

AFCON HOLDINGS LTD.

CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

AS OF DECEMBER 31, 2018

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Building a better
working world

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To the shareholders of
Afcon Holdings Ltd.

We have audited the consolidated statements of financial position of Afcon Holdings Ltd. ("the Company") and its subsidiaries as of December 31, 2018 and 2017 and the related consolidated statements of income, comprehensive income, changes in equity and cash flows for each of the three years ended December 31, 2018, in accordance with generally accepted auditing standards in Israel.

We did not audit the financial statements of certain subsidiaries, whose assets constitute approximately 6% and 0.7% of total consolidated assets as of December 31, 2018 and 2017, respectively, and whose revenues constitute approximately 8%, 2% and 2% of total consolidated revenues for the years ended December 31, 2018, 2017 and 2016, respectively. Furthermore, we did not audit the financial statements of certain associate that is presented at equity the investment in which amounted to 47,188 thousand NIS and 39,350 thousand NIS as of December 31, 2018 and 2017, respectively, and the Company's share of its earnings amounted to 4,698 thousand NIS 11,464 thousand NIS and 9,288 thousand NIS for the years ended December 31, 2018, 2017 and 2016, respectively. The financial statements of those companies were audited by other auditors, whose reports have been furnished to us, and our opinion, insofar as it relates to amounts included for those companies, is based on the reports of the other auditors.

Based on our audits in our report dated March 31, 2019, we expressed an unqualified opinion on those statements.

The accompanying financial statements, which are derived from the abovementioned financial statements, are condensed financial statements and do not include disclosures required by International Financial Reporting Standards. If the omitted disclosures were included in the accompanying financial statements, they might influence the user's conclusions about the consolidated financial position, results of operations and cash flows of the Company and subsidiaries. Accordingly, the accompanying financial statements are not designed for those who are not informed about such matters.

Tel-Aviv, Israel
March 31, 2019

Kost Forer Gabbay and Kasierer
KOST FORER GABBAY & KASIERER
A Member of Ernst & Young Global

CONSOLIDATED BALANCE SHEETS

| | December 31, | | Convenience translation (Note 1) |
|---|------------------|------------------|--|
| | 2017 | 2018 | December 31, 2018 |
| | N I S | | U.S. dollars |
| | (In thousands) | | |
| ASSETS | | | |
| CURRENT ASSETS: | | | |
| Cash and cash equivalents | 226,749 | 170,137 | 45,394 |
| Trade receivables and unbilled receivables, net | 675,185 | 730,701 | 194,958 |
| Other accounts receivable | 26,576 | 23,071 | 6,156 |
| Current maturities of Financial asset to concessions projects | 7,219 | 7,542 | 2,012 |
| Inventories | 70,613 | 88,865 | 23,710 |
| | <u>1,006,342</u> | <u>1,020,316</u> | <u>272,230</u> |
| NON-CURRENT ASSETS: | | | |
| Deposits a bank | 6,627 | 7,591 | 2,025 |
| Long term receivables | 9,356 | 11,665 | 3,112 |
| Investments in companies accounted for at equity | 58,180 | 70,568 | 18,828 |
| Financial assets to concessions projects | 175,209 | 169,148 | 45,130 |
| Investment property | 5,975 | 6,778 | 1,808 |
| Property, plant and equipment, net | 86,179 | 110,074 | 29,369 |
| Intangible assets | 63,175 | 115,851 | 30,910 |
| Deferred taxes | 14,618 | 20,824 | 5,556 |
| | <u>419,319</u> | <u>512,499</u> | <u>136,738</u> |
| | <u>1,425,661</u> | <u>1,532,815</u> | <u>408,968</u> |

The accompanying note is an integral part of the consolidated financial statements.

CONSOLIDATED BALANCE SHEETS

| | December 31, | | Convenience translation (Note 1) |
|--|------------------|------------------|--|
| | 2017 | 2018 | December 31, 2018 |
| | N I S | | U.S. dollars |
| | (In thousands) | | |
| LIABILITIES AND EQUITY | | | |
| CURRENT LIABILITIES: | | | |
| Credit from banks and current maturities loans from banks | 45,014 | 43,033 | 11,482 |
| Current maturities loans from bank to concessions projects | 6,580 | 7,883 | 2,103 |
| Current maturities of debentures | 40,444 | 39,987 | 10,669 |
| Trade payables | 458,184 | 464,095 | 123,825 |
| Other accounts payable | 83,620 | 97,659 | 26,056 |
| Customer advances | 73,306 | 72,597 | 19,370 |
| | <u>707,148</u> | <u>725,254</u> | <u>193,505</u> |
| NON-CURRENT LIABILITIES: | | | |
| Loans from banks | 122,750 | 196,888 | 52,531 |
| Loan from bank to concessions projects | 145,265 | 139,213 | 37,143 |
| Debentures | 59,822 | 19,835 | 5,292 |
| Employee benefit liabilities | 4,018 | 6,927 | 1,847 |
| Other Liabilities | 3,276 | 12,027 | 3,209 |
| Deferred taxes | 1,558 | 7,486 | 1,997 |
| | <u>336,689</u> | <u>382,376</u> | <u>102,019</u> |
| EQUITY ATTRIBUTABLE TO EQUITY HOLDERS OF THE COMPANY: | | | |
| Share capital | 28,396 | 28,396 | 7,576 |
| Share premium | 59,033 | 59,033 | 15,751 |
| Treasury shares | (2,087) | (2,087) | (557) |
| Reserve for transactions with non-controlling interests | (6,421) | (6,421) | (1,713) |
| Retained earnings | 311,257 | 346,278 | 92,390 |
| Capital reserve of hedge transactions | (437) | 625 | 167 |
| Currency translation adjustment | (5,838) | (4,176) | (1,114) |
| | <u>383,903</u> | <u>421,648</u> | <u>112,500</u> |
| Non-controlling interests | (2,079) | 3,537 | 944 |
| Total equity | <u>381,824</u> | <u>425,185</u> | <u>113,444</u> |
| | <u>1,425,661</u> | <u>1,532,815</u> | <u>408,968</u> |

The accompanying note is an integral part of the consolidated financial statements.

March 31, 2019

Date of approval of the
financial statements

Yaron Karisi
Chief Executive Officer

Eran Konfino
Chief Financial Officer

CONSOLIDATED STATEMENTS OF INCOME

| | Year ended December 31, | | | Convenience translation (Note 1) |
|---|---------------------------------------|-----------|-----------|--|
| | 2016 | 2017 | 2018 | Year ended December 31, 2018 |
| | NIS | | | U.S. dollars |
| | (In thousands, except per share data) | | | |
| Revenues from works performed, sales and services | 1,435,462 | 1,500,083 | 1,587,576 | 423,580 |
| Cost of works, sales and services | 1,222,712 | 1,298,294 | 1,401,461 | 373,922 |
| Gross profit | 212,750 | 201,789 | 186,115 | 49,658 |
| Increase (decrease) in value of investment property | - | 469 | 803 | 214 |
| Selling and marketing expenses | (50,499) | (40,910) | (41,758) | (11,141) |
| General and administrative expenses | (80,715) | (82,038) | (86,621) | (23,112) |
| Research and development expenses | (4,531) | (5,805) | (4,872) | (1,300) |
| Company's share of earnings of companies accounted for at equity | 12,649 | 10,026 | 14,483 | 3,864 |
| Other income (expenses) | (15,978) | (10,337) | (3,541) | (945) |
| Financial expenses | (20,470) | (23,215) | (20,228) | (5,397) |
| Financial income | 2,298 | 7,360 | 10,003 | 2,669 |
| Income before taxes on income | 55,504 | 57,339 | 54,384 | 14,510 |
| Taxes on income | 12,323 | 11,051 | 9,469 | 2,526 |
| Net income | 43,181 | 46,288 | 44,915 | 11,984 |
| Attributable to: | | | | |
| Equity holders of the Company | 43,861 | 46,899 | 44,170 | 11,785 |
| Non-controlling interests | (680) | (611) | 745 | 199 |
| | 43,181 | 46,288 | 44,915 | 11,984 |
| Net earnings per share attributable to equity holders of the Company (in NIS): | | | | |
| Basic and diluted net earnings | 9.58 | 10.24 | 9.64 | 2.57 |

The accompanying note is an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

| | Year ended December 31, | | | Convenience translation (Note 1) |
|---|----------------------------|---------|--------|--|
| | 2016 | 2017 | 2018 | Year ended December 31, 2018 |
| | N I S | | | U.S. dollars |
| | (In thousands) | | | |
| Net income | 43,181 | 46,288 | 44,915 | 11,984 |
| Other comprehensive income (loss) (net of tax effect): | | | | |
| <u>Amounts that will not be reclassified subsequently to profit or loss:</u> | | | | |
| Remeasurement in respect of defined benefit plans, net | 178 | (826) | 851 | 227 |
| <u>Amounts that will be reclassified or that are reclassified to profit or loss when specific conditions are met:</u> | | | | |
| Adjustments arising from translating of financial statements | (948) | (2,313) | 1,750 | 467 |
| Gain (loss) from cash flow hedges | 57 | (107) | 230 | 61 |
| Amounts transferred to the statement of income for cash flow hedges | 1,634 | 413 | 820 | 219 |
| Group's share of net other comprehensive income (loss) of companies accounted for at equity | 1,150 | (12) | 12 | 3 |
| Total other comprehensive income (loss) | 2,071 | (2,845) | 3,663 | 977 |
| Total comprehensive income | 45,252 | 43,443 | 48,578 | 12,961 |
| Attributable to: | | | | |
| Equity holders of the Company | 45,932 | 44,054 | 47,833 | 12,762 |
| Non-controlling interests | (680) | (611) | 745 | 199 |
| | 45,252 | 43,443 | 48,578 | 12,961 |

The accompanying note is an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

| | Attributable to equity holders of the Company | | | | | | | Total equity | | |
|--|---|---------------|-----------------|------------------------------|---|-------------------|---------------------------------|--------------|---------|---------------------------|
| | Share capital | Share premium | Treasury shares | Reserve for cash flow hedges | Reserve for transactions with non-controlling interests | Retained earnings | Currency translation adjustment | | Total | Non-controlling interests |
| | NIS | | | | | | | | | |
| | (In thousands) | | | | | | | | | |
| Balance at January 1, 2016 | 28,396 | 59,033 | (2,087) | (3,572) | (6,421) | 261,145 | (2,577) | 333,917 | (788) | 333,129 |
| Net (loss) Income | - | - | - | - | - | 43,861 | - | 43,861 | (680) | 43,181 |
| Remeasurement in respect of defined benefit plans, net | - | - | - | - | - | 178 | - | 178 | - | 178 |
| Income from cash flow hedges | - | - | - | 2,841 | - | - | - | 2,841 | - | 2,841 |
| Adjustments from translation of financial statements | - | - | - | - | - | - | (948) | (948) | - | (948) |
| Total comprehensive income (loss) | - | - | - | 2,841 | - | 44,039 | (948) | 45,932 | (680) | 45,252 |
| Dividend paid | - | - | - | - | - | (25,000) | - | (25,000) | - | (25,000) |
| Balance at December 31, 2016 | 28,396 | 59,033 | (2,087) | (731) | (6,421) | 280,184 | (3,525) | 354,849 | (1,468) | 353,381 |
| Net (loss) Income | - | - | - | - | - | 46,899 | - | 46,899 | (611) | 46,288 |
| Remeasurement in respect of defined benefit plans, net | - | - | - | - | - | (826) | - | (826) | - | (826) |
| Gain from cash flow hedges | - | - | - | 294 | - | - | - | 294 | - | 294 |
| Adjustments from translation of financial statements | - | - | - | - | - | - | (2,313) | (2,313) | - | (2,313) |
| Total comprehensive income (loss) | - | - | - | 294 | - | 46,073 | (2,313) | 44,054 | (611) | 43,443 |
| Dividend paid | - | - | - | - | - | (15,000) | - | (15,000) | - | (15,000) |
| Balance at December 31, 2017 | 28,396 | 59,033 | (2,087) | (437) | (6,421) | 311,257 | (5,838) | 383,903 | (2,079) | 381,824 |
| Net (loss) Income | - | - | - | - | - | 44,170 | - | 44,170 | 745 | 44,915 |
| Remeasurement in respect of defined benefit plans, net | - | - | - | - | - | 851 | - | 851 | - | 851 |
| Gain from cash flow hedges | - | - | - | 1,062 | - | - | - | 1,062 | - | 1,062 |
| Adjustments from translation of financial statements | - | - | - | - | - | - | 1,662 | 1,662 | - | 1,662 |
| Total comprehensive income (loss) | - | - | - | 1,062 | - | 45,021 | 1,662 | 47,745 | 745 | 48,490 |
| Consolidation | - | - | - | - | - | - | - | - | 4,871 | 4,871 |
| Dividend paid | - | - | - | - | - | (10,000) | - | (10,000) | - | (10,000) |
| Balance at December 31, 2018 | 28,396 | 59,033 | (2,087) | 625 | (6,421) | 346,278 | (4,176) | 421,648 | 3,537 | 425,185 |

The accompanying note is an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

| | Convenience translation into U.S. dollars (Note 1) | | | | | | | | | |
|--|--|---------------|-----------------|------------------------------|---|-------------------|---------------------------------|---------|---------------------------|--------------|
| | Share capital | Share premium | Treasury shares | Reserve for cash flow hedges | Reserve for transactions with non-controlling interests | Retained earnings | Currency translation adjustment | Total | Non-controlling interests | Total equity |
| Balance at January 1, 2018 | 7,576 | 15,751 | (557) | (116) | (1,713) | 83,046 | (1,557) | 102,430 | (555) | 101,875 |
| Net Income | - | - | - | - | - | 11,785 | - | 11,785 | 199 | 11,984 |
| Remeasurement in respect of defined benefit plans, net | - | - | - | - | - | 227 | - | 227 | - | 227 |
| Income from cash flow hedges | - | - | - | 283 | - | - | - | 283 | - | 283 |
| Adjustments from translation of financial statements | - | - | - | - | - | - | 443 | 443 | - | 443 |
| Total comprehensive income (loss) | - | - | - | 283 | - | 12,012 | 443 | 12,738 | 199 | 12,937 |
| Consolidation | - | - | - | - | - | - | - | - | 1,300 | 1,300 |
| Dividend paid | - | - | - | - | - | (2,668) | - | (2,668) | - | (2,668) |
| Balance at December 31, 2018 | 7,576 | 15,751 | (557) | 167 | (1,713) | 92,390 | (1,114) | 112,500 | 944 | 113,444 |

The accompanying note is an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

| | Year ended December 31, | | | Convenience translation (Note 1) |
|---|----------------------------|------------|----------|--|
| | 2016 | 2017 | 2018 | Year ended December 31, 2018 |
| | NIS | | | U.S. dollars |
| | (In thousands) | | | |
| <u>Cash flows from operating activities:</u> | | | | |
| Net income | 43,181 | 46,288 | 44,915 | 11,984 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | | | |
| Adjustments to the profit or loss items: | | | | |
| Depreciation and amortization | 24,528 | 19,383 | 21,248 | 5,669 |
| Loss (gain) from business combination achieved in stages | (17,308) | 245 | - | - |
| Gain from sale of affiliated company | - | - | (1,675) | (447) |
| Amortization of asset for sale | - | - | 878 | 234 |
| Loss from impairment of intangible assets | 10,505 | 5,474 | 1,341 | 358 |
| Loss from impairment of goodwill | 11,743 | - | - | - |
| Increase in fair value of investment property | - | (469) | (803) | (214) |
| Loss from sale of property, plant and equipment and intangible assets | 441 | 467 | - | - |
| Company's share earnings of companies accounted for at equity | (12,649) | (10,026) | (14,483) | (3,864) |
| Taxes on income | 12,323 | 11,051 | 9,469 | 2,526 |
| Change in employee benefit liabilities, net | (1,204) | (780) | 40 | 11 |
| Revaluation of loans held by subsidiaries | (704) | - | - | - |
| Financing expenses (income) from financial assets to concessions projects | 555 | (84) | 291 | 78 |
| Amortization of financial assets to concessions projects | 22 | 88 | 96 | 26 |
| Revaluation of long-term liabilities to banks and debentures, net | (506) | (1,588) | (1,802) | (481) |
| Interest expenses, net | (* 13,286) | (* 11,684) | 9,096 | 2,427 |
| | 41,032 | 35,445 | 23,696 | 6,323 |
| Changes in asset and liability items: | | | | |
| Increase in trade receivables | (18,548) | (42,244) | (4,215) | (1,125) |
| Decrease (increase) in other accounts receivable including long-term receivables | (17,481) | 10,007 | 10,083 | 2,690 |
| Decrease (increase) in inventories | 2,008 | 7,985 | (8,954) | (2,389) |
| Increase (decrease) in trade payables | 51,038 | 62,041 | (30,521) | (8,143) |
| Increase (decrease) in other accounts payable | 17,219 | (39,016) | 1,904 | 508 |
| Increase (decrease) in customer advances | 95,211 | (43,602) | (709) | (189) |
| | 129,447 | (44,829) | (32,412) | (8,648) |
| Cash paid and received during the year for: | | | | |
| Interest paid | (15,428) | (18,214) | (15,362) | (4,099) |
| Interest received | 2,142 | 6,530 | 6,266 | 1,672 |
| Taxes paid | (22,683) | (8,447) | (14,024) | (3,742) |
| Dividend received | 1,786 | 3,913 | 6,069 | 1,619 |
| | (34,183) | (16,218) | (17,051) | (4,550) |
| Net cash provided by operating activities | 179,477 | 20,686 | 19,148 | 5,109 |

*) Reclassified.

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

CONSOLIDATED STATEMENTS OF CASH FLOWS

| | Year ended December 31, | | | Convenience translation (Note 1) |
|--|----------------------------|-----------------------|-----------------------|--|
| | 2016 | 2017 | 2018 | Year ended December 31, 2018 |
| | NIS (In thousands) | | | U.S. dollars |
| <u>Cash flows from investing activities:</u> | | | | |
| Payment for purchase of property, plant, equipment and intangible assets | (1,229) | (158) | (98) | (26) |
| Depositing | (6,427) | (200) | (964) | (257) |
| Purchase of property, plant and equipment | (12,658) | (10,046) | (24,620) | (6,569) |
| Proceeds from sale of investment property | 75,800 | - | - | - |
| Proceeds from assets for sale | - | - | 719 | 192 |
| Purchase of investment property | (31,067) | - | - | - |
| Acquisition of newly consolidated subsidiaries (a) | (12,714) | - | (43,562) | (11,623) |
| Investment in investee | (500) | (14,052) | (600) | (160) |
| Proceeds from sale of property, plant and equipment | 109 | 376 | 305 | 81 |
| Loan to subsidiaries | - | (2,500) | - | - |
| Purchase of intangible assets | (2,594) | (1,710) | (1,418) | (378) |
| Capitalization of development expenses | (10,473) | (5,590) | (7,239) | (1,931) |
| Activities of concessions projects-Construction costs | (3,862) | - | - | - |
| Activities of concessions projects-Repayment of financial assets | 1,744 | 7,027 | 7,334 | 1,957 |
| Net cash used in investing activities | <u>(3,871)</u> | <u>(26,853)</u> | <u>(70,143)</u> | <u>(18,714)</u> |
| <u>Cash flows from financing activities:</u> | | | | |
| Repayment of liability to liquidator | (941) | - | - | - |
| Dividend paid | (25,000) | (15,000) | (10,000) | (2,668) |
| Issuance of debentures (less issuance expenses) | - | 37,393 | - | - |
| Repayment of debentures | (55,346) | (65,346) | (39,402) | (10,513) |
| Long-term loans from banks | 100,000 | 30,000 | 110,000 | 29,349 |
| Long-term loans (Repayment) from banks for Concessions projects | 10,306 | (7,272) | (6,580) | (1,756) |
| Repayment of long-term loans | (26,221) | (34,014) | (36,014) | (9,609) |
| Short-term credit from banks, net | (18,826) | 183 | (24,164) | (6,447) |
| Net cash provided by (used in) financing activities | <u>(16,028)</u> | <u>(54,056)</u> | <u>(6,160)</u> | <u>(1,644)</u> |
| Exchange differences on balances of cash and cash equivalents | <u>(153)</u> | <u>(549)</u> | <u>543</u> | <u>145</u> |
| Increase (decrease) in cash and cash equivalents | 159,425 | (60,772) | (56,612) | (15,104) |
| Cash and cash equivalents at beginning of year | <u>128,096</u> | <u>287,521</u> | <u>226,749</u> | <u>60,498</u> |
| Cash and cash equivalents at end of year | <u><u>287,521</u></u> | <u><u>226,749</u></u> | <u><u>170,137</u></u> | <u><u>45,394</u></u> |

The accompanying note is an integral part of the consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

| | Year ended December 31, | | | Convenience translation (Note 1) |
|---|----------------------------|-----------|---------------|--|
| | 2016 | 2017 | 2018 | Year ended December 31, 2018 |
| | NIS | | | U.S. dollars |
| | (In thousands) | | | |
| (a) <u>Acquisition of initially consolidated subsidiaries</u> | | | | |
| Working capital (except cash and cash equivalents) | (84,665) | (863) | 23,372 | 6,236 |
| Cash and cash equivalents | 286 | 863 | - | - |
| Financial assets to Concessions projects | 187,337 | - | - | - |
| Intangible assets | 37,982 | - | 13,192 | 3,520 |
| Deferred taxes | (9,839) | - | 323 | 86 |
| Long term loans from bank | (143,815) | - | - | - |
| Investment property | - | - | 4,256 | 1,136 |
| Goodwill | - | - | 44,031 | 11,748 |
| Current maturities loans from bank | - | - | (22,944) | (6,122) |
| Conditional liability | - | - | (9,212) | (2,458) |
| Other Liabilities | - | - | (866) | (231) |
| Employee benefit liabilities | - | - | (3,719) | (992) |
| Non-controlling interests | - | - | (4,871) | (1,300) |
| | <u>(12,714)</u> | <u>-</u> | <u>43,562</u> | <u>11,623</u> |
| (b) <u>Significant non-cash transactions:</u> | | | | |
| Purchase of property, plant and equipment on credit | <u>191</u> | <u>98</u> | <u>5,172</u> | <u>1,380</u> |
| Purchase of intangible assets on credit | <u>-</u> | <u>-</u> | <u>114</u> | <u>30</u> |

The accompanying note is an integral part of the consolidated financial statements.

NOTE TO CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1:- CONVENIENCE TRANSLATION INTO U.S. DOLLARS

The financial statements as of December 31, 2018 and for the year then ended have been translated into dollars using the exchange rate as of that date (\$ 1 = NIS 3.748). The translation was made solely for the convenience of the reader.

The amounts presented in these financial statements should not be construed to represent amounts receivable or payable in dollars or convertible into dollars, unless otherwise indicated in these financial statements.

The accompanying financial statements, which are derived from the abovementioned financial statements, are condensed financial statements and do not include disclosures required by International Financial Reporting Standards. If the omitted disclosures were included in the accompanying financial statements, they might influence the user's conclusions about the consolidated financial position, results of operations and cash flows of the Company and subsidiaries. Accordingly, the accompanying financial statements are not designed for those who are not informed about such matters.

NOTE TO CONSOLIDATED FINANCIAL STATEMENTS

Appendix A:- List of subsidiaries, common control and affiliate companies

| | Percent Holding | |
|---|-------------------------------|-----------------------------------|
| | Shares granting voting rights | Shares granting rights to profits |
| Afcon Technologies Ltd | 100% | 100% |
| Afcon Contracting & Services Ltd. | 100% | 100% |
| Afcon Construction LTD | 100% | 100% |
| Ateka Ltd | 100% | 100% |
| Eres Refrigeration & Engineering Manufacture & Service Ltd | 100% | 100% |
| Afcon Real-Estate Center Ltd | 100% | 100% |
| Afcon Control & Automation Ltd. | 100% | 100% |
| Wanger B.V(Holland) | 100% | 100% |
| Tadiran Telecom Technologies (2011) Ltd. | 100% | 100% |
| Tadiran Telecom (TTL) Limited Partner | 100% | 100% |
| Tadiran Telecom Inc. USA | 100% | 100% |
| Afcon Hydromx LTD | 100% | 100% |
| Afcon Gas Technologies (Previous ARG - Afcon RMG Gas Technologies JV) | 50% | 50% |
| Tadiran Telcom Communications Services in Israel Limited Partner | 100% | 100% |
| Tadiran Telcom Communications Services in Israel Ltd. | 100% | 100% |
| Afcon. Wind Energy Ltd (Previous Afcon E.B Wind Energy) | 100% | 100% |
| Sirin & Gilboa Wind Farms | 100% | 100% |
| Wind Farm Management Sirin Ltd | 100% | 100% |
| Wind Farm Sirin 2011 Limited Partner | 100% | 100% |
| Afcon SPGC Ltd | 100% | 100% |
| A.T. Afek Investments Ltd | 100% | 100% |
| G.M Afcon Security Technologies Limited Partnership | 70% | 70% |
| Afcon M&E Gmbh (Germany) | 100% | 100% |
| Afcon-El-Mor Joint Venture | 100% | 100% |
| Afcon PV KZ LLP | 85% | 75% |
| D.M.(3000) engineering ltd | 75% | 75% |
| Afcon Solaer Mangement (2012) Ltd. | 50% | 50% |
| Afcon Solaer Renewable Energy Limited Partnership | 50% | 50% |
| A.A. Atidim Project | 50% | 50% |
| Afcon Electra Romania SA(Romania) | 50% | 50% |
| NGnear Ltd. | 51% | 51% |
| Hizok and binui Bialik 6 Raanna LTD | 49% | 49% |
| Afcon Agadim Limited Partnership | 50% | 70% |
| BST- Afcon Global Tower, Limited Partnership | 50% | 35% |
| T.I.B.A. Research and Development (1986) Ltd | 29.4% | 29.4% |
| T.I.B.A LLC (U.S.A) | 30% | 30% |
| Signature Control Systems LLC (U.S.A) | 30% | 30% |
| Magosos system Ltd | 35% | 35% |
| Kunming Tadiran Telecommunication Equipment Co. Ltd - Joint Venture (China) | 42.7% | 51% |