



הבורסה לניירות ערך תל אביב  
TEL AVIV STOCK EXCHANGE

January 18, 2024  
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Att:

TASE members

**Re: CONTINUAL- Non-Compliance with the Maintenance Rules Based on Data as of December 31, 2023-Notice**

Further to our circular dated January 11, 2024, regarding the list of companies that do not comply with the maintenance rules according to data as of December 31, 2023, we would like to inform you as follows:

1. "CONTINUAL" company was registered for trading on TASE on December 2021, as an "R&D company".
2. In accordance with section 2.c.1) of the Regulations Pursuant to the Fourth Part of the Rules, maintenance rules will not apply to a R&D company, as defined in the Regulations pursuant to the Second Part of the Rules, for a period of four years from the date on which its securities were first listed for trade on TASE.  
In light of this, the company's compliance with the maintenance rules has not been examined so far.
3. In the middle of 2023, the company completed the sale of its activities, and on August 1, 2023, the sector classification of the company was changed From Technology- Internet & Software To Investment & Holdings - Inactive & Shell Companies.
4. In section 2.c.2) of the Regulations Pursuant to the Fourth Part of the Rules it is stated:  
"... if the company gives notice during the aforesaid period that it has ceased engaging in the R&D sphere or that it has ceased engaging in the manufacture and marketing of the fruits of the R&D or that it has ceased acting as a technological incubator, it shall be governed by paragraph 8.a. of the Fourth Part of the Rules, from the date of the company's notice as aforesaid".
5. According to the Fourth part of TASE's Rules, a company is in non-compliance with the maintenance Rules if one or more of the causes listed below apply to it:
  - a. The public holdings value in the company's shares (of the same class) is less than NIS 5 million ("public holdings value cause").
  - b. The public holding percentage:
    - 1) The public holding percentage in the company's shares (of the same class) is less than 5%, Or
    - 2) The public holding percentage in the company's shares (of the same class) is less than 15%, but higher than 5% and the public holdings value in the company's shares (of the same class) is less than NIS 15 million ("public holdings percentage cause").

**הבורסה לניירות ערך בתל אביב בע"מ**

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6. TASE's Regulations prescribe an exemption for each of the aforementioned causes. Accordingly -
  - a. Shares will not be transferred to the maintenance list for a public holdings value cause if the public holdings value in its shares is higher than NIS 4 million, and the company's shares have a market-maker.
  - b. Shares will not be transferred to the maintenance list for a public holdings percentage cause if public holdings percentage in its shares is higher than 12.5%, and the company's shares have a market-maker
7. In light of what is stated in sections 3. and 4. Above, TASE reviewed the companies' compliance with the Maintenance Rules according to data as of December 31, 2023
8. The examination revealed that Public holdings value in the company's shares as of December 31, 2023 was approximately NIS 2.1 million.
9. In light of this, the company does not meet the requirement for a minimum value of public holdings in the Maintenance rules.

The company was notified of its non-compliance and was given an extension until June 30, 2024 to achieve compliance.

10. The next review will be held for data as of June 30, 2024.  
If, in this examination, the company does not meet the requirement for a minimum value of public holdings and the conditions for the relief for this cause are not met, TASE's CEO will be asked to transfer its shares and warrants (series 1) to the Maintenance list.

Yours sincerely,

( - )

Compliance Unit