

**ITURAN LOCATION AND CONTROL LTD.**

**Condensed Consolidated Financial Statements  
as of March 31, 2025**

# **ITURAN LOCATION AND CONTROL LTD.**

## **Condensed Consolidated Financial Statements as of March 31, 2025**

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**ITURAN LOCATION AND CONTROL LTD.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS**

US dollars

<b>(In thousands)</b>	<b>March 31, 2025 (unaudited)</b>	<b>December 31, 2024</b>
<b>Current assets</b>		
Cash and cash equivalents	75,683	77,357
Investments in marketable securities	2	10
Accounts receivable (net of provision for credit loss)	54,217	47,688
Other current assets	48,182	46,067
Inventories	23,281	23,434
	<u>201,365</u>	<u>194,556</u>
<b>Long-term investments and other assets</b>		
Investments in affiliated companies	479	519
Investments in other companies	1,530	1,491
Other non-current assets	5,891	5,853
Deferred income taxes	12,585	12,273
Funds in respect of employee rights upon retirement	21,690	21,823
	<u>42,175</u>	<u>41,959</u>
<b>Property and equipment, net</b>	<u>35,951</u>	<u>33,080</u>
<b>Operating lease right-of-use assets, net</b>	<u>9,115</u>	<u>8,947</u>
<b>Intangible assets, net</b>	<u>8,686</u>	<u>9,011</u>
<b>Goodwill</b>	<u>39,257</u>	<u>39,325</u>
<b>Total assets</b>	<u><u>336,549</u></u>	<u><u>326,878</u></u>

**ITURAN LOCATION AND CONTROL LTD.**  
**CONDENSED CONSOLIDATED BALANCE SHEETS (cont.)**

<b>(In thousands)</b>	<b>US dollars</b>	
	<b>March 31, 2025</b>	<b>December 31, 2024</b>
	<b>(unaudited)</b>	
<b>Current liabilities</b>		
Credit from banking institutions	-	114
Accounts payable	20,040	18,847
Deferred revenues	24,338	22,857
Other current liabilities	48,962	45,904
	93,340	87,722
<b>Long-term liabilities</b>		
Liability for employee rights upon retirement	28,070	27,593
Deferred income taxes	439	418
Deferred revenues	11,701	12,231
Operating lease liabilities, non-current	5,358	5,562
Other non-current liabilities	2,125	2,095
	47,693	47,899
<b>Stockholders' equity</b>	190,674	185,227
<b>Non-controlling interests</b>	4,842	6,030
<b>Total equity</b>	195,516	191,257
<b>Total Liabilities and equity</b>	<b>336,549</b>	<b>326,878</b>

**ITURAN LOCATION AND CONTROL LTD.**  
**CONDENSED CONSOLIDATED STATEMENTS OF INCOME**

<b>(in thousands, except per share data)</b>	<b>US dollars</b>	
	<b>Three months period ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
	<b>(unaudited)</b>	
<b>Revenues:</b>		
Telematics services	62,180	60,935
Telematics products	<u>24,275</u>	<u>24,091</u>
	<u>86,455</u>	<u>85,026</u>
<b>Cost of revenues:</b>		
Telematics services	25,899	25,521
Telematics products	<u>18,537</u>	<u>19,962</u>
	<u>44,436</u>	<u>45,483</u>
Gross profit	42,019	39,543
Research and development expenses	4,862	4,523
Selling and marketing expenses	4,259	3,574
General and administrative expenses	14,238	14,456
Other expenses (income), net	<u>6</u>	<u>(39)</u>
Operating income	18,654	17,029
Financing income, net	<u>546</u>	<u>75</u>
Income before income tax	19,200	17,104
Income tax expenses	(4,066)	(3,430)
Share in losses of affiliated companies, net	<u>(34)</u>	<u>(81)</u>
Net income for the period	15,100	13,593
Less: Net income attributable to non-controlling interest	<u>(508)</u>	<u>(557)</u>
Net income attributable to the company	<u>14,592</u>	<u>13,036</u>
Basic and diluted earnings per share attributable to Company's stockholders	<u>0.73</u>	<u>0.66</u>
Basic and diluted weighted average number of shares outstanding (in thousands)	<u>19,894</u>	<u>19,894</u>

**ITURAN LOCATION AND CONTROL LTD.**

**CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS**

<b>(in thousands)</b>	<b>US dollars</b>	
	<b>Three months period ended March 31,</b>	
	<b>2025</b>	<b>2024</b>
	<b>(unaudited)</b>	
<b>Cash flows from operating activities</b>		
Net income for the period	15,100	13,593
<b>Adjustments to reconcile net income to net cash from operating activities:</b>		
Depreciation and amortization	4,628	5,298
Loss (gain) in respect of trading marketable securities and other investments	8	(104)
Increase in liability for employee rights upon retirement	1,031	762
Share in losses of affiliated companies, net	34	81
Deferred income taxes	(85)	(790)
Capital loss on sale of property and equipment, net	31	36
Increase in accounts receivable	(6,564)	(4,840)
Increase in other current and non-current assets	(22)	(3,485)
Decrease (increase) in inventories	(130)	521
Increase (decrease) in accounts payable	269	(470)
Increase in deferred revenues	747	1,264
Increase (decrease) in other current and non-current liabilities	412	(464)
Net cash provided by operating activities	<u>15,459</u>	<u>11,402</u>
<b>Cash flows from investment activities</b>		
Increase in funds in respect of employee rights upon retirement, net of withdrawals	(292)	(707)
Capital expenditures	(6,610)	(3,131)
Return from (investments in) affiliated and other companies, net	(4)	138
Repayment of (Investment in) long-term deposit	(84)	64
Proceeds from sale of property and equipment	300	156
Net cash used in investment activities	<u>(6,690)</u>	<u>(3,480)</u>
<b>Cash flows from financing activities</b>		
Short term credit from banking institutions, net	(114)	(273)
Dividend paid	(7,758)	(4,774)
Dividend paid to non-controlling interests	(1,677)	(1,630)
Net cash used in financing activities	<u>(9,549)</u>	<u>(6,677)</u>
Effect of exchange rate changes on cash and cash equivalents	(894)	(644)
Net change in cash and cash equivalents	(1,674)	601
Balance of cash and cash equivalents at beginning of period	<u>77,357</u>	<u>53,434</u>
Balance of cash and cash equivalents at end of period	<u>75,683</u>	<u>54,035</u>

**Supplementary information on investing and financing activities not involving cash flows:**

In February 2025, the Company declared a dividend in an amount of US\$ 10 million. The dividend was paid in April 2025.