completed.

The consolidated financial statements include the statements of the company, Goto global mobility ltd and the other subsidiaries. Despite legally being buyer of the shares as set forth above, and since the Goto global mobility ltd.’s shareholders were given control in the company, it was determined that Goto global mobility ltd is the accounting buyer of the activity, rendering the transaction a reverse takeover constituting a joint venture. Such consolidated financial statements (including comparative figures) reflect the continued financial position of Goto global mobility Ltd.(the accounting buyer), as well as the results of its activities and its cash flows, exclusive of any comparative information regarding loss per share and share capital presented per the directions of the company (who is the legal buyer or the accountably procured). At 39,822 in thousands ILS, the consideration for the acquisition was determined in accordance with the value of the company’s financial instruments (as the legal buyer or the accountably procured) on the day of completing the transaction. The cost of a joint venture agreement at about 1.7 million ILS were entered in the administration and generalities section of the company’s profit & loss statement.

Furthermore, as per the merger agreement, and given that the company wishes to sell the Triniti Audio Ltd subsidiary, the latter is presented in the consolidated financial statements as a held-for-sale asset, including any liabilities associated with such assets. Also, as of December 31, 2022, the company has entered a financial derivative of about 1.7 million ILS due to the allocation of additional shares to the offerees upon the sale of Triniti audio Ltd. as set forth above.

As of June 16, 2022, Neratech Ltd. Has changed its name to Goto ltd.

NOTE 1:- GENERAL (CONTINUED)

On March 15, 2022, in order to comply with one of the pending warranties of the Neratech transaction (raising at least 18 million USD), three investors as classified by the first addition to the securities law, had undertaken to buy company's class b preferred shares at an aggregated sum of 7 million USD, as an investment. Under the terms of association and subject to the completion of the Neratech transaction, two of such investors shall be allocated company shares for a consideration of 2 million USD, in accordance with the company's value of about 96 million USD before the overall investment of 18 million USD as set forth in the documents of association, and the third investor ("the investor") shall be allocated such company shares at a price identical to the share, i.e., for a consideration of 5 million USD. However, as part of such an investor's undertaking, Shagrir's board of directors has consented to provide the said investor with a mechanism that will ensure the value of its holdings in Neratech, following the Neratech transaction.

Pursuant to the investments set forth in sections 3, 4 and 5 above, and pursuant also to a shareholders meeting on March 21, 2022, it was agreed that the conversions of the loan and the investments will be based on the pre-money value of 96 million USD. It was further agreed that the interest on the loan set forth in section 3 above, shall be paid in cash.

On March 13, 2022, the Spanish company ASTARA MOBILITY S.L. (hereinafter "**Astara** "), primarily involved in the automobile industry, has completed an investment in the company. This investment reflects the company's pre-cash value of 102 million USD. These are the main terms of the investment transaction:

- The company raised a sum of 5 million USD from Astara in exchange for 1,122,013 class b preferred shares with a nominal value of 0.01 ILS each, representing about 4.14% of the company's share capital on a fully diluted basis after allocation.
- Astara has the right to appoint a director to the company's board of directors.
- In addition, and as part of the agreement, the parties signed a memorandum of understanding for collaborations in central and south America, as well as other countries. Such collaborations' specifics are to be concluded in the future. Astara was also given the right of first refusal to supply vehicles to the company and its European subsidiaries.

On May 7, 2022, the company entered into an investment agreement with ION ION, a supplier of materials and technology to the vehicle industry. Under this agreement, the Spanish investor will (subject to the completion of the merger with Neratech) invest in the company a sum of 2.5 million USD, based on the pre-money value of 96 million USD.

Following the merger transaction with Neratech, it was decided that the company's preference shareholders would receive 1.2 ordinary shares for each preferred share held on the eve of the merger.

On February 28, 2022, the company entered into an investment agreement (hereinafter "**the agreement**") with keshet holdings limited partnership ("**keshet**"), under which keshet will provide the company with advertising and digital services. According to the agreement, if the company is registered as a public company, the company will issue 7.5 million ILS in second-tier shares in exchange for the aforementioned services, valuing the company at us $ 102 million before cash.
If, prior to December 31, 2022, The company will not be registered as a public company, it will pay in cash for the services it has used, provided however the sum is not higher than 50% of the financial agreement, i.e., up to about 3.75 million ILS. The company has approached keshet requesting a change the terms of the agreement, whereby the provisions of this agreement will apply to the foregoing sum of 3.75 million ILS, and the company will have a right to decide whether or not to utilize such advertising and digital services against the remaining 3.75 million ILS. To that end, the company will give keshet options convertible to company shares (and inasmuch as the Neratech transaction is completed, such options shall be convertible to Neratech options). Inasmuch as the company exercises its right, such options will be converted to shares. On June 6, 2022, the company was registered as a public company. As of this report, the company has used the entirety of such services against the first 50%. The company has no intention of exercising the option of using the advertising and digital services.

NOTE 1:- GENERAL (CONTINUED)

C. THE COMPANY'S FINANCIAL POSITION

In the year ending on December 31, 2022, the company has sustained losses of 139,818 in thousands ILS and a negative cash flow of 35,486 in thousands ILS, due to its ongoing activity. Concurrently, the company is showing a positive working capital of 7,850 in thousands ILS for the same date. Taking the net assets held for sale out of the obligations held for sale, the company shows a negative working capital of 8,694 in thousands ILS. For more information see notes 5a and 5b below.

The company has been operating and is constantly working towards fulfilling its business plans, including investing in existing European markets.
It must be pointed out that the company's management and board of directors have reviewed the entirety of sources known to be at the company's disposal for the purpose of meeting its obligations in the foreseeable future. Since the company cannot be certain about any other fund raising at this time, it has launched a profit focused strategy, resulting in a streamlining process that includes inter alia: improving the structure of the operational expenses by closing down the Maltese operations, optimizing the existing fleets in Israel and in Madrid; downsizing operational expenses in Germany by optimizing and replacing means, as well as re-organizing the company's administration and generalities. As far as the company's headquarter is concerned, the company has initiated a reduction of management and general costs, including a re-organization of the company's executive structure. It is the company's board and management's opinion that the premises on which the foreseen plan is based are reasonable. In light of the foregoing, the company's board and management believe that the aforementioned streamlining steps will make it possible for the company to meet all its obligations in the foreseeable future.

D. THE RAMIFICATIONS OF THE UKRAINE-RUSSIAN WAR

In February 2022, a war began between Russia and Ukraine. That war has led and continues to lead to significant casualties, damage to infrastructure and a disruption of any economic operations in Ukraine. Reacting to this state of affairs, several countries (including the us, UK and the EU) imposed economic sanctions on certain entities and on individuals affiliated with Russia all around the world. In addition, Belarus was also put under various sanctions.
These sanctions can affect such entities and individuals directly, business third parties associated with them, indirectly, and certain industries in the Russian and Belarus economies in general.
The potential fluctuations on prices of commodities, foreign currency exchange rates, restrictions on import and export, the availability of local materials and services and access to local resources, might all adversely impact entities who operate or significantly exposed in Russia, Belarus and Ukraine.
The sanction imposed in Russia by the western world caused the price of oil to rise, resulting an increase in fuel prices, which, in turn, effected the company's costs of energy.

E. THE IMPACT OF THE INFLATION AND INCREASED INTEREST RATES

Following global macro economic developments in 2022. Inflation rates in Israel and all around the world have risen. As part of the steps taken to curb price increases, central banks Israel and all around the world began raising the interest rate
The company has leasing transactions and loans that are affected by the raise of interest rate, which further impacts the company's current operational expenses as well as new leasing transactions about to be signed. For information regarding a loan the company took after the date of this report see notes 25b and 25c.

NOTE 1:- GENERAL (CONTINUED)

F. DEFINITIONS

The company - Goto Ltd (formerly known as - Neratech Media Ltd)

Related parties - as defined in IAS 24.

Incorporated subsidiaries -	GOTO GLOBAL MOBILITY Ltd.(hereinafter "**Goto Global**")	-	Held at a rate of 100%.
	Go To Car Sharing T.L.V., Limited Partnership (hereinafter "**the Partnership**")	-	Held at a rate of 99.9%.
	Car 2 Go Car sharing TLV Ltd.(hereinafter "**the General Partner**")	-	Held at a rate of 100%.
	Goto Global Mobility Spain S.L.U. (hereinafter "**Goto Spain**")	-	Held at a rate of 100%.
	Car Sharing Services Malta LTD ("CSS")	-	Held at a rate of 53.5% - shown as a discontinued activity.
	Goto Malta Co. LTD (hereinafter "**Goto Malta**")	-	Held at a rate of 83.33% by Goto sharing Malta - shown as a discontinued activity.
	Electric Mobility Concepts Gmbh (hereinafter "**Goto Sharing Germany**")	-	Held at a rate of 100%.
	Goto sharing Germany Green City Gmbh (hereinafter "**Emi Green**")	-	Held at a rate of 100%.
	Goto Global Asset Gmbh		Held at a rate of 100%.
	Goto Global Amsterdam B.V. ("**Go To Amsterdam**")		Held at a rate of 100%. (Inactive company)
	Goto Sharing Germany Gmbh Austria (hereinafter "**Goto Austria**")		Held at a rate of 100%. (Inactive company)
	Terser Tude Lt. (hereinafter "**Terser tude**")		Held at a rate of 100%.
	Neratech Media technologies Ltd.(hereinafter "**Neratech Media Technologies**")		Held at a rate of 100%.
	Triniti Audio Ltd. (hereinafter "**Triniti Audio**")		Held at a rate of 100%.

NOTE 2: - MAIN PRINCIPLES OF ACCOUNTING POLICY

The accounting policy below was consistently applied to the financial statements and all presented periods, unless stated otherwise.

A. THE BASIS OF PRESENTING FINANCIAL STATEMENTS

The financial statements are made in compliance with the International Financial Reporting Standards (hereinafter - "IFRS"). Furthermore, the statements are made in compliance with the Securities Regulations (Annual Statements), 5770- 2010.

The drafting of the company's financial statements is cost-based.

The company decided to report the profit and loss components using the activity characteristic method.

The operational cycle of the company is one year.

B. CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements include the statements of companies in which the company has control (subsidiaries). Control exists when a company has power over the company it is invested in, exposure or rights to variable returns due to its involvement in the invested-in company, and the ability to exercise its power to affect the scope of returns such entity yields. As far as control is concerned, the impact of potential voting rights is only taken into consideration where such voting rights are real. Financial statements are consolidated from the time control is obtained to the time it is discontinued.

The financial statements of both the Company and its subsidiaries are made for the same dates and periods. The accounting policy in the subsidiaries' financial statements was applied consistently and uniformly with the policy applied to the Company's financial statements. Material mutual balances and transactions. as well as profits and losses from transactions between the company and the subsidiaries were fully nullified in the consolidated financial statements.

Rights that do not impart control due to subsidiaries reflect the capital in such subsidiaries. which is not attributable to the parent company, either directly or indirectly. Non-controlling interests are shown separately as part of the company's capital. Profit or loss and any component of an overall and other profit are attributable to the company and to non-controlling interests. Losses are attributable to non-controlling interests, even if, as a result, the balance of non-controlling interests in the consolidated financial position report is negative.

C. JOINT VENTURES AND REPUTATION

Joint ventures are managed using the purchase method. The cost of the purchase is calculated based on the fair value of the consideration transferred at the time of purchase, with added rights that do not vest full control in the purchased entity. In every joint venture transaction, the Company’s decision whether to base its assessment of the rights that do not vest control on the purchased entity on their fair value at the time of purchase, or on their proportional share in the purchased entity's net identified assets.

Direct purchase costs are entered in the profit and loss statement upon their occurrence.

Reputation is first measured by cost, which is the difference between the purchase consideration and the non-controlling interests, the net amount of identifiable assets acquired and obligations assumed. If the buyer receives a negative quantity of Reputation, the buyer will recognize the profit incurred at the time of purchase.

NOTE 2: - ACCOUNTING POLICY PRINCIPLES (CONTINUED)

D. FUNCTIONAL CURRENCY, PRESENTATION CURRENCY, AND FOREIGN CURRENCY

1. The functional currency and presentation currency

The financial statements are presented in ILS.

The financial statements are presented in ILS because the company believes that such financial statements in ILS provide relevant information to investors and to the users of such financial statements in Israel.

The group determines the currency of each activity of the company.

The assets and liabilities of a company in holding considered an international activity, including cost surpluses, are translated according to the closing rate on each reporting date. In all periods given, profit or loss statements are translated using average exchange rates. The translation differences created are charged to other overall profit (loss).

2. Transactions, assets, and liabilities in foreign currency

Foreign currency denominated transactions are recorded when they are first recognized according to the exchange rate on the transaction date. After the initial recognition, financial foreign currency denominated assets and liabilities denominated in a foreign currency are translated into the functional currency on each reporting date according to the exchange rate at that time. Differences in exchange rates are applied to profit or loss. Non-monetary assets and liabilities denominated in foreign currency and presented at fair value are converted into the activity currency using the exchange rate in effect on the day the fair value is calculated. Non-monetary assets and liabilities presented at cost are translated according to the exchange rate as of the transaction date.

3. Index linked monetary items

Monetary assets and liabilities that are linked to changes in the Israeli consumer price index (the "Index") according to the terms are adjusted according to the relevant index in every reporting date according to the agreement terms.

E. CASH VALUE

Cash equivalents are considered highly liquid investments, including short-term bank deposits that are not encumbered, whose original period does not exceed three months on the investment date, or that exceeds three months, but they can be withdrawn Immediately without a penalty, and are part of the Group's cash management.

NOTE 2: - ACCOUNTING POLICY PRINCIPLES (CONTINUED)

F. FIXED ASSETS

Fixed assets items are presented at cost with the direct purchase costs, less the accrued depreciation, and deducting accrued depreciation losses and investment grants granted for them, and not including regular maintenance expenses. The cost includes spare parts and accessories that can only be used in the context of machinery and equipment.

Depreciation is calculated at equal annual rates based on the straight-line depreciation method throughout the asset's useful life, as follows:

	%
Furniture and office supplies	6-15
Computers and communication	33
Cars and bicycles	20-33
Improvements to the leasehold	8.33-10

Improvements to the leasehold are depreciated according to the straight-line depreciation method over the leasing period or throughout the improvement's estimated lifetime, according to the shortest.

Each asset's useful life, depreciation method, and residual value are examined at least at the end of each year, and changes are handled as an accounting estimate change in the from here and for now on method. Asset depreciation is terminated when the asset is classified as an asset for sale and the time the asset is impaired, according to the earliest.

G. RECOGNITION OF INCOME

When control of the property or service is transferred to the customer, revenue from contracts with customers is recognized in profit or loss. The transaction price is the amount of consideration expected to be obtained under the terms of the contract, less sums collected for the benefit of third parties (such as taxes).

In determining the amount of revenue from contracts with customers, the Company considers whether it is acting as a primary supplier or as an agent in the contract. When a company controls a commodity or service promised to a customer prior to delivery, it is considered a significant supplier. In these circumstances, the income is recognized in the gross amount of the consideration. In cases where the Company acts as an agent, the income is recognized in a net amount after subtracting sums owed to the primary provider.

Income from providing services

Revenue from service provision is recognized over time, throughout the period during which the customer receives and consumes the benefits provided by the company's performance. The Company collects payment from its customers in accordance with the payment terms stipulated in specific agreements, where payments can be made before or after the service period, and the company sells the property or a liability for the contract with the customer as a result.

H. TAXES ON INCOME

The tax consequences due to current or deferred taxes are attributed to profit and loss, unless they refer to items attributable to other comprehensive profit or to equity.

NOTE 2: - ACCOUNTING POLICY PRINCIPLES (CONTINUED)

TAXES ON INCOME (CONTINUED)

1. CURRENT ASSETS

Current tax liabilities are determined using the tax rates and tax laws enacted or that the legislation thereof has been effectively completed up to the report date, as well as the required adjustments in connection with payable tax liabilities for previous years.

2. Deferred taxes

Deferred taxes are calculated based on temporary differences between the amounts included in the financial statements and the amounts taken into account for tax purposes.

The deferred tax balances are calculated according to the expected tax rate upon realization of the asset or the settlement of the liability, based on the tax laws enacted or that the legislation thereof is effectively completed as of the date of the report.

On any date reporting deferred tax assets is examined based on the expected utilization thereof. Carried over losses and deductible temporary differences, due to which no deferred tax assets were recognized, are examined on the date of each report, and the appropriate deferred tax asset is recognized where such deferred tax assets are expected to be utilized.

when calculating the deferred taxes, any taxes applying when the investments in investee companies are realized would not be taken into account, so long as the sale of the investments in investee companies is not expected in the foreseeable future.

Deferred taxes are offset where a legal right to offset a current tax asset against a current tax obligation exists, and such deferred taxes are attributable to the same taxable company and tax authority.

I. LEASES

A contract is dealt with as a lease when in keeping with the terms of the contract, a right to control an identified property for a period of time for consideration is assigned.

The group as a lessee

For transactions in which the company is a lessee, it recognizes the beginning of a lease on a Right-of-use asset against an obligation in such lease, except in lease transactions for a period of up to 12 months and lease transactions, in which the underlying asset's value is low and the company has elected to acknowledge the lease payments as an expense in the profit and loss statement all across the lease term.

In transactions where the employee is entitled to a vehicle from the Company as part of their employment terms, the Company recognizes these transactions as employee benefits under IAS 19 rather than as a sublease transaction.

Upon commencement, a lease liability consists of all outstanding lease payments, capitalized at the; ease's grossed up interest rate when it is easily determined, or at the company's additional interest rate. After commencement date, the company employs the effective interest method to gage the lease liability.

The right-of-use asset is recognized on the commencement date in the amount of the lease liability, plus lease payments paid on or before the commencement date plus also transaction costs incurred. The right-of-use asset is measured in the cost model and reduced over its functional life span or the lease period, the shorter of the two.

NOTE 2: - ACCOUNTING POLICY PRINCIPLES (CONTINUED)

LEASES (CONTINUED)

Following are data pertaining to the number of relevant rights of use assets' amortization corresponding to right of use assets groups:

	Number of years	Primary amortization
Structures	2-4	4
Vehicles	2-3	3
Parking	10	10

When there are indications of depreciation, the Company investigates potential depreciation of an right of use asset in compliance with the provisions of IAS 36.

Index-linked lease payments

For the purpose of calculating future lease payments, the Company utilizes the current index rate at the commencement date.

In transactions where the company is a lessee, changes in the amount of future lease payments caused by index changes are capitalized (without modifying the capitalization rate applying to the lease liability) to the balance in such right of use asset, and are not seen as an adjustment to the balance of the lease obligation, unless there is a change in the cash flows (i.e. on the date the coordination of lease payment goes into effect).

OPTIONS FOR EXTENDING AND TERMINATING A LEASE PERIOD

The non-terminable lease period also includes periods covered by an extension option where it is reasonably certain that such option will be exercised, as well as periods covered by a termination option when reasonably certain that such termination option will not be exercised.
If the company's expectation to exercise an extension option or not to exercise a termination option has changed, the company must re-measure the balance of the lease liability in line with the updated lease period, per the updated capitalization rate on the expected change date, while the total change is credited to the balance of the right-of-use asset until it is reset and thereafter it is attributed to profit or loss.

VARIABLE LEASE PAYMENTS

Performance or use based variable lease payments, while not dependent on index or interest rates are seen as an expenditure in transactions in which the Company is a lessee at the time such transactions occur.

LEASE AMENDMENTS

When the lease terms are emended, where the scope of the lease is not reduced nor is it treated as a separate lease transaction, the company recalculates the balance of the lease liability in accordance with such amended terms, using the updated capitalization rate on the day of amendment, and attributes the total change in the balance of such lease liability to the balance of the right-of-use asset.

When the lease terms are amended, where the scope of the lease is reduced, the company recognizes the profit or the loss deriving from such partial or complete deduction in right of use asset's balance, and the obligation in respect of the lease. Thereafter, the company recalculates the balance of the liability for lease in accordance with the amended lease terms, using the updated discount rate on the day of amendment, and attributes the total change in the balance of the liability in respect of the lease to the balance of the right-of-use asset.

NOTE 2: - ACCOUNTING POLICY PRINCIPLES (CONTINUED)

J. INTANGIBLE ASSETS

Separately purchased intangible assets are assessed at the initial cost acknowledgement with added direct acquisition costs. Intangible assets acquired as part of joint venture transactions are valued according to the fair value on the date of acquisition. Other than capitalized development expenses, costs incurred in the process of internal generation of intangible assets are attributed to a profit or a loss at the time of such generation.

The functional life span of intangible assets is as follows:

	Years
Software	3
Client relations	6
Brand	3

Costs of research and development

Research costs are attributed to profit or loss as they are incurred.

Costs paid in connection with an in-house project development constitute an intangible asset only if the following can be proven: the technological feasibility of completing the intangible asset so that it may be used or sold; the company's intention to complete the intangible asset and utilize or sell it; the intangible asset's usability and sell-ability; the manner in which the intangible asset will provide future economic benefits; the availability of the resources required: technical, financial, and other resources available for the completion of the intangible asset, as well as the capacity to accurately estimate its costs during development.
The asset is valued based on its cost, which is presented exclusive of the cumulative depreciation and the accumulated depreciation. Asset reduction begins when development is completed and the asset is ready for use. The asset is being depreciated throughout its functional life span depreciation is tested once a year, as well as during the development process.

When an internally developed asset does not constitute an intangible asset, development expenditures are recorded in profit or loss at the time they are incurred. Development costs previously recognized as expenses do not constitute an asset at a later period.
The foregoing conditions were not met in any of the years in this report, hence any development expenses are charged to profit or loss.

NOTE 2: - ACCOUNTING POLICY PRINCIPLES (CONTINUED)

K. LIABILITIES DUE TO EMPLOYEE BENEFITS

The group offers a variety of employee benefits, including:

1. Short-term employee benefits

Short-term employee benefits are expected to be fully settled within 12 months following the end of the annual report period, during which such employees provide the referring services. Such benefits include salaries, vacation, sickness, convalescence, and employer payments to Social Security are recognized expenses upon provision of services. A bonus obligation is recognized when the group has either a legal or implied responsibility to pay the pre-determined amount for a service provided by the employee in the past, the cost of which can be reliably estimated.

2. Post-transaction benefits

The plans are often supported by insurance company deposits and are classified as plans of defined deposit and defined benefit.
In accordance with Section 14 of the Dismissal Compensation Act, the group has defined deposit plans, under which it makes regular payments without having a legal or implied obligation to pay additional payments, even if the money accumulated in the funds is not sufficient to cover all employee benefits in the current period.
Deposits to a defined deposit plan rendered compensations or remunerations are seen as an expense at the time of such deposit concurrently with receiving such services from the employee.

The Company deposits funds to meet its responsibilities to provide compensations to some of its employees on a regular basis in retirement funds and insurance companies (hereinafter "**the Plan Assets**"). Assets owned by a long-term employee benefit fund or in qualified insurance policies are considered Plan Assets. The Plan Assets are unavailable to group creditors and cannot be remitted directly to the group.

The employees' benefits obligation shown in the financial position statement is reflective of such benefit obligation's current value minus the fair value of the plan assets.

Net liability re-measurements are attributed to other overall profit at the time they are incurred.

L. DEPRECIATION OF NON-FINANCIAL ASSETS

The company examines the need for non-financial assets depreciation when there are indications, as a consequence of events or changes in circumstances, that the balance in the financial statements is not recoverable.
When the balance of non-financial assets in the financial statements exceeds their recoverable amount, the assets are reduced to their recoverable amount. The recoverable amount is the greater of the fair value minus the costs of realization and the value of use. When evaluating the value of use, the predicted cash flows are capitalized according to a pre-tax deduction rate, which is reflective of the specific risks for each asset. The recoverable value for an asset that does not produce independent cash flows is determined for the cash-generating unit the asset is attributed to. Depreciation losses are shown in profit or loss.

NOTE 2: - ACCOUNTING POLICY PRINCIPLES (CONTINUED)

DEPRECIATION OF NON-FINANCIAL ASSETS (CONTINUED)

A depreciation loss on an asset other than reputation is reversed only if the estimates used to establish the recoverable amount of the asset have changed after the date on which the depreciation loss was last recorded. The cancellation of such loss is restricted to the lesser of the previously recognized asset's depreciation (minus depreciation or amortization) or the asset's recoverable amount. In the case of a cost-measured asset, the cancellation of such loss is attributed to profit or loss.

The distinct criteria herein are used to assess the depreciation of the following individual assets:

1. Reputation for incorporated subsidiaries

The Company reviews depreciation of reputation once a year, on December 31, or more frequently if events or changes in circumstances suggest depreciation.

The reputation depreciation test is calculated by examining the recoverable amount of the cash-generating unit (or a group of cash-generating units) to which such reputation was attributed. When the recoverable amount of the cash-generating unit (or group of cash-generating units) is less than the balance sheet of the cash-generating unit (or group of cash-generating units) to whom the reputation has been so attributed, a reputation depreciation loss is recorded. Losses from reputation depreciation are not nullified in consequent periods.

M. FINANCIAL INSTRUMENTS

1. Financial assets

Financial assets are measured by their fair value plus any transaction costs directly attributable to the purchase of such financial asset at the time of the initial recognition, except where such financial asset is measured by its fair value through profit or loss, in which case, the transaction costs are attributed to profit or loss.

The debt instruments in the Company's financial statements are classified and measured using the following criteria:
(a) The Company's financial asset management business model; and
(b) the contractual cash flow characteristics of the financial asset.

A. The Company measures debt instruments at a reduced cost when:

The Company's business model entails holding financial assets in order to collect contractual cash flows; and the contractual terms of the financial assets provide entitlement to cash flows that are only principal payments and interest on the principal amount that has not yet been repaid at specified dates.
Following the initial recognition, instruments in this group are measured based on their terms of reduced cost, using the effective interest method minus allowance for depreciation.
At the time of initial recognition, a company may designate, a designation that may not be altered, a debt instrument as measured at fair value through profit or loss when such designation significantly cancels or reduces any inconsistency in measurement or recognition, e.g., where the related financial liability is also measured at fair value in profit or loss.

B. Equity instruments and other financial assets held for trading:

Equity investments do not match the aforementioned requirements and are hence valued at fair value through profit or loss. Other financial assets held for trading, such as derivatives, including embedded derivatives isolated from a host contract, are valued at fair value through profit or loss, unless they are intended to be used as instruments of effective protection.

NOTE 2: - ACCOUNTING POLICY PRINCIPLES (CONTINUED)

FINANCIAL INSTRUMENTS (CONTINUED)

C. The company measures fair value debt instruments through profit or loss when:

A financial asset rendered a debt instrument does not meet its reduced cost or fair value measurement criteria by other overall profit, including a financial asset that constitutes a debt instrument, which, in certain conditions, is designated to a consequent fair value measurement in profit or loss. Following the initial recognition, the financial asset is measured at fair value, when profits or losses caused by fair value adjustments are attributed to profit or loss.

The company measures the financial asset in its possession in accordance with data which are not quoted prices contained in level 1, and can be observed, directly or indirectly (level 2 - according to the fair value rating). the value's evaluation is the product of multiplying Goto Ltd.'s shares with the estimation of the added shares due o rights realization as set forth in note 1b above.
During the statement's term, the company has decreased the derivative value by a sum total of about 2,896 thousand ILS.

2. Depreciation of financial assets

At each report time, the Company reviews the provision for due to financial debt instruments not evaluated at fair value through profit or loss.

The Company distinguishes between two types of recognition in provision for loss:

a) Debt instruments that have not had a significant deterioration in the quality of their credit since the date of first recognition, or where the credit risk is low - the provision for loss recognized in respect of this debt instrument will take into account projected credit losses for a period of 12 months of the reporting date; or

b) Debt instruments that have had a significant deterioration in the quality of their credit since the date of first recognition, or where the credit risk is not low - the provision for loss recognized in respect of this debt instrument will take into account projected credit losses for the rest of such instrument's life span.

The Company has financial assets with short credit terms, such as clients, for which it applies the IFRS 9 relief, i.e. the Company measures the provision for loss in an amount equal to predicted credit losses throughout the life of the instrument.

Depreciation on debt instruments estimated at a lower cost is attributed to the profit or loss against the provision.

To the company, a financial asset not measured at fair value through profit or loss as a faulty financial asset due to a credit risk, when one or more events adversely impact the receipt of future cash flows that should derive from such financial asset. For example, a breach of contract, due to a failure or payment arrears.

3. Diminution of financial assets

The Company depreciates a financial asset when and only when the contractual rights to the financial asset's cash flows have expired.

NOTE 2: - ACCOUNTING POLICY PRINCIPLES (CONTINUED)

FINANCIAL INSTRUMENTS (CONTINUED)

4. Financial liabilities

a) Financial liabilities assessed at reduced cost

The Company assesses financial liabilities at fair value less transaction expenses that may be directly ascribed to the issuance of the financial liability on the date of first recognition.
Following first recognition, the Company uses the effective interest method to measure all financial liabilities at a lower cost.

b) Financial liabilities are determined at fair value using profit or loss.

When transaction costs are realized in profit or loss, the Company assesses financial liabilities that are not measured at reduced cost at fair value at the time of first recognition.

Changes in fair value are recorded in profit or loss after first recognition.

The Company identified a financial liability at fair value through profit or loss at the time of first recognition. Adjustments in the fair value of the financial liability are recorded in profit or loss, apart from changes that may be attributed to changes in the financial liability's credit risk, which are reflected in other comprehensive income.

1. Deduction of financial liabilities

The company may only subtract financial liability when it is settled, that is, when the obligation stipulated in the contract is reimbursed, canceled, or expires.
A financial liability is settled when the debtor repays it in cash, other financial assets, commodities or services, or when the debtor is legally relieved from the liability.
When the terms of an existing financial liability are changed, the Company examines whether the new terms are fundamentally different from the existing terms, taking into account both qualitative and quantitative factors.
When a material change is made in the terms of an existing financial liability, or when a liability is replaced with another liability with substantially different terms, the transaction is treated as a subtraction of the original liability and recognition of a new liability between the company and the same lender. The difference between the balances of such two liabilities is attributed in the financial statements to profit or loss.
When a non-material change in the terms of an existing debt occurs between the company and the same lender, the company adjusts the amount of the liability by capitalizing the new cash flows at the original effective interest rate and credits the difference to profit or loss.

2. Offsetting financial instruments

Any financial assets and liabilities are offset and the net value is shown in the financial position report if there is a legally enforceable right to offset the recognized amounts. Such financial assets and liabilities are offset and the net amount are also presented in the statement of financial position where there is an intention to liquidate the asset and liability on a net basis or to realize the asset and settle the obligation at the same time. The right to offset must be legally enforceable not only in the usual course of business of the contracting parties, but also in the event of one of the parties' bankruptcy or insolvency. For the right to offset to come into Immediate effect, it must not be dependent on a future event or have intervals of time during which it does not apply, or there are events that cause it to expire.

NOTE 2: - ACCOUNTING POLICY PRINCIPLES (CONTINUED)

N. SHARE-BASED PAYMENT TRANSACTIONS

Employees of the company are entitled to benefits in the form of a share-based payment that is invested in equity instruments.

The cost of transactions with employees settled via equity instruments is measured by such equity instruments' fair value at the time of granting such benegits. An applicable model of options pricing is used to determine the fair value.

The cost of transactions settled by equity instruments is recognized in profit or loss, and a corresponding increase in capital, throughout the period in which the terms of service are met, and ends on the date such relevant personnel are entitled to compensation, ("the maturation period"). The cumulative expenditure reported in respect of equity instrument transactions resolved at the end of each reporting period up to the maturity date, reflects the maturation period's duration and the group's best estimate of the number of equity instruments that will eventually mature.

Grants that do not mature in the end are not counted as expenses.

O. PROFIT (LOSS) PER SHARE

A loss to a share is calculated by dividing the net loss attributed to the company's shareholders by the existing weighted number of regular shares as it is throughout such a period.
potential regular shares are included in the calculation of the diluted loss per share if their impact dilutes the loss per share in on going activities. Potential regular shares that were converted during such a period are included in the diluted loss per share only until the time of conversion, after which they are included in the basic loss per share.

P. DETERMINING FAIR VALUE

In an ordinary transaction between market players at the time of measurement, fair value is the price that would have been acquired in the sale of a property or the price that would have been paid for the transfer of an obligation.

The determination of fair value is based on the premise that the transaction takes place in the asset or liability's main market, or, where such a main market does not exist, in the most advantageous market.

the fair value of an asset or liability is determined by the discounts that market players will use when pricing the asset or liability, assuming that market players are acting in their best economic interests.

determining the fair value of a non-financial asset takes into account a market player's potential ability to earn economic advantages from using the asset optimally or selling it to another market player who will utilize the asset optimally.

the group uses evaluation practices suitable to the conditions and have adequate data to estimate fair value, while maximizing the use of relevant observable data and reducing the use of unobservable data.

All assets and liabilities determined at fair value or reported at fair value are classified into the following categories under the fair value hierarchy, depending on the lowest level of data relevant for evaluating fair value as a whole:

Level 1: Quoted prices (without adjustments) of similar assets and liabilities in an active market.
Level 2: Data that are not quoted prices from Level 1, which can be observable directly or indirectly.
Level 3: Data that are not based on any observable market information (assessment techniques without the use of observable market data).

NOTE 2: - ACCOUNTING POLICY PRINCIPLES (CONTINUED)

Q. PROVISIONS

A provision in accordance with IAS 37 is recognized when a group has a current obligation (legal or implied) caused by previous occurrence, where financial resources may be required to settle such obligation, which can be reliably assessed. When the group expects that a part or all of the expenditure will be refunded to the company, such as under an insurance contract, the reimbursement will be recorded as a distinct asset only when the asset is actually received. The expenditure will be recorded in the income statement minus the reimbursement.

Lawsuits

Provisions for lawsuits are recognized when the group has a present legal responsibility or an implicit obligation as a result of a previous incident, when it is more probable than not that the group will need its financial resources to settle the obligation, and when the obligation can be reliably calculated.

R. NON-CURRENT PROPERTY OR GROUP OF PROPERTIES HELD FOR SALE AND A DISCONTINUED ACTIVITY

Non-current property or group of properties classified as held for sale, the settling of which shall be done by a selling transaction rather than by an ongoing use. The foregoing occurs when such assets are Immediately available for sale as is, the company is obligated to such selling plan, there is a plan to locate a buyer and it is highly probable that realization may be concluded withing a year of the classification date.
Prior to assets' classification as held for sale, they are measured in compliance with the group's accounting policy. Following such classification, such assets are measured according to the lower among their values in the financial statements and their fair value minus selling costs, and there are shown separately on the financial position report. As of the initial classification, such assets may not be depreciated.
An entity shall acknowledge a value decrease related loss in an asset or a group of assets in accordance with IAS 36 a value decrease related loss as well as consecutive profits or losses caused by a re-measurement, shall be attributed to profit or loss. Profits shall be recognized up to the cumulative sum of value decrease related loss previously recorded

Non-current property or a group of properties classified as held for sale are presented separately.

When a company changes its selling plan in a way that an asset's reimbursement will not be done in a selling transaction, it ceases to classify such asset as held for sale, measuring it by the lower of its values in the books had it not been classified as held for sale, or by a redeemable sum of the asset at the time the decision was made to withdraw from the intention to sell.

When a company is bound by a selling plan involving losing control over a subsidiary, regardless of whether the company maintains non-controlling rights in such subsidiary, it may classify the entirety of the subsidiary's assets and liabilities as held for sale.

A discontinued activity is a component of the company, representing either a distinct and significant field of business operations or a geographic area, constituting a realized activity or an activity classified as held for sale. The results of the discontinued activity (including comparative numbers) are shown separately in the profit or loss statement, minus tax effects.

NOTE 2: - ACCOUNTING POLICY PRINCIPLES (CONTINUED)

S. A CHANGE IN THE ACCOUNTING POLICY - INCLUDING FIRST-TIME IMPLEMENTATION OF NEW FINANCIAL REPORTING STANDARDS AND AMENDMENTS OF EXISTING ACCOUNTING STANDARDS

AN AMENDMENT OF - IAS 37, PROVISIONS, CONTINGENT LIABILITIES AND ASSETS

In May 2020, the IASB had published an amendment of IAS 37, concerning costs the company must include its assessment of a contract as an onerous one (hereinafter "**the ammendment**").
Under such amendment, this examination must include costs that directly address the contract, which include both incremental costs (such as raw materials and direct work hours) and the allocation of other costs directly associated with the execution of such contract (such as decreasing fixed property and equipment used in such execution of the contract).
The amendment will be implemented for annual periods beginning on January 1, 2022. The amendment applies to contracts, the undertakings therein have not yet been fulfilled as of January 1, 2022. At the time of implementing the amendment, it is not required
To show again the comparative numbers, but rather adjust the surpluses' opening balance at the time of the initial implementation, to match the height of the cumulative impact of such amendment.
As a result of implementing the amendment, the company includes both the incremental costs and certain other costs for the purpose of determining whether this contract is an onerous one, while prior to such amendment, the company included only incremental costs in such examination. Accordingly, the company examined the impact of the amendment on any not yet fully executed contracts as of January 1, 2022, and has come to the conclusion that none of them can be seen as an onerous contract.

AMENDMENT TO IFRS 3, BUSINESS COMBINATIONS

In May 2020, the IASB had published an amendment to the international financial report standard 3, joint ventures, concerning the conceptual framework. Such amendment was intended to replace the framework of reference in the preparation and presentation of reports, with regards to the conceptual framework, published in March 2018, without making any material change in its requirements.

The amendment added an irregularity to the principle of recognition of an undertaking, per IFRS 3, to avoid situations of recognizing profits or losses Immediately after a joint venture transaction ("day 2 gain or loss), deriving from any undertakings and outstanding undertakings, which would have been included in the application of IAS 37 or IFRIC 21, had such undertakings been recognized separately.

Per such irregularity, the buyer must implement the provisions of IAS 37 and IFRIC 21 as the case may be, to determine whether at the time of acquisition any current undertaking due to a past event exists, or the binding event creates an obligation to pay the levy respectively occurred up to the time of acquisition, and not in accordance with the undertaking in its conceptual framework.
The amendment also clarifies that contingent assets will not be recognized at the time of the joint venture transaction.
The amendment has been implemented for annual periods beginning on January 1, 2022.
The company does not expect to suffer material impact on its monetary reports.

NOTE 2: - ACCOUNTING POLICY PRINCIPLES (CONTINUED)

THE INTERNATIONAL STANDARDS IMPROVEMENT PROJECT FOR THE YEARS 2018-2020

In May 2020, as part of the 2018-2020 improvement initiative, the IASB announced significant revisions, where the main amendment refers to - IFRS 9.
The IFRS 9 amendment clarifies which fees the company must include when performing the "10 percent" test, per section 3.3.6.b in IFRS 9, to determine whether the terms of a debt instrument, which has been corrected or replaced are materially different from the original debt instrument.
Per the amendment, upon determining the fees paid minus fees received, a borrower includes in their cash flows only fees that were paid or received between the borrower and the loaner, including fees paid or received by such borrower or loaner on behalf the other person.

The amendment has been implemented for annual periods beginning on January 1, 2022. The amendment is implemented pertaining to financial liabilities that were either corrected or replaced as of the year during which the amendment was initially implemented, i.e., as of January 1, 2022.

NOTE 3: - THE MAIN CONSIDERATIONS, ESTIMATES, AND ASSUMPTIONS USED IN THE FINANCIAL STATEMENT PREPARATION

In the process of establishing the principal accounting policies in the financial statements, the Group used discretion and assessed the following criteria that have a significant impact on the amounts reported in the financial statements:

A. THE CONSIDERATIONS

- DISCOUNT RATE OF LIABILITLIES ON A LEASE

Since the company cannot easily determine the interest rate grossed up in the lease, it uses the company's additional interest rate to calculate the liabilities on the lease. The additional interest rate set by the company is the rate that the company would have had to pay on a loan for a period similar to the lease period and with similar collateral, in order to obtain a property with a value comparable to the lease right of use and everything in a similar economic environment. When there are no financing transactions on which the company may rely, it calculates the rate of additional interest based on the company's financing risk, the lease time and other economic factors resulting from the lease's requirements and limits. For the purpose of setting the additional interest rate, the company is assisted by an external valuer.

NOTE 3: - THE MAIN CONSIDERATIONS, ESTIMATES, AND ASSUMPTIONS USED IN THE FINANCIAL STATEMENT PREPARATION (CONTINUED)

B. ESTIMATES AND ASSUMPTIONS

When producing financial statements, management must employ estimates and assumptions that affect the execution of accounting policies and the reported amounts of assets, liabilities, income, and costs. Changes in accounting estimates are accounted for in the period in which they were produced.

The following are the main assumptions made in the financial statements regarding the uncertainty of the reporting date and critical estimates calculated by the group, which may change the value of assets and liabilities in the financial statements in the following year if the estimates and assumptions are materially changed:

- REPUTATION DEPRECIATION

  At least once a year, the group assesses the depreciation of reputation. Management must estimate future cash flows that are expected to result from continuing to use the cash-generating unit (or set of cash-generating units) to which the reputation has been allocated as part of the analysis. For these cash flows, management must also determine an appropriate discount rate.

- LEASE TRANSACTIONS THAT INCLUDE EXTENSION AND TERMINATION OPTIONS

  The company considers all relevant facts and circumstances that create an economic incentive for the company to exercise an options to extend the lease period or not to exercise an option to terminate the lease period. In determining whether it is reasonable to assume that the company will exercise an option to extend the lease period or not to exercise an option to terminate the lease period, such as: where significant sums have been invested due to lease improvements, the value of the underlying asset and the uniqueness grossed up in it for the purposes of the company's operations, the company's previous experience with comparable lease deals, and more.

  When a significant event or change in circumstances that may affect the Company's decisions regarding the exercise or non-exercise of such options occurs after the commencement date, the Company reassesses whether it is reasonable to exercise an extension option or not to terminate, such as: significant lease improvements that were not expected at the commencement, like engaging in a sublease of the underlying property for a duration longer than the previously decided lease period, and more.

NOTE 4: - NEW IFRS STANDARDS ARE DISCLOSED IN THE TIME LEADING UP TO THEIR IMPLEMENTATION.

A. AMENDMENT TO IAS 1, PRESENTATION OF FINANCIAL STATEMENTS

In January 2020, the IASB published an amended to - IAS 1 concerning the requirement to classify liabilities as current or non-current (the "original Amendment"). In October 2022, the IABS published a consecutive amendment of the foregoing amendment (hereinafter "**the consecutive ammendment**").

the consecutive amendment has stipulated that:

- Only financial parameters, with which an entity must comply at the end of or prior to the report period affect such liability's classification as current or non-current.
- in the matter of a liability, of which the compliance with the financial parameters is tested within 12 months following the date of the report, a disclosure must be provided to the users of such financial statements, facilitating the assessment of risks due to such liability. i.e., the consecutive amendment stipulates that a disclosure of the liability's value in the books, information of financial parameters, as well as facts and circumstances as of the end of the report period, which might create the conclusion that such entity may struggle to comply with such financial parameters.

the original amendment stipulated that a liability's right of conversion will affect the type of the entire liability as current or non current, except in cases where the conversion component is capital.

The original amendment and the consecutive amendment shall be implemented for year long periods beginning on January 1, 2024 or after that date. Earlier application is possible. Such amendments shall be implemented retroactively.

In February 2021, IASB published an amendment to the international accounting standard 1: presenting financial statements (hereinafter: "**the ammendment**"). In accordance with the amendment, companies will be required to provide disclosure of their material accounting policy, replacing the current requirement to provide disclosure of their significant accounting policy. One of the main reasons for this amendment is that the term "significant" is not defined in the IFRS, while "material" is defined in various standards as well as in the IFRS, especially in IAS 1.

The amendment will be implemented for annual periods beginning on or after January 1, 2023. Earlier application is possible.

The Company is examining the implications of the amendment on the financial statements.

B. AMENDMENT TO IAS8 ACCOUNTING POLICIES, CHANGES IN ACCOUNTING ESTIMATES AND ERRORS

In February 2021, IASB published an amendment to the international accounting standard 8: presenting financial statements (hereinafter: "the ammendment"). The amendment's purpose is to provide a new definition of the term "accounting estimates."
Accounting estimates are "financial sums in the financial statements susceptible to measurement uncertainty." The amendment defines changes in accounting estimates and distinguishes them from changes in accounting policies and corrections of errors.

The amendment will be implemented prospectively to annual periods starting on January 1, 2023, and will apply to changes in accounting policies and accounting estimates that occur before or after that date. Earlier application is possible.

NOTE 4: - NEW IFRS STANDARDS ARE DISCLOSED IN THE TIME LEADING UP TO THEIR IMPLEMENTATION.

C. AMENDMENT TO IAS 12, INCOME TAXES

In May 2021, the IASB announced an amendment to International Accounting Standard 12, IncomeTaxes (the "IAS 12" or "Standard") that limits the application of the "First Recognition Exception" to deferred taxes as defined in Sections 15 and 24 of IAS 12 (the "correction").
IAS 12 excludes the recognition of deferred assets and liabilities in respect of some temporary differences emerging from the initial recognition of assets and liabilities in certain transactions under the Guidelines for the Recognition of Deferred Tax Assets and Liabilities. This is known as the 'first-time recognition exclusion.' The amendment reduces the applicability of the "first-time recognition exception" and clarifies that it does not apply to the recognition of deferred tax assets and liabilities arising from a transaction that is not a joint venture and creates equal differences in obligation and right, even if the other exceptional conditions are met.

The amendment will be implemented for annual periods beginning on or after January 1, 2023. Earlier application is possible. In the matter of lease transactions and the recognition of a liability for liquidation and rehabilitation, the amendment will be implemented starting with the onset of the earliest reporting period presented in the financial statements in which the amendment is first applied, with the cumulative effect of the application applied to the opening balance of the surplus (or other component, as applicable).
The company does not expect to suffer material impact on its monetary reports.

NOTE 5: - A GROUP OF ASSETS HELD FOR SALE AND A DISCONTINUED ACTIVITY

A. A GROUP OF ASSETS HELD FOR SALE

the company owns an audio advertising activity and **-voice** executed by Triniti Audio Ltd (hereinafter "**Triniti**"), a company's fully owned subsidiary. As of the report date, and as decided in the merger agreement, the company is taking steps to see such activity or find an investment in a company in the advertising industry, which will bring about the loss of control in Triniti. Accordingly, the activity is classified in the company's financial statements as a realization group held for sale.

As of December 31, 2022, the balance of assets held for sale is 13,291 thousands ILS, while its liabilities held for sale are 3,939 thousands ILS.

The company measures Triniti per the lower of the fair value minus selling costs and its cost at the time it was first purchased.

According to value assessments close to the date of publishing the 2022 financial statements, no depreciation was recognized where Triniti is concerned.

CLOSING DOWN THE MALTESE ACTIVITY

in September 29, 2022, as part of the company's resolution to target profitability focused activities, including inter alia closing down losing activities, the company's management has decided to close down its operations in Malta (hereinafter "**the discontinued acticity**"), including Goto Sharing Malta and Goto Malta As part of such decision, the company had informed its clients employees and the Maltese 'ministry of transport of its intention to close down such activity as of September 30, 2022. As of December 31, 2022 the company's service is no longer available in Malta and the activity is practically discontinued.

Concurrently, the company is negotiating waving mutual suites between the parties, inter alia by way of waving owner's loan balance with the existing minority shareholder who collaborate on the Maltese activity.

The balance of the Maltese fixed property is made up of a fleet of vehicles planned to be sold in order to settle their debts to creditors in the order occurrence, and the balance of the amount gained by selling the vehicles is to be divided among the shareholders in accordance with their respective loans they had given the company.

So therefore, the fixed property's classification is an asset held for sale.

The balance of the fixed property held for sale is the reduced cost of 7,192 thousands ILS. throughout the report period, the company recognized a 1,172 thousands ILS depreciation pertaining to the fixed property, based on actual transactions completed close to the date of the balance sheet.

NOTE 5: - ASSETS HELD FOR SALE AND A DISCONTINUED ACTIVITY (CONTINUED)

B. FOLLOWING ARE DATA OF THE OPERATIONS' OUTCOMES REGARDING THE DISCONTINUED ACTIVITY IN MALTA:

	For the year ending on December 31		
	2022	2021	2020
	In Thousands ILS		
Revenues	6,137	7,585	5,454
Cost of the services	7,267	9,559	9,036
Gross loss	(1,130)	(1,974)	(3,582)
Costs of selling and marketing	659	922	990
Costs of administrative and generalities	2,596	2,475	1,833
Operating loss	(4,385)	(5,371)	(6,405)
Financing expenses	-	(12)	-
Financing expenses	517	816	880
Loss before income taxes	(4,902)	(6,175)	(7,285)
Taxes on income	-	-	-
Loss by discontinued activity	(4,902)	(6,175)	(7,285)
Loss attributable to:			
Company shareholders	(2,543)	(3,304)	(3,897)
Non-controlling interests	(2,269)	(2,871)	(3,388)
	(4,902)	(6,175)	(7,285)

C. FOLLOWING ARE DATA OF THE CASH FLOWS NET, ATTRIBUTED TO THE MALTESE DISCONTINUED ACTIVITY AND CASH FLOWS DERIVING FROM ACTIVITY (USED FOR ACTIVITY).

	For the year ending on December 31		
	2022	2021	2020
	In Thousands ILS		
On going activity	(1,725)	556	(3,713)
Financing proceeds	456	(148)	4,235
Investment activity	504	(20)	(284)
Total cash flow from discontinued activity	(765)	388	238

NOTE 6: - CASH AND CASH EQUIVALENTS FOR IMMEDIATE WITHDRAWAL

	December 31	
	2022	2021
	In Thousands ILS	
Israeli currency	1,291	675
Foreign currency	26,795	12,302
	28,086	12,977

NOTE 7: - CLIENTS

A. BALANCE OF CLIENTS, NET

	December 31	
	2022	2021
	In Thousands ILS	
Unpaid debts	7,010	3,903
Credit cards (*)	2,602	2,894
Income to receive	893	1,474
Balance of clients	10,505	8,271
Deduction - provision for doubtful debts	(2,468)	(2,203)
Clients, net	8,037	6,068

(*) Clients' charges are made using credit cards, thus, the credit withdrawal is for a period of around 30 days and does not carry interest.

B. MOVEMENT IN PROVISION FOR DOUBTFUL DEBT

	ILS in Thousands
Balance on January 1, 2021	(1,265)
Provision throughout the year	(1,609)
Recognition of written-off lost debts	607
Cancellation in respect of doubtful debts that were collected	262
First time consolidation	(232)
Adjustments resulting from the translation of financial statements of foreign activity.	34
Balance on December 31, 2021	(2,203)
Provision throughout the year	(1,348)
Recognition of written-off lost debts	103
Cancellation in respect of doubtful debts that were collected	1,093
Adjustments resulting from the translation of financial statements of foreign activity	(113)
Balance on December 31, 2022	(2,468)

NOTE 7: - CLIENTS (CONTINUED)

C. THE FOLLOWING INFORMATION RELATES TO THE COMPANY'S CREDIT RISK EXPOSURE IN RELATION TO CLIENTS' BALANCES.

	Income to receive and clients whose time has not yet arrived their repayment (no delay in collection)	Clients whose due date has passed and the delay in their collection constitutes					
		up to 30 days	31-60 days	61-90 days	91-120 days	Over 120 days	Total
	In Thousands ILS						
	As of December 31, 2022						
Balance of clients before provision for doubtful debt	7,886	264	144	137	140	1,954	10,505
Balance of provision for doubtful debts	45	126	77	56	62	2,102	2,468
	As of December 31, 2021						
Balance of clients before provision for doubtful debt	4,402	828	252	141	278	2,370	8,271
Balance of provision for doubtful debt	-	59	206	87	194	1,657	2,203

NOTE 8: - DEBTORS AND DEBT BALANCES

	December 31	
	2022	2021
	In Thousands ILS	
Institutes	654	1,032
Expenses in advance	2,641	2,336
Supplier advances	70	122
Other	907	332
	4,272	3,822

NOTE 9: - REPUTATION AND OTHER INTANGIBLE ASSETS

A. Composition and movement:

YEAR 2022

	Software	Clients relations	Brand	Reputation	Total
	In Thousands ILS				
Cost					
Balance on January 1, 2022	2,453	7,596	2,653	73,223	85,925
Additions throughout the year					
Acquisitions	145	-	-	-	145
Adjustments resulting from the translation of financial statements of foreign activity	49	-	-	-	49
Balance on December 31, 2022	2,647	7,596	2,653	73,223	86,119
Accumulated depreciation and accumulated losses due to depreciation					
Balance on January 1, 2022	1,665	317	221	-	2,203
Additions throughout the year					
Depreciation	696	2,340	1,259	73,223	77,518
Adjustments resulting from the translation of financial statements of foreign activity	31	-	-	-	31
Balance on December 31, 2022	2,392	2,657	1,480	73,223	79,752
Balance of reduced cost on December 31, 2022	255	4,939	1,173	-	6,367

B. Costs of depreciation and recognized decrease in value

the costs of such depreciation and losses due to intangible assets' decrease of value are characterized in

	For the year ending on December 31	
	2022	2021
	In Thousands ILS	
Cost of services	696	556
Costs of Selling and marketing	2,150	538
Other costs	74,672	-
	77,518	1,094

NOTE 9: - REPUTATION AND OTHER INTANGIBLE ASSETS (CONTINUED)

YEAR 2021

	Software	Clients relations	Brand	Reputation	Total
	In Thousands ILS				
Cost					
Balance on January 1, 2021	1,917	-	-	-	1,917
Additions throughout the year					
Acquisitions	15	-	-	-	15
A newly incorporated company	571	7,596	2,653	73,223	84,043
Adjustments resulting from the translation of financial statements of foreign activity	(50)	-	-	-	(50)
Balance on December 31, 2021	2,453	7,596	2,653	73,223	85,925
Accumulated depreciation					
Balance on January 1, 2021	1,119	-	-	-	1,119
Additions throughout the year					
Depreciation	556	317	221	-	1,094
Adjustments resulting from the translation of financial statements of foreign activity	(10)	-	-	-	(10)
Balance on December 31, 2021	1,665	317	221	-	2,203
Reduced cost balance on December 31, 2021	788	7,279	2,432	73,223	83,722

C. Costs of depreciation

the costs of such depreciation and losses due to intangible assets' decrease of value are characterized in profit or loss as follows:

	For the year ending on December 31	
	2022	2021
	In Thousands ILS	
Cost of services	696	556
Selling and marketing expenses	2,150	538
Other costs	74,672	-
	77,518	1,094

NOTE 9: - REPUTATION AND OTHER INTANGIBLE ASSETS

REPUTATION DEPRECIATION

On October 5, 2021, the company acquired the entirety of shares of ELECTRIC MOBILITY CONCEPTS GMBH and its subsidiaries (Hereinafter "Goto sharing Germany"), a company incorporated in Germany that operates approximately 3,000 electric scooters in berlin, Hamburg and Munich, and serves about 300,000 users.
In return for the EMC shares, the company issued to its shareholders shares equivalent to 25% of the company's share capital following the allocation.

The overall cost of the joint venture transaction came up to about 78,703 thousands ILS, including a regular shares issuance at fair value of about 78,703 thousands ILS (representing the fair value of Goto global mobile activity the time of acquisition).

The company's consolidated reported for December 31, 2021, contain the reputation created by an acquisition of 73,223 thousands ILS, and recognized cost surpluses at 5,480 thousands ILS
In light of the significant changes the vehicle market had experienced in 2022, particularly during its second half, characterized inter alia by shortage of vehicles and significant increase of prices, and in light also of the impact of inflation and increased interest rates worldwide, the company has decided to change the strategy in Germany, whereby the company will not launch the German fleet and focus on the existing electric scooters activity. Consequently, the company has updated the operation model and forecasts in Germany. Due to such update and the macro economic changes described above, the company has reduced its total reputation balance, as well as additional intangible assets in its financial statements by a total of 1,449 thousands ILS. Included in the other expenses clause (see note 21g). For the purpose of evaluating the value of the company, it recruited the help of an external and independent appraiser.

The recoverable sum of Goto sharing Germany was determined based in value of use, calculated by an estimate if future cash flows from this cash yielding unit, in accordance with the budget for the coming 5 years, as approved by the company's management. The pre-tax deduction rate, according to which the cash flows were capitalized is 23.4%. Cash flow estimations for a period longer than five years will be based on a fixed growth rate of 3%, which is the average long-term growth rate in the transport industry in which Goto sharing Germany operates.

NOTE 10: - RIGHT-OF-USE ASSETS

The company has lease agreements that include leases of vehicles and structures used for its on going operations.
Vehicles lease agreements are for the most part for a period of 2 to 3 years. The lease agreement for the structures is for a period of 2 to 4 years, in which the company has also included the realization of the extension option contained in the agreements.

The company has lease agreements for certain vehicles with a low monetary value. The Company uses the standard's relief for these leases and recognizes the lease payments as a cost in a straight line throughout the lease duration.

Composition and movement:

Year 2022

	Buildings and parkings	Vehicles	Total
		In Thousands ILS	
Cost			
Balance on January 1, 2022	5,615	37,856	43,471
Additions throughout the year			
New leases	-	2,642	2,642
Adjustments resulting from the translation of financial statements foreign activity	-	1,198	1,198
Deductions throughout the year			
Discontinued leases	907	2,281	3,188
Balance on December 31, 2022	4,708	39,415	44,123
Accumulated depreciation			
Balance on January 1, 2022	2,493	13,997	16,490
Additions throughout the year			
Depreciation	-	12,348	12,348
Adjustments resulting from the translation of financial statements of foreign activity	-	534	534
Deductions throughout the year			
Discontinued leases	317	922	1,239
Balance on December 31, 2022	2,176	25,957	28,135
Balance of reduced cost on December 31, 2022	2,532	13,458	15,990

NOTE 10: - RIGHT-OF-USE ASSETS (CONTINUED)

Year 2021

	Buildings and parkings	Vehicles	Total
		In Thousands ILS	
Cost			
Balance on January 1, 2021	5,724	15,417	21,141
Additions throughout the year			
New leases	-	19,948	19,948
A newly incorporated company	-	5,746	5,746
Adjustments for indexation	-	101	101
Adjustments resulting from the translation of financial statements foreign activity	(109)	(2,780)	(2,889)
Deductions throughout the year			
Realizations	-	576	576
Balance on December 31, 2021	5,615	37,856	43,471
Accumulated depreciation			
Balance on January 1, 2021	1,102	6,410	7,512
Additions throughout the year			
Depreciation	1,426	8,835	10,261
Adjustments resulting from the translation of financial statements of foreign activity	(35)	(1,042)	(1,077)
Deductions throughout the year			
Realizations	-	206	206
Balance on December 31, 2021	2,493	13,997	16,490
Reduced cost balance on December 31, 2021	3,122	23,859	26,981

NOTE 11: - FIXED ASSETS

Composition and movement:

Year 2022

	Vehicles	Furniture and office supplies	Computers and peripherals	Improvements to the leasehold	Total
	In Thousands ILS				
Cost					
Balance on January 1, 2022	46,876	1,386	5,419	768	54,449
Additions throughout the year					
Acquisitions	1,665	241	222	-	2,128
Adjustments resulting from the translation of financial statements foreign activity	1,559	84	4	1	1,648
Deductions throughout the year					
Realizations	11,423	310	-	-	11,733
Assignment to assets held for sale	16,157	588	1,873	-	18,618
Balance on December 31, 2022	22,520	813	3,772	769	27,874
Accumulated depreciation					
Balance on January 1, 2022	22,741	581	2,544	686	26,552
Additions throughout the year					
Depreciation	11,108	260	1,019	43	12,430
Adjustments resulting from the translation of financial statements of foreign activity	601	4	227	7	839
Reputation depreciation	177	108	-	-	285
Deductions throughout the year					
Realizations	8,830	-	-	-	8,830
Assignment to assets held for sale	11,008	338	365	-	11,705
Balance on December 31, 2022	14,789	615	3,425	736	19,565
Balance of reduced cost on December 31, 2022	7,731	198	347	33	8,309

REGARDING LIENS, SEE NOTE 18A.

NOTE 11: - FIXED ASSETS (CONTINUED)

Year 2021

	Vehicles	Furniture and office supplies	Computers and peripherals	Improvements to the leasehold	Total
			In Thousands ILS		
Cost					
Balance on January 1, 2021	40,796	842	4,790	572	47,000
Additions throughout the year					
Purchases	8.056	597	265	196	9.114
A newly incorporated company	4,345	117	757	-	5,219
Adjustments resulting from the translation of financial statements of foreign activity	(2,847)	(101)	(323)	-	(3,271)
Deductions throughout the year					
Realizations	3,474	69	70	-	3,613
Balance on December 31, 2021	46,876	1,386	5,419	768	54,449
Accumulated depreciation					
Balance on January 1, 2021	16,564	519	2,114	572	19,769
Additions throughout the year					
Depreciation	10,230	130	520	114	10,994
Adjustments resulting from the translation of financial statements of foreign activity	(1,194)	(56)	(41)	-	(1,291)
Deductions throughout the year					
Realizations	2,859	12	49	-	2,920
Balance on December 31, 2021	22,741	581	2,544	686	26,552
Reduced cost balance on December 31, 2021	24,135	805	2,875	82	27,897

REGARDING LIENS, SEE NOTE 18A.

NOTE 12: - LIABILITIES TO SUPPLIERS AND SERVICE PROVIDERS

	December 31	
	2022	2021
	In Thousands ILS	
Suppliers and service providers	7,820	7,134
Expenses to pay	5,362	3,167
Repayable checks	71	114
Related party - note 23a	204	99
	13,457	10,514

MPTE 13: - CREDITED ACCOUNTS AND CREDIT BALANCE

	December 31	
	2022	2021
	In Thousands ILS	
Employees and wage liabilities	3,155	2,862
Subcontractor	-	759
Provision for vacation and convalescence	1,135	1,099
Institutes	2,301	1,194
Advance income	2,040	1,488
Other eligibles	2,142	1,804
	10,773	9,206

NOTE 14: - LOANS FROM BANKING INSTITUTIONS AND OTHERS

(1) Composition with current liabilities

	December 31	
	2022	2021(*)
	In Thousands ILS	
Loan from a banking institution	681	3,261
Current maturities of long-term loans	2,008	9,784
	2,689	13,045

(2) Composition with non-current liabilities

	December 31	
	2022	2021(*)
	In Thousands ILS	
Long-term loans from banking institutions	553	17,947
Long-term loans from others	1,782	3,223
Deducting current maturities	(2,008)	(9,784)
	327	11,386

(*) re-presented

NOTE 14: - LOANS FROM BANKING INSTITUTIONS AND OTHERS

(3) The following are details of loans from banking institutions and others

A. on March 31, 2020, the company took a loan of about 118 thousand ILS from a banking institution. The loan is unlinked and carries a fixed annual interest rate of 2.7%. The loan will be repaid in 36 equal monthly installments of principal and interest, starting on April 2020. On January 3, 2023, after the balance sheet's date, the loan was fully repaid.

B. On April 27, 2020, the Company took out a 1.5 million ILS loan from a banking institution, for a period of 36 months. The loan is unlinked and carries a variable annual interest at prime + 1.5% and will be repaid in 24 monthly installments as pf April 2021.

The loan was accepted by the bank as part of the State of Israel Program to provide state guarantee loans to deal with the spread of the corona virus. Om August 23, 2022, the loan was repaid by way of an advanced repayment.

C. On December 31, 2020, the Company took out a 14 million ILS loan from a banking institution, for a period of 44 months. This loan replaces 3 earlier loans for the same amount, which the company had taken from the same banking institution. The loan is unlinked and carries a variable annual interest rate of 3.23%. The loan will be repaid in 32 monthly installments, starting January 2021. On August 23, 2022, the loan was repaid by way of an advanced repayment.

D. On April 29, 2021, the Company took out a 2.5 million ILS loan from a banking institution, for a period of 21 months. The loan is unlinked and carries a variable annual interest rate of 3%. The loan will be repaid in 12 monthly payments, starting January 2022.

The Company has registered a first-degree fixed lien in favor of the bank for 95 electric vehicles it owns. On January 3, 2023, after the balance sheet's date, the loan was fully repaid.

E. As of March 2018 and until June 2019, an incorporated company in Germany had taken out crowed loans of about 1,182 thousands Euro, with 30% of the loan's principal repaid in June 2021, another 30% were repaid in June 2022 and an additional 40% are destined to be repaid in June 2023. The loans are unlinked and have an annual interest rate of 3.75%-4.75%, paid off once a year in June. About 467 lenders participated in the loan. As of December 31, 2022, the balance of the loan is about 475 thousand Euro.

F. On December 2020, an incorporated company took out a loan of 1,500 thousand Euro in order to purchase around 220 electric scooters. The unlinked loan has an annual interest rate of 7.35% and will be repaid in 24 monthly principal and interest installments.

NOTE 15: - LEASE OBLIGATIONS

	December 31	
	2022	2021
	In Thousands ILS	
Lease liabilities	16,602	27,621
Current lease maturities	(11,360)	(13,101)
	5,242	14,520

An external and independent appraiser assists the Group in calculating the nominal interest rate appropriate for the capitalization of lease contracts, taking into account the companies' financing risk, the conditions of the lease contracts, and other economic aspects. The weighted average supplementary interest rate used to capitalize future lease payments in determining the balance of lease liabilities is in the 5.5%-3.5% range.

	For the year ending on December 31		
	2022	2021	2020
	In Thousands ILS		
Interest expenses in respect of lease obligations	934	876	327
Expenditure on leases of low-value assets	3,498	3,607	2,618
Expenses on variable lease payments	-	261	-
Total negative cash flow for leases	18,675	15,108	7,330

(*) for the analysis of the company's lease liabilities repayment times see note 17b(5).

NOTE 16: - TAXES ON INCOME

(1) TAX LAWS APPLYING TO THE MEMBERS OF THE GROUP

Income Tax (Adjustments Due to Inflation) Law, 5745-1985

According to the law, until the end of 2007, the results measured for tax purposes in Israel are adjusted to changes in the CPI.

The Knesset amended the income tax (adjustments due to inflation) law, 5745-1985, in February 2008, limiting the implementation of the adjustments law from 2008 onwards. With the exception of some adjustments for changes in the consumer price index in the period up to December 31, 2007, as of 2008, the results for tax purposes are measured at nominal values. Adjustments for capital gains, such as the realization of real estate (betterment) and securities, remain in effect until the date of realization. Starting in 2008, the legislation will be amended to eliminate the adjustment of the supplement and deduction owing to inflation, as well as the additional deduction due to depreciation (for depreciable assets acquired after the 2007 tax year) .

NOTE 16: - TAXES ON INCOME (CONTINUED)

(2) TAX RATES APPLYING TO THE MEMBERS OF THE GROUP

The rate of companies' tax in Israel in the years 2022, 2021 and 2020 is 23%
Beginning in the year of sale, a body of persons must pay tax on real capital gain in the companies' tax rate as of the year of the lease.

A law was published in August 2013, to modify national priorities (legislative reforms to accomplish budget objectives for 2013 and 2014), 5773-2013 (the Budget Law). The law includes, among other things, provisions on taxing revaluation gains, starting from August 1, 2013, but these provisions' effectiveness regarding revaluation gains is conditioned on the publication of regulations, defining what is considered "surplus not subject to the corporate tax", and regulations to prevent double tax on assets outside Israel. As of the date of approving these financial statements, no such regulations have been published.

In 2022, the main tax rate that applies to the consolidated companies incorporated outside Israel is as follows: 35% for companies incorporated in Malta, 25% for a company incorporated in Spain and a 30% for a company incorporated in Germany.

(3) FINAL TAX ASSESSMENTS

The company has final tax assessments up to and including the 2017 tax year. For the rest of the group's incorporated companies final tax appraisals have not yet been issued since the time of their incorporation.

(4) LOSSES CARRIED OVER FOR TAX PURPOSES AND OTHER TEMPORARY DIFFERENCES

The Company has business losses for tax purposes that are carried over to the following years, totaling 187,308 thousands ILS, as of December 31, 2022; at 187,308 thousand ILS (and 158,134 thousand ILS as of December 31, 2021).

No deferred tax assets were recognized by the group due to carried over business losses, as there is no expectation that they will be utilized in the foreseeable future.

	For the year that ended on December 31		
	2022	2021	2020
	In Thousands ILS		
Current taxes	457	1	227
	457	1	227

(5) THEORETICAL TAX

The difference between the statutory tax and the taxes on income imputed in the profit or loss statement is mostly due to tax loss, for which no deferred tax assets have been established.

NOTE 17: - FINANCIAL INSTRUMENTS

A. Fair value

Due to the short durations of these instruments, management estimates that the balance of cash, deposits, clients and debtors, suppliers and creditors, and other current liabilities, is close to the fair value. Furthermore, the majority of the company's bank loans have variable interest rates and hence closely represent their fair value.

B. Management's financial risk management objectives and policies

The foundations of the Company's financial liabilities consist of loans and credits. These financial obligations are primarily intended to fund the Company's activities and to offer guarantees to support those operations. Customers, debtors and debit balances, cash, and deposits resulting directly from the Company's operations, comprise the majority of the Company's assets.

The company is exposed to market risk, credit risk, and liquidity risk. The risk management is overseen by the company's senior management.

(6) MARKET RISK

Market risk is the risk that the fair value or future cash flows of a financial instrument may vary as a result of market price changes. Market risk includes three types of risk: interest rate risk, currency risk, and pricing risks such as stock price risk and commodity price risk. Loans and credits, as well as deposits, are financial products that are impacted by market risk.

NOTE 17: - FINANCIAL INSTRUMENTS (CONTINUED)

2) INTEREST RISK

Interest risk is the risk that the fair value or future cash flows of a financial instrument may vary as a result of interest market rates changes.

The Company's exposure to the risk of changes in market interest rates is principally due to long-term obligations with variable interest rates.

Interest rate sensitivity analysis:

The table below indicates the sensitivity of the impacted fraction of loans and credits to a reasonably anticipated change in interest rates. When all other variables remain constant, the effect of interest rate changes on the Company's pre-tax profit will be as follows:

	A 5% increase in the prime interest rate	The effect on profit before tax
	In Thousands ILS	In Thousands ILS
2022:		
Loans in ILS	225	24
2021:		
Loans in ILS	17,725	750

The current observable market environment is used to establish the starting point for the interest rate sensitivity analysis.

3) FOREIGN CURRENCY RISK

Foreign currency risk is the risk that a financial instrument's fair value or future cash flows may vary as a result of changes in foreign exchange rates.

The Company's exposure to foreign currency risk is principally due to on going operations (where income or expenditure is generated in a currency other than the Company's presentation currency) and net interests in foreign subsidiaries.

A 5% increase in the Euro’s exchange rate will cause an increase of about 110 thousand ILS in the company’s deficit in 2022, and 1,284 thousand ILS in 2021.

4) CREDIT RISK

Credit risk is the risk of the opposing party failing to fulfill its obligations as a client or those originating from a financial instrument, causing the Group to suffer a loss. The Group is subject to credit risk as a result of its operational activities (mostly client balances) and financial activities, which include bank deposits and foreign currency transactions.

NOTE 17: - FINANCIAL INSTRUMENTS (CONTINUED)

4) CREDIT RISK (CONTINUED)

Balance of clients

Most of the company's clients are private clients who pay with a credit card. Unpaid client balances are reviewed regularly.

Based on the Company's previous experience. Depreciation evaluation and calculation is done on each reporting date. The maximum credit risk exposure at the reporting date is the balance in the books (see note regarding customers).

The Group does not have any collateral to secure these liabilities. With the exception of the Tel Aviv-Jaffa Economic Development Authority, the group estimates the risk of client concentration to be low since they are private end clients who often pay by credit card.

Financial instruments and deposits

The credit risk posed by bank balances is deemed low by the Group's management, since these balances are held by reputable banking institutions.

5) LIQUIDITY RISK

The group's purpose is to maintain a balance between stability and flexibility by using overdrafts, bank loans, financing leases, leases and acquisitions.

The table below shows the repayment durations of the Group's financial liabilities in non-capitalized amounts (including interest payments) according to the contractual terms:

As of December 31, 2022

	Until Year	From on year to 2 years	From 2 years to 3 years	From 3 years to 4 years	Total
Loans from banks	1,021	122	105	-	1,248
Outstanding liabilities to suppliers and service providers	13,330	1,937	1,903	-	17,170
Eligibles	10,773	-	-	-	10,773
Other Liabilities	1,846	-	-	-	1,846
A loan from a non-controlling shareholder	12,965	-	-	-	12,965
Lease liabilities	12,141	4,292	577	59	17,069
	52,076	6,351	2,585	59	61,071

NOTE 17: - FINANCIAL INSTRUMENTS (CONTINUED)

As of December 31, 2021

	Until Year	From on year to 2 years	From 2 years to 3 years	From 3 years to 4 years	From 4 years to 5 years	Over 5 Years	Total
	In Thousands ILS						
Loans from banks	12,206	5,951	3,624	81	-	-	21,862
Trade payables	10,514	1,211	1,475	979	1,295	-	15,474
Eligibles	9,206	-	-	-	-	-	9,206
Other Liabilities	1,361	1,943	-	-	-	-	3,304
A loan from a non-controlling shareholder	11,756	-	-	-	-	-	11,756
Lease liabilities	13,984	11,540	3,049	461	204	79	29,317
	59,027	20,645	8,148	1,521	1,499	79	90,919

c. Changes in liabilities arising from financing activities

	Short-term loans	Long-term loans	Lease liabilities	Total liabilities arising from financing activities
Balance on January 1, 2020	8,463	44,146	6,183	58,792
Cash flow	(777)	6,570	(4,380)	1,413
Effects of changes in exchange rates	(26)	(286)	210	(102)
Other changes	(5,232)	5,480	-	248
IFRIC 12 classification for leases	-	-	1,247	1,247
Recognition of non-cash operating liabilities	-	(29,235)	10,939	(18,296)
Balance on December 31, 2020	2,428	26,675	14,199	43,302
Cash flow	-	305	(10,363)	(10,058)
Effects of changes in exchange rates	(1,203)	(562)	(1,852)	(3,617)
Other changes	8,357	(8,374)	-	(17)
Long-term to short-term loan classification	11,331	(11,331)	-	-
A newly consolidated company	3,463	4,673	5,958	14,094
Recognition of non-cash operating liabilities	-	-	19,679	19,679
Balance on December 31, 2021	24,376	11,386	27,621	63,383
Cash flow	-	1,750	(12,448)	(10,698)
Effects of changes in exchange rates	894	19	752	1,665
Repayment of a cm loan from others	-	(1,559)	-	(1,559)
Repayment of a cm loan from banks	(8,510)	(10,656)	-	(19,166)
Other changes	(14,071)	11,882	-	(2,189)
Long-term to short-term loan classification	12,496	(12,496)	-	-
Recognition of non-cash operating liabilities	-	-	677	677
Balance on December 31, 2022	15,185	327	16,602	32,113

NOTE 18: - ENCUMBRANCES, GUARANTEES, CONTINGENT LIABLITLIES, AND ENGAGEMENTS

A. ENCUMBRANCES AND GUARANTEES

(1) The Company registered a floating charge to the benefit of the bank on all financial assets, property, and any kind of right the Company has or will have in the future, in any shape or form. A fixed charge on the Company's share capital that was not yet called or has been called and not yet paid off, and on the goodwill and the Company's rights to any tax exemption, break, or discount, under any law. A fixed charge on all securities, documents, and notes the bank has.

(2) As of December 31, 2022, the Company had bank guarantees in the amount of about 516 thousand ILS for a variety of Israeli authorities, municipalities, and suppliers.

(3) According to note 18c(2) above, and herein and a prerequisite to the execution of this contract, the company has put up a bank guarantee for the benefit of the "Tel Aviv-Jaffa economic development Authority" as of December 31, 2022, at 1,500 thousand ILS.

(4) As stated in note 18c(9) and to fulfill its undertakings, the company made an autonomous, independent guarantee to the benefit of the Malta government for 200 thousand Euro. The guarantee is in effect throughout the entire contract period.

(5) The Company recorded an encumbrance on all rights under the insurance policy pertaining to the vehicles that the Company is leasing from a third party, for the benefit of such third party, as well as any title to damages or indemnification for the vehicles' loss or damage or the expropriation thereof. See also note 18Cc(1).

(6) A subsidiary has associated with local leasing providers in a vehicle rental transaction. The subsidiary was required to provide a bank guarantee from a local bank as part of the agreement, while the local bank requested a counter-guarantee from the company's bank in Israel. In Israel, the company deposited a total of 6,155 thousand ILS in a pledged deposit against the bank guarantee.

(7) In 2019, the subsidiary entered into an operating leasing agreement with a financing entity to lease approximately 220 electric scooters. As part of the transaction, the subsidiary was required to deposit a deposit to secure the transaction at a rate of 15% of the transaction amount, totaling 193 thousand Euro.

NOTE 18: - ENCUMBRANCES, GUARANTEES, CONTINGENT LIABILITLIES, AND ENGAGEMENTS (CONTINUED)

B. CONTINGENT LIABILITIES

(1) On January 21, 2018, a statement of claim was issued against the company, as a motion to approve a class action lawsuit for 3,000 thousand ILS due to discrimination contrary to the prohibition of discrimination in products, services, and entry to places of entertainment and public places law, 5761-2000, by demanding that lessees be 21 years old or older. Hence the claim of unlawful discrimination, violation of a statutory duty, negligence, a violation of contract law, and a discriminatory condition in a boilerplate contract.
The company submitted its response to the motion for approval and the applicant submitted its response to the company's response. At the end of the preliminary hearing on the case, the court decided to submit the matter to the regulator. On November 13, 2022. The court ruled that the plaintiff will be compensated by a sum of 18 thousand ILS and a 70 thousand ILS retainer to the plaintiff’s legal representative.

(2) On May 6, 2021, an application was filed against the company for approval of a class action in the amount of 6,358 thousand ILS, alleging that the company provides its clients with misleading representations regarding the manner of termination of use of the paid car rental platform of a subsidiary company ("Auto Tel"), which provides for the residents of the city according to an agreement between it and the Tel Aviv Yafo economic development authority ltd., a company owned by the Tel Aviv municipality. According to the applicant, the company presents its subscribers with false information that states that there are hundreds of parking lots designated for "Auto Tel" clients only, which will allow the use of vehicles rented from it to terminate relatively quickly, and thus be able to drive around comfortably across Tel Aviv. However, in actual fact, private vehicles routinely park in designated parking lots in a way that prevents the company's clients from parking a rented vehicle and terminating its use, causing it to incur additional cost while the client is forced to search for another parking space. In light of the company’s legal advisor’s stance, at this point, the lawsuit’s chances cannot be estimated.

C. ENGAGEMENTS

(1) The company leases cars from various car leasing companies. In most cases such rental does not include mandatory, comprehensive and/or third party insurances, so the company takes care of third party and mandatory insurances independently.

(2) On June 27, 2016, an agreement was made between the company and the Tel Aviv Jaffa economic development authority (”authority”), for the company to operate a car sharing service in Tel Aviv. The agreement has become effective on July 1, 2016 (the effective date”). To execute the contract, a partnership was established, which was incorporated on June 27, 2016, engaging in establishing, maintaining, and operating the Tel Aviv city car sharing system.

The contract period is 137 months.
The authority, at its exclusive discretion, may extend the contract period by two more periods of 36 month each, subject to a 6 month advanced notice.
The authority may, unilaterally and at its exclusive discretion, terminate the engagement early at any time in the contract period and in the extension periods, by giving the partnership prior written notice at least 6 months in advance. In such a case, the company will be entitled to all of the consideration agreed upon until the date of such termination, as well as compensation for early termination of up to 1 million ILS, in annual brackets.
On October 1, 2017, the period of a regular provision of service commenced; the consideration for it varies by the number of cars, the number of new and total subscribers, the total mileage, and the number of cars removed from the fleet.

See note 18a(3) for further information on bank and performance guarantees.

NOTE 18: - ENCUMBRANCES, GUARANTEES, CONTINGENT LIABILITLIES, AND ENGAGEMENTS (CONTINUED)

ENGAGEMENTS (CONTINUED)

(3) On January 26, 2017, the municipality of Haifa tenders committee authorized the engagement with the company as a sole vendor for 3 years ("the contract period"), for operating 100 electric vehicles in the city, with the municipality allocating 450 designated parking spaces to the company.
The company started operating in November 2017. Under the engagement agreement and the parties' mutual agreements, the company terminated its activity in Haifa in November 2020.

(4) On February 18, 2018, the municipality of Netanya tenders committee authorized the engagement with the company as a sole vendor for 6 years ("the contract period"), for operating 70 electric vehicles in the city, with the municipality allocating 210 designated parking spaces to the company. The agreement provides for the company to receive subsidies from the Netanya municipality in exchange for operating the service in the city. Under this engagement agreement and the terms agreed upon between the parties, the company had terminated its operations in the city of Netanya in April 2022.

(5) On February 11, 2018, the company signed a contract with the municipality of Jerusalem to obtain a franchise to use designated parking spaces, to establish and operate a car sharing system in Jerusalem. The term of this contract is 3 years with an option of a 1-year extension. On January 1, 2023, after the balance sheet's date, the association with the Jerusalem municipality was terminated. So therefore, the Jerusalem municipality no longer supplied parking spaces and this service is now provided by the company via associations with external parking providers.

(6) On September 11, 2017, a company subsidiary, y. Bicycles, contracted with the MOBIKE B.V. company (hereinafter "mobike"), in a franchise agreement granting the company a franchise to operate the mobike bike sharing service in Israel for 5 years of signing the franchise agreement.

In the last quarter of 2019, MEITUAN DIANPING (hereinafter "meituan"), having acquired the global mobike company's operations, announced that it will shut down the mobike operations in Asia in 2019. In December 2019, the company signed a separation agreement with mobike, as well as an agreement of no-reciprocity and no additional obligations towards each other. Under the agreement, all bike sets already imported into Israel will remain Y. Bicycles' property.
As a result of the foregoing, the company recorded a 2,090 thousand ILS income in 2019.
On July 13, 2020, minority shareholders transferred all their shares in Y. Bicycles to the company without consideration, following which the company holds 100% of Y. Bicycles' share capital.
On December 31, 2020, it was decided that Y. Bicycle be merged into the company.
In February 2022, it was decided to shut down the bicycle service in Israel.

(7) The consolidated subsidiary signed a contract with a local supplier to supply electric motorcycles on December4, 2020 (hereinafter "motorcycles"). According to the agreement, the subsidiary will rent motorcycles for a minimum of two and a half years, with payments for the motorcycles made using the "income distribution" method. The company is under no obligation to make a payment in months when the motorcycles generate no revenue. Furthermore, the consolidated company associated with the same supplier in a product acquisition agreement framework, under which expenses of up to 1,650 thousand Euro incurred by the company will be paid by the supplier. This amount will be paid by the subsidiary as part of the "revenue sharing" transaction, with the remaining amount, if any, due on December 31, 2023, to be paid in 12 equal installments up to January 1, 2024.
Furthermore, the company entered into an agreement with the same provider for the provision of IOT and software services for the operation of the company's electric motorcycles. These services are paid for on an ongoing basis.

NOTE 18: - ENCUMBRANCES, GUARANTEES, CONTINGENT LIABILITLIES, AND ENGAGEMENTS (CONTINUED)

ENGAGEMENTS (CONTINUED)

(8) On a non-material scale, the company entered some other agreements with other Israeli authorities.

(9) On December 29, 2022, the company associated with an ASTARA MOBILITY S.L (”astara') shareholder in a services and technology development agreement, under which the company shall provide astara with services based on its knowledge and technological developments, and assist in developing a car sharing platform, which would be fully owned by astara (”the platform” and “the agreement' respectively).
Under this agreement's terms, astara shall pay the company 4 million Euro (”the consideration”), to be distributed as follows: (1) a 1 million Euro down payment to be paid up to 30 days after receiving the company's invoice; (2) twelve (12) equal monthly installments of 250 thousand Euro (each), to be paid each month in the year following the completion of the agreement. In exchange of the consideration, the company shall provide astara with development, implementation, support, and maintenance services for the platform for a period of 12 months. Astara may extend this period by an additional 24 months, subject to paying additional consideration (deriving from the scope of development inputs as may be required from the company), with the company's consent.
Under this agreement, astara may use the platform to offer car leasing services for a period of seven (7) calendar days or more to users or clients worldwide, but not in Israel. The company may use the platform to offer car sharing services for a period shorter than seven (7) calendar days around the world (”the company's right of use”). This agreement contains an agreement mechanism for cases where any one of the parties may desire to operate such services in an area or a field in which the other party operates, including an advanced notice and the possibility of promoting a collaboration.
Each party may terminate this agreement inter alia for the following reasons: (1) at the end of the first 12 months of signing the agreement (and not before) without giving a reason and with a three (3) months notice to the other party; (2) in cases of insolvency, bankruptcy, receivership, creditors settlement or a similar proceeding against the other party, not finalized within 30 days of receiving the demand; (3) upon a fundamental breach of this agreement under its terms. The agreement was signed after the date of this report.

(10) On December 29, 2022, ELECTRIC MOBILITY CONCEPTS GMBH, a subsidiary fully owned by the company (hereinafter “emi”), associated in an unlinked third party agreement (hereinafter “the seller”) to purchase 100% of the issued and paid share capital of a foreign company incorporated under the German law, who operated in the field of mopeds in Germany (”the acquired company” and “the agreement” respectively) as set forth herein:
Emi shall acquire from the seller the full ownership (100%) of the acquired company in exchange for only one Euro. For such consideration, after completing the transaction, emi shall receive part of the acquired company's assets as set forth herein, undertaking to settle a debt the seller has with a financing company (the unlinked third party) pertaining to such assets, at 2.536 million Euro (”the debt” and “the financing entity” respectively).
The seller is a company incorporated under the German law, as of now, dealing in short-term leasing of mopeds in several cities in Germany, mostly berlin and Hamburg.
The validity of this agreement is conditioned by the compliance with the pending warranties of this agreement, as follows: (1) the company will enter, during the month of January 2023, into a new loan agreement with the financing entity for the purpose of repaying the debt as set forth above. It is hereby stressed that the company is not replacing the acquired company with regards to the existing loan, nor may it refuse to enter such new loan agreement, unless the terms pertaining to market conditions are unreasonable or significantly irregular compared to the seller's existing loan terms; (2) up to the completion of the transaction, the seller undertakes to transfer the entirety of the company's assets and liabilities outside the company (except several assets and liabilities, the transfer of which is to be completed within up to half a year following the completion of the transaction (”the remaining assets”), and all with the exception of 1,500 mopeds, helmets and chargeable batteries, as well as the company's existing clients' file, which will remain in the company at the time such acquisition is complete (”the acquired assets”).

NOTE 18: - ENCUMBRANCES, GUARANTEES, CONTINGENT LIABILITLIES, AND ENGAGEMENTS (CONTINUED)

ENGAGEMENTS (CONTINUED)

(10) (continued)

Where such pending warranties are not complied with up to January 13, 2023, and such date has not been extended with the parties' consent, each of the parties may terminate this agreement ("the last date of complying with the pending warrantees"). The parties may extend such a last date, provided however it is not extended more than three (3) times.

Furthermore, as part of this agreement, the seller has undertaken that all debts and liabilities currently known to the parties are deducted up to 6 months after completing the transaction, except the debt specified above to the financing entity, estimated at several hundred thousand Euro ("the remaining debts");
In addition, the seller has undertaken to ensure that its existing shareholders shall not compete with the company or with emi in the berlin, Hamburg and Munich territories for a period of two years after such completion.
Where any one of the parties breaches their undertakings under this agreement, the other party may take the following actions:
(1) uphold the completion of the transaction provided the pending warranties are in place;
(2) decide to postpone the time of completing the transaction until 8 days pass after the last date of complying with the pending warranties.
(3) terminate the agreement by an advanced notice to the breaching party.
The seller has provided basic representations pertaining to the acquired company and assets as well as an undertaking to an indemnification due to breaching such representations. The indemnification obligation is time limited at up to one year after completion and the amount must be up to 50% of the debt. In addition, the seller has undertaken to fully indemnify the company for damages related to all of the acquired company's liabilities as are known at the time of completion, as well as those unknown at that time; and due to damages caused to it in respect of the power of attorney given to the seller by emi in order to settle the remaining debt and transfer out of the company the remaining assets. Such obligation of indemnify will be effective for a period of 12 month as of completion.
The repaying of the loan to the financing entity as set forth above shall be done using the company's independent sources.
To the best of the company's knowledge, the transaction subject of this agreement is not expected to impose any tax charges or liens.
It is hereby clarified that the foregoing does not contain full information about any previous operations of the acquired company, as under the terms of the transaction, the company only acquires specific assets and liabilities from the aforementioned activity as set forth above.
On January 18, 2023, the pending warranty were complied with and the acquisition of the German moped incorporation's shares was completed.

(11) For the operation of the electric motorcycle service in Germany, Goto Germany has a number of material leasing agreements with local suppliers.

(12) On December 14, 2020, the company entered into an office lease agreement in Tel Aviv; the gross leased area is 1,035 square meters. Under the agreement, the term of the lease is 24 months, starting on January 1, 2021. The company may extend the term of the lease by two more periods of 12 months each.

(13) On January 26, 2017, the municipality of Haifa tenders committee authorized the engagement with the company as a sole vendor for 3 years ("contract period"), for operating 100 electric vehicles in the city, with the municipality allocating 450 designated parking spaces to the company.
Under this agreement, the company was entitled to a partial subsidizing of the project.
The company started operating in November 2017. Under the engagement agreement and the parties' mutual agreements, the company terminated its activity in Haifa in November 2020.

NOTE 18: - ENCUMBRANCES, GUARANTEES, CONTINGENT LIABILITLIES, AND ENGAGEMENTS (CONTINUED)

ENGAGEMENTS (CONTINUED)

(14) On January 26, 2017, the municipality of Haifa tenders committee authorized the engagement with the company as a sole vendor for 3 years (hereinafter "contract period"), for operating 100 electric vehicles in the city, with the municipality allocating 450 designated parking spaces to the company.
Under this agreement, the company was entitled to a partial subsidizing of the project.
The company started operating in November 2017. Under the engagement agreement and the parties' mutual agreements, the company terminated its activity in Haifa in November 2020.

(15) On February 18, 2018, the municipality of Netanya tenders committee authorized the engagement with the company as a sole vendor for 6 years, for operating 70 electric vehicles in the city, with the municipality allocating 210 designated parking spaces to the company. The agreement provides for the company to receive subsidies from the Netanya municipality in exchange for operating the service in the city.
Under this agreement and the accord between the parties, in August 2022, the company had terminated its operations in Netanya.

NOTE 19: - FIXED ASSETS

A. COMPOSITION:

	December 31, 2022	
	Registered	Issued and paid up
	Number of shares	
No nominal value regular shares	330,000	285,781

B. THE MOVEMENT IN SHARE CAPITAL

On February 26, 2023, following the balance sheet's date, the general assembly decided to perform a capital consolidation in a 1:50 ratio. For more details see note 25a.

C. RIGHTS ATTACHED TO SHARES

Ordinary shares - voting rights at general meetings, the right to receive dividends, the right to dissolve the company, and the right to appoint the company's directors.

D. CAPITAL MANAGEMENT IN THE COMPANY

The company's goals in managing its capital are:

1. Maintain the group's ability to ensure business continuity and the fulfillment of the company's business plans in the coming years, resulting in a return for shareholders, investors, and other shareholders.
2. Ensure a reasonable return for shareholders by pricing products and services in accordance with the existing level of risk in the Group's business operations.

NOTE 20: - SHARE-BASED PAYMENT TRANSACTIONS

A. EXPENDITURE SHOWN IN THE FINANCIAL STATEMENTS

The expense shown in the financial statements for employee services is presented in the table below:

	For the year that ended on December 31		
	2022	2021	2020
	In Thousands ILS		
Share-based payment plans settled on equity instruments	2,718	384	540
Total cost incurred as a result of share-based payment transactions	2,718	384	540

B. On July 11, 2019, the company's board of directors passed an option plan for company employees, directors, officers, and service providers, under section 102 of the income tax ordinance ("option plan"). The company board of directors allocated 15% of the company's allotted and paid up share capital on a fully diluted basis (the "reserved option pool"). 2/3 of the reserved option pool will be allotted to the company's current employees, subject to the company's board of directors' decision (as of the day of adopting the option plan), and the rest will be designated for future allotments to future company employees and service providers.

C. On July 13, 2020, the board of directors authorized 1,506,900 options that will be used as the pool for allocating ordinary shares and options under the plan.

D. On July 13, 2020, the board of directors approved the distribution of 845,400 conversion options for up to 845,400 ordinary shares of the company having a nominal value of 0.01 ILS. 544,000 of the total options were allocated to the company's employees, 50,200 of the total options were allocated to a relative of the controlling shareholder employed by the company, and the remaining 251,200 options were allocated to the company's CEO, who also serves as the company's director. The options are allocated in a capital course under section 102 or 3i of the income tax ordinance, in line with the terms of the company's options plan.

a) The maturity period for a group of offerees, including a relative of the controlling shareholder and the CEO, to whom 650,700 of the allocated options to the offeree shall mature on a quarterly basis, 12.5% at the end of each quarter as of July 12, 2020, provided however that the offeree continues to work with or provide services to the company. The exercise premium for each option is equal to the par value of an ordinary share.
According to the Black–Scholes model, the fair value of the aforesaid warrants at the time of grant approval is roughly 260 thousand USD.

b) For the group of offerrees who were jointly offered 194,700 of the allotted options, it was determined that the vesting period will be as follows: 12 months after the offereee started working at the company and as long as they continue to work for or provide services to the company, the options to be granted to that offeree will vest on a quarterly basis, with 12.5% vesting at the end of each quarter over two years. The exercise premium for each option is equal to the par value of an ordinary share.
According to the Black–Scholes model, the fair value of the aforesaid warrants at the time of grant approval is roughly 78 thousands USD.

NOTE 20: - SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

E. On October 6, 2020, the board of directors approved the distribution of 44,100 conversion options for up to 44,100 ordinary shares of the company having a nominal value of 0.01 ILS. The total options were allocated to the company's employees. The options are allocated in a capital course under section 102 or 3i of the income tax ordinance, in line with the terms of the company's options plan.

On the terms of the allotted options, it was determined that the vesting period will be as follows: 12 months after the offeree started working at the company and as long as they continue to work for or provide services to the company, the options to be granted to that offeree will vest on a quarterly basis, with 12.5% vesting at the end of each quarter over two years. The exercise premium for each option is equal to the par value of an ordinary share.
According to the Black–Scholes model, the fair value of the aforesaid warrants at the time of grant approval is roughly 18 thousands USD.

F. On November 18, 2020, the board of directors approved the distribution of 60,300 conversion options for up to 60,300 ordinary shares of the company having a nominal value of 0.01 ILS. The total options were allocated to the company's employees. The options are allocated in a capital course under section 102 or 3i of the income tax ordinance, in line with the terms of the company's options plan.

On the terms of the allotted options, it was determined that the vesting period will be as follows: 12 months after the offeree started working at the company and as long as they continue to work for or provide services to the company, the options to be granted to that offeree will vest on a quarterly basis, with 12.5% vesting at the end of each quarter over two years. The exercise premium for each option of ordinary share is USD 1.59.
According to the Black–Scholes model, the fair value of the aforesaid warrants at the time of grant approval is roughly 3 thousands USD.

	2020
Dividend yield on the share	0
Expected volatility in stock prices (%)	55.8%
Risk-free interest rate (%)	3.34%
Predicted life of stock options (years)	1.5-5
Share price (USD)	0.40

NOTE 20: - SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

G. On March 11, 2021 and on August 11, 2021, the board of directors approved the distribution of 10,050 and 111,300 respectively convertible options for up to 121,350 ordinary shares of the company having a nominal value of 0.01 ILS. The total options were allocated to the company's employees. The options are allocated in a capital course under section 102 or 3i of the income tax ordinance, in line with the terms of the company's options plan.

a) For the group of offerees who were jointly offered 30,100 of the allotted options, it was determined that the vesting period will be as follows: he options to be granted to that offeree will vest on a quarterly basis, with 12.5% vesting at the end of each quarter over two years, as long as they continue to work for or provide services to the Company. The exercise premium for each option of ordinary share is USD 1.59.
According to the Black–Scholes model, the fair value of the aforesaid warrants at the time of grant approval is roughly 1 thousand USD.

b) For the group of offerrees who were jointly offered 91,250 of the allotted options, it was determined that the vesting period will be as follows: 12 months after the offeree started working at the Company and as long as they continue to work for or provide services to the Company, the options to be granted to that offeree will vest on a quarterly basis, with 12.5% vesting at the end of each quarter over two years. The exercise premium for each option of ordinary share is USD 1.59.
The fair value of the foregoing options at the time of granting, in accordance with the Black–Scholes model is about 5 thousand USD.

Below is a table showing the data used to estimate the fair value of the defrayed share options in the company's financial instruments as of the time of such granting, in accordance with the Black–Scholes model of options pricing:

	2021
Dividend yield on the share	0
Expected volatility in stock prices (%)	46.3% - 44.3%
Risk-free interest rate (%)	1.1% - 0.8%
Predicted life of stock options (years)	6.5 - 5.1
Stock price (USD)	0.43

H. On January 27, 2022, the company board of directors approved an allocation of 583,000 options for the employees.
The vesting period is as detailed below: the options will vest quarterly, with 8.33% vesting at the end of each quarter over a three-year period. The exercise premium for each option is USD 9.58.
The fair value of the foregoing options at the time of granting, in accordance with the Black–Scholes model is about 1.5 million USD (about 4.7 million ILS)

Below is a table showing the data used to estimate the fair value of the defrayed share options in the company's financial instruments as of the time of such granting, in accordance with the Black–Scholes model of options pricing:

Dividend yield on the share	0
Expected volatility in stock prices (%)	48.9% - 47.8%
Risk-free interest rate (%)	1.75% - 1.7%
Predicted life of stock options (years)	6.06 - 5.53
Stock price (USD)	4.64

Pursuant to the foregoing in ex. 1a, following the merger transaction, the amount of options was adapted to 3,983,337 options with additional 1.72 USD utilization.

NOTE 20: - SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

I. On December 15, 2022, the renumeration committee and the board have approved an allocation of 24,756,816 options, the company's untradeable option certificate (prior to such capital consolidation - for further details see note 25a regarding events after the date of this report.
The vesting period is as detailed below: the options will vest quarterly.
Mean warrants' life expectancy 5 years
The exercise premium for each option is USD 0.14 (prior to the capital consolidation) and 7.07 ILS (after the capital consolidation).
The options are allocated in a capital course under section 102 or 3i of the income tax ordinance, in line with the terms of the company's options plan.

a) For the offeree who was offered 14,000,000 of the allotted options, it was determined that the vesting period will be as follows: he options to be granted to that offeree will vest on a quarterly basis, with 16.66% vesting at the end of each quarter over two years, for a period of 18 months, as long as they continue to work for or provide services to the Company. The exercise premium for each option of ordinary share is about 0.14 ILS.
According to the Black–Scholes model, the fair value of the aforesaid warrants at the time of grant approval is roughly 630 thousand USD.
As of the date of this financial position report, two lots have matured against payment for services the offeree provides to the company, and the remaining options have a year to mature.
b) For the group of offerrees who were jointly offered 7,056,816 of the allotted options, it was determined that the vesting period will be as follows: the options given to the offeree shall mature on a quarterly basis, 8.33% at the end of each quarter over a period of three years provided however that th e offeree continues to work for or provide services to the company. The exercise premium for each option of ordinary share is about 0.14 ILS .
According to the Black–Scholes model, the fair value of the aforesaid warrants at the time of grant approval is roughly 317 thousand USD.
c) For the group of offerrees who were jointly offered 3,700,000 of the allotted options, it was determined that the vesting period will be as follows: the options given to the offeree shall mature on a quarterly basis, 8.33% at the end of each quarter over a period of three years provided however that th e offeree continues to work for or provide services to the company. The exercise premium for each option is 0.12 ILS.
According to the Black–Scholes model, the fair value of the aforesaid warrants at the time of grant approval is roughly 165 thousand USD.

Below is a table showing the data used to estimate the fair value of the defrayed share options in the company's financial instruments as of the time of such granting, in accordance with the Black–Scholes model of options pricing:

Dividend yield on the share	0
Expected volatility in stock prices (%)	55.8%
Risk-free interest rate (%)	3.34%
Predicted life of stock options (years)	3 - 1.5
Stock price (USD)	0.03

NOTE 20: - SHARE-BASED PAYMENT TRANSACTIONS (CONTINUED)

J. YEARLY MOVEMENT

The table below shows the changes in the number of share options, as well as the weighted average of their exercise price:

	2022		2021	
	Number of options	Weighted average of the exercise price	Number of options	Weighted average of the exercise price
		ILS		ILS
Stock options for the beginning of the year	8,122,800	0.013	8,061,650	0.013
Stock options granted during the year	28,740,156	0.918	829,121	0.744
Options added due to the merger	2,931,650	1.075	-	-
Share options forfeited during the year	2,875,206	0.010	767,971	0.001
Share options for the end of the year	36,919,400	0.32	8,122,800	0.041
Share options that can be exercised at the end of the year	11,077,300	0.15	3,258,351	0.013

NOTE 21: - OTHER DETAILS FOR THE PROFIT OR LOSS ITEMS

A. INCOME

	For the year that ended on December 31		
	2022	2021(*)	2020(*)
	In Thousands ILS		
Round trip service	24,692	20,558	13,687
One way service	21,537	19,479	18,394
Electric motorcycle service	17,775	4,725	-
Bicycle and scooter service	2,708	1,123	-
Revenue from subscription fees and others	10,561	5,553	5,683
	77,273	51,438	37,764
Primary client - Israel sector	30%	39%	48%

NOTE 21: - OTHER DETAILS FOR THE PROFIT OR LOSS ITEMS (CONTINUED)

B. COST OF THE SERVICES

	For the year that ended on December 31		
	2022	2021(*)	2020(*)
	In Thousands ILS		
Salary and fringe benefits	20,157	13,597	6,297
The cost of renting the property and maintenance	30,266	20,475	15,218
Depreciation and amortizations	24,860	16,907	8,364
Computers and communication maintenance	4,036	2,092	2,075
Structure and travel maintenance	573	280	367
Subsidies for projects (1)	(96)	(481)	(2,533)
Others	2,181	2,104	706
	81,977	54,905	30,598

(1) See note 18c(3) and (4).

(*) reclassification caused by a discontinued activity, see note 5.

C. SELLING AND MARKETING EXPENSES

	For the year that ended on December 31		
	2022	2021(*)	2020(*)
	In Thousands ILS		
Salaries and related	4,105	2,363	1,882
Marketing and advertising	9,766	6,774	1,925
Depreciation and amortizations	2,150	538	-
	16,021	9,675	3,807

(*) Reclassification caused by a discontinued activity, see note 5.

D. RESEARCH AND DEVELOPMENT EXPENSES

	For the year that ended on December 31		
	2022	2021(*)	2020(*)
	In Thousands ILS		
Salaries and related	4,086	4,532	3,402
External suppliers	1,603	1,268	1,113
	5,689	5,800	4,515

(*) Reclassification caused by a discontinued activity, see note 5.

NOTE 21: - OTHER DETAILS FOR THE PROFIT OR LOSS ITEMS (CONTINUED)

E. COSTS OF ADMINISTRATION AND GENERALITIES

	For the year that ended on December 31		
	2022	2021(*)	2020(*)
	In Thousands ILS		
Salaries and related	18,983	12,525	8,931
Rent and structure maintenance	2,130	817	921
Consulting and legal services	7,865	3,632	1,829
Provision for doubtful and lost debt	2,128	1,244	-
Office and Travel overseas	2,407	1,528	435
Others	1,060	312	102
	34,573	20,058	12,218

(*) Reclassification caused by a discontinued activity, see note 5.

F. OTHER INCOME

	For the year that ended on December 31		
	2022	2021	2020
	In Thousands ILS		
Coronavirus grant - incorporated subsidiary (*)	3,860	3,384	-
compensations due to accident related damages - incorporated company	786	-	-
Others	841	-	-
	5,487	3,384	-

(*) Due to the impacts of the corona on the operations of the German subsidiary over the years 2021 and 2022, the German incorporated company received relief from the German government.

G. OTHER COSTS

	For the year that ended on December 31		
	2022	2021	2020
	In Thousands ILS		
Equity loss (profit) from car sales	251	(69)	104
Derived revaluation	2,892	-	-
Reputation depreciation	285		
Depreciation of Reputation and Other assets (*)	74,672	-	-
	78,100	(69)	104

(*) see note 9 above

NOTE 21: - OTHER DETAILS FOR THE PROFIT OR LOSS ITEMS (CONTINUED)

H. FINANCING INCOME (EXPENSES)

	For the year that ended on December 31		
	2022	2021(*)	2020(*)
	In Thousands ILS		
Financing income			
Interest income from bank deposits	-	-	50
Exchange rate differences, net	1,785	-	-
Others	-	71	-
Total financing income	1,785	71	50

	For the year that ended on December 31		
	2022	2021 (*)	2020(*)
	In Thousands ILS		
Financing expenses			
Interest expenses in respect of loans from banking corporations	642	534	458
Interest expenses in respect of loans from shareholders and others	951	416	1,791
Interest expenses for leases	934	788	143
Exchange rate differences, net	-	3,324	1,260
Others	117	448	182
Total financing expenses	2,644	5,510	3,834

(*) reclassification caused by a discontinued activity, see note 5.

NOTE 22: - LOSS PER SHARE

A. DETAILS OF THE AMOUNT OF SHARES AND LOSS USED TO CALCULATE THE NET LOSS PER SHARE

	For the year that ended on December 31					
	2022		2021		2020	
	Share quantity	Deficit attributable to company shareholders	Share quantity	Deficit attributable to company shareholders	Share quantity	Deficit attributable to company shareholders
	Thousands	In Thousands ILS	Thousands	In Thousands ILS	Thousands	In Thousands ILS
Share quantity and deficit	209,610	137,549	106,126	43,816	56,850	20,301
For the purpose of calculating a basic and diluted loss	209,610	137,549	106,126	43,816	56,850	20,301

b. The following convertible securities (dilutive potential ordinary shares) were not included in the diluted loss per share calculation because their inclusion reduces the underlying loss per share.
Options for employees in the programs Share-based payment for 2022 - 36,919,400, for 2021 - 8,122,800, for 2020 - 8,061,650.

c. This calculation is a 1:50 ratio after capital consolidation For more details see note 25a hereinafter.

NOTE 23: - BALANCES AND TRANSACTIONS WITH STAKEHOLDERS AND RELATED PARTIES

A. RELATED PARTY AND STAKEHOLDERS BALANCES

	December 31	
	2022	2021
	In Thousands ILS	
Eligibles - CEO wages	949	759
Suppliers - related party	194	99
A loan from a non-controlling shareholder (1)	12,496	11,331
Eligibles - development manager wages (2)	44	44

(1) The Company has a loan balance from a non-controlling shareholder. For details see note 5r above.

(2) Costs of wages for the manager of the development team, who fits the definition of a related party and is a family member of the chairman of the company's board of directors.

B. RELATED PARTIES TRANSACTIONS

	For the year that ended on December 31		
	2022	2021	2020
	In Thousands ILS		
Cost of the services	152	112	32
Financing expenses	490	799	2,072
Management and general - CEO wage expenses	2,633	2,097	1,342
Administration and generalities - development Manager wage expenses	730	598	483

NOTE 23: - RELATED PARTY AND STAKEHOLDERS BALANCES AND TRANSACTIONS (CONTINUED)

C. RELATED PARTIES ENGAGEMENTS

1. In 2008, the company received a loan of approximately NIS 270 thousand from some of the non-controlling interests. The loan bore an annual interest rate of 4%. On July 14, 2020, the loan was converted into shares within a transaction to invest in the Company. For further information, see Note 1d(1).

2. From 2014 to 2019, the Company borrowed approximately NIS 25.5 million from its former parent company ("Shagrir Group") at interest rates ranging from 7% to 4%, depending on the type of loan. On July 14, 2020, the loan was converted into shares within a transaction to invest in the Company. For further information, see Note 18d(1).

3. On June 25, 2018, Shagrir Group and some of the Company's remaining shareholders entered into an agreement under which they made an ILS 10 million convertible loan to the Company with an 8% annual interest; furthermore, the lenders may convert the (unpaid) loan into the most senior shares the Company might have at the time based on an ILS 30 million pre-money Company valuation, on a fully diluted basis. On July 14, 2020, the balance of the loans was converted into capital as part of the Company's investment transaction. For more information, see Note 1d(1).

4. As of December 31, 2022, the company is insured by the following insurance policies" (1) position holders liability insurance; (2) employers' liability insurance; (3) mandatory insurance andthird party insurance; (4) structure and business insurance.

NOTE 23: - RELATED PARTY AND STAKEHOLDERS BALANCES AND TRANSACTIONS (CONTINUED)

D. BENEFITS AND REMUNERATION FOR STAKEHOLDERS AND KEY MANAGEMENT PERSONNEL

Members of the Board of Directors, senior management, and a management company that provides key personnel are among the Company's key management personnel.

For the year that ended on December 31, 2022

	Stakeholders employed by the company	Other key management personnel
	In Thousands ILS	
Short-term benefits and for the termination of the transaction	2,783	1,773
Share-based payment	742	601
Total	3,525	2,374
Number of people	2	3

For the year that ended on December 31, 2021

	Stakeholders employed by the company	Other key management personnel
	In Thousands ILS	
Short-term benefits and for the termination of the transaction	2,521	1,440
Share-based payment	174	27
Total	2,695	1,467
Number of people	2	3

For the year that ended on December 31, 2020

	Stakeholders employed by the company	Other key management personnel
	In Thousands ILS	
Short-term benefits for the termination of the transaction	1,825	786
Share-based payment	221	43
Total	2,046	829
Number of people	2	3

NOTE 24: - ACTIVITY SECTORS

REPORTING ON ACTIVITY SEGMENTS

The activity sectors were determined based on information reviewed by the chief operating officer (CODM) for the purposes of resource allocation and performance appraisal decision-making. As a result, for management purposes, the group is divided into geographical segments of activity. The company began operations in Spain in 2020, and the emc company was acquired in Germany in 2021. It is hereby stated that such decisions are carried out regardless of any one-time influences in this report.

THE ISRAELI SECTOR - The company operates collaborative transportation services including both round-trip and one-way rides. A one-way vehicle and shared electric bicycle services were closed during 2022 as part of discontinuing loosing activities thus minimizing future losses.

SPAIN SECTOR - The activity in this sector includes collaborative transportation services such as round - trip rides, one-way rides, and shared electric motorcycles and scooters.

GERMANY SECTOR - The company operates collaborative transportation services of shared electric motorcycles as part of this activity sector.

For details regarding the end of the Maltese sector's operations and the intention to realize part pf its assets see note 5 above.

The operating segments' accounting policies are the same as those presented in note 2.

Operating profit (loss) as reported in the financial statements is used to estimate sector performance.

Items directly attributable to the segment and items that can be reasonably attributed are included in segment results reported to the chief operating decision maker.

Unallocated items, such as R&D costs, technology costs, marketing costs, and global administrative and general costs, are managed as a group.

	Israel sector	Germany sector	Spain sector	Other sectors	Total
	In Thousands ILS				
For the year that ended on December 31, 2022					
Income from others	48,717	19,844	7,912	800	77,273
Sectoral profit (loss)	3,153	(16,238)	(15,935)	-	(29,020)
Expenses not attributable to sectors					(29,906)
Depreciation of Reputation and Other assets					(74,672)
Net financing expenses					(859)
Loss caused by on going activity					(134,459)
Further information:					
Depreciation and amortizations - Cost of the services	(11,336)	(5,800)	(7,724)	-	(24,860)

NOTE 24: - ACTIVITY SECTORS (CONTINUES)

	Israel sector	Germany sector	Spain sector	Total
			In Thousands ILS	
For the year ending on December 31, 2021 (*)				
Income from others		4,182	4,345	51,438
Sectoral profit (loss)	1,173	(4,225)	(17,149)	(20,201)
Expenses not attributable to sectors				(15,415)
Net financing expenses				(5,439)
Loss caused by ongoing activity				(41,055)
Further information:				
Depreciation and amortizations - Cost of the services	(8,398)	(1,527)	(6,982)	(16,907)

	Israel sector	Spain sector	Total
		In Thousands ILS	
For the year ending on December 31, 2020 (*)			
Income from others	37,632	132	37,764
Sectoral profit (loss)	577	(2,010)	(1,433)
Expenses not attributable to sectors			(11,941)
Net financing expenses			(3,784)
Loss caused by on going activity			(17,612)
Further information:			
Depreciation and amortizations - Cost of the services	(8,079)	(285)	(8,364)

(*) Reclassification caused by a discontinued activity, see note 5.

NOTE 25: - EVENTS AFTER THE DATE OF THE REPORT

A. A proposed resolution on February 7, 2023: To approve a consolidation of the Company's registered share capital and its issued and paid-up share capital at a ratio of 1:50, so each fifty (50) no PV regular shares become one (1) no PV regular share (including an amendment of the Company's articles of association accordingly) (hereinafter "capital consolidation").
Following the company's capital consolidation, its registered capital is 8,000,000 PV regular shares. Concurrent with the company's capital consolidation, its registered capital was also increased as approved by the shareholders assembly. Thus following the capital consolidation and increase of the company's registered capital, its registered capital is 50,000,000 PV regular shares.
Following the company's capital consolidation, its issued and paid up capital is 5,381,813 PV regular shares.
In light of the foregoing and under the terms of the warrants and the rights to shares, no change may be made in the amount of such warrants and rights to shares, however, the same will be adjusted after the capital consolidation, so the realization shares allocated after the realization of such warrants and rights to shares will be reduced, so that each warrant or right to shares is realized as a one fiftieth (1/50) of a Company's no PV regular share, as set forth herein:
If, following capital consolidation, certain shareholders are left with fractions of shares, the handling of such fractions will be coordinated with the Tel Aviv Stock Exchange Ltd ("TASE") and/or Bank Hapoalim's registration company and/or as applicable with the relevant TASE members.

B. On February 27, 2023, the Company took out a 2,667 Thousands ILS loan from a banking institution, for a period of 36 months. The loan is unlinked and carries a variable annual interest rate of Prime plus 1.85%. The loan will be repaid in 12 monthly payments, starting March 2023.
The Company has registered a first-degree fixed lien in favor of the bank for 50 electric vehicles it owns.

C. On February 27, 2023, the Company took out a 620 Thousands ILS loan from a banking institution, for a period of 60 months. The loan is unlinked and carries a variable annual interest rate of Prime plus 0.9%. The loan will be repaid in 12 monthly payments, starting March 2023.
The Company has registered a first-degree fixed lien in favor of the bank for 4 electric vehicles it owns.

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