

May 12th, 2021

Press Release

The One Technologies Group presents its first quarter after completing its purchase of Taldor:

Quarterly revenues increased by 52% to 657 million NIS;
Net profits increase by 70% to 35 million NIS

Besides the positive influence of the Taldor purchase, the One Group has shown organic growth in all of its areas of activity.

Operating profits in the quarter increased by 56% to 48 million NIS, compared to 31 million NIS in the corresponding quarter last year.

Adi Eyal, CEO of One Technologies Group: “We are completing our first quarter that includes the activity of Taldor, the purchase of which we completed over the course of the quarter as part of the implementation of One’s growth strategy. The consolidation of Taldor’s results has naturally led to an increase in One’s monthly revenues to a total of over 650 million NIS and a significant increase in our net profits. At the same time, the quarterly results also reflect the organic growth listed in all of our operating segment, a trend that continues the growth recorded over the course of 2020. After we have completed the assimilation of Taldor, its experienced workers and its activity into One’s business, we are currently offering our customers a broad basket of services, which include capabilities, products and services from a variety of innovative technological fields.

One Technologies published its financial results for the first quarter of 2021 today, for the first time after the consolidation of Taldor’s results, following the completion of the purchase in February this year. One’s quarterly financial results show a sharp increase in revenues following the purchase of Taldor alongside organic growth in all areas of activity, improving operational profit rates and a sharp increase in profits.

Revenues in the first quarter of 2021 increased by 52% to 657 million NIS (of which 132 million NIS is attributed to Taldor), compared to 432 million NIS in the corresponding quarter last year. The growth in revenues largely derives from the first-time consolidation of the results of Taldor, the purchase of which was completed at the start of February 2021, as well as from organic growth in all of the company’s



operating segments. Quarterly revenues, without the impact of the purchase of Taldor, increased by 22% to 525 million NIS.

Gross profits in the first quarter of 2021 increased by 43% to 105 million NIS (of which 23 million NIS derives from Taldor), compared to 73 million NIS in the corresponding quarter last year. The increase in gross profits is largely due to the increase in revenues in question. One's quarterly gross profits, without the impact of the purchase of Taldor, increased by 12% to 82 million NIS.

Operating profits in the first quarter of 2021 increased by 56% to 48 million NIS (11 million NIS of which deriving from Taldor), compared to 31 million NIS in the corresponding quarter last year. The increase in operating profits derived from the increase in revenues in question. One's quarterly operating profits, without the impact of the purchase of Taldor, increased by 20% to 37 million NIS.

One's **operating profits rate** in the first quarter of the year increased to 7.3% of revenues, compared to 7.1% of revenues in the corresponding period last year.

EBITDA in the first quarter of the year increased by 64% to 73 million NIS, compared to 44 million NIS in the corresponding quarter last year.

In the bottom line, One Technology concludes the first quarter of 2021 with a **70% increase in net profits** to 35.2 million NIS (33.1 million NIS attributed to shareholders), of which 8.3 million NIS derives from Taldor. This is in comparison with 20.6 million NIS (18.7 million NIS attributed to shareholders) in the corresponding quarter last year. One's net profits, without the impact of the purchase of Taldor, increased by 31% to 26.9 million NIS.

The following is a cross-section of revenues by operating segments:

- **Revenues in the software solutions and services, consulting, management and added value services segment** in this quarter increased by 37% to 316 million NIS, compared to 231 million NIS in the corresponding quarter last year.
- **Revenues in the IT and communications infrastructure solutions segment** in this quarter increased by 52% to 277 million NIS, compared to 182 million NIS in the corresponding quarter last year.
- **Revenues in the business process outsourcing and technological support centers segment** increased by 195% this quarter to 71 million NIS, compared to 24 million NIS in the corresponding quarter last year.

The following is a cross-section of operating profits by operating segments:

- **Operating profits in the software solutions and services, consulting, management and added value services segment** in this quarter increased by 27% to 27.6 million NIS, compared to 21.7 million NIS in the corresponding quarter last year.



- **Operating profits in the IT and communications infrastructure solutions segment** in this quarter increased by 41% to 16.2 million NIS, compared to 11.5 million NIS in the corresponding quarter last year.
- **Operating profits in the business process outsourcing and technological support centers segment** climbed to 9.7 million NIS this quarter, compared to 0.6 million NIS in the corresponding quarter last year.

Data in the March 31st, 2021 Balance Sheets:

The company has a **reserve of cash and cash equivalents** to the sum of 264 million NIS after the completion of the purchase of Taldor.

The company's **equity** increased to 522 million NIS, compared to 509 million NIS at the end of 2020, constituting 27.1% of the balance sheet total. The increase in equity largely derived from the increase in question in net profits partially offset by a dividend distribution to the sum of 21 million NIS over the course of the first quarter of the year.

Additional business events:

Alongside the publication of the statements, the company's board of directors declared a **dividend distribution** to shareholders to the sum of 21.8 million NIS.

In February 2021 the agreement to purchase the full stock capital of Taldor, by way of a reverse triangular merger, in return for 250 million NIS in cash, was completed. Upon the completion of the merger the One Group employs 6,300 workers and has become one of the two leading groups in the provision of information technology services, software solutions and infrastructure in Israel.

One Software Technology is one of Israel's leading IT companies. The company provides a variety of technological IT solutions to thousands of customers in various sectors of the economy. The company has 6,300 professional employees in Israel and abroad. The company's share is on the Tel Aviv 125 Index. The company's CEO is Mr. Adi Eyal.

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