
UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 6-K

REPORT OF FOREIGN PRIVATE ISSUER
PURSUANT TO RULE 13a-16 OR 15d-16 OF
THE SECURITIES EXCHANGE ACT OF 1934

For the month of August 2024

Commission File Number 0-19415

MAGIC SOFTWARE ENTERPRISES LTD.
(Translation of Registrant's name into English)

Terminal Center, 1 Yahadut Canada Street, Or-Yehuda, Israel 6037501
(Address of Principal Executive Office)

Indicate by check mark whether the registrant files or will file annual reports under cover of Form 20-F or Form 40-F.

Form 20-F ☒ Form 40-F ☐

CONTENTS

Quarterly Results of Operations

On August 14, 2024, Magic Software Enterprises Ltd. (the “Company”, “we” or “us”) announced our financial results for the second quarter and first half ended June 30, 2024. A copy of our press release announcing our results is furnished as Exhibit 99.1 to this Report of Foreign Private Issuer on Form 6-K (this “**Form 6-K**”) and is incorporated herein by reference.

The GAAP financial statements appended to this Form 6-K in Exhibit 99.1 are hereby incorporated by reference in our Registration Statements on Form S-8 (SEC File No.’s [333-113552](#), [333-132221](#) and [333-149553](#)).

| Exhibit No. | Title of Exhibit |
|-------------|------------------|
|-------------|------------------|

| | |
|------|---------------------------------------------------------------------------------------------|
| 99.1 | Magic Software Reports Second Quarter and First half 2024 Financial Results |
|------|---------------------------------------------------------------------------------------------|

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

MAGIC SOFTWARE ENTERPRISES LTD.

By: /s/ Asaf Berenstin

Name: Asaf Berenstin

Title: Chief Financial Officer

Dated: August 14, 2024

Magic Software Reports Second Quarter and First Half 2024 Financial Results

Or Yehuda, Israel, Aug. 14, 2024 (GLOBE NEWSWIRE) – Magic Software Enterprises Ltd. (NASDAQ and TASE: MGIC) (“the Company”), a global provider of IT consulting services and end-to-end integration and application development platforms solutions, announced today its financial results for the second quarter and first half ended June 30, 2024.

Summary Results for the Second Quarter 2024 (USD in millions, except per share data)

| | GAAP | | | Non-GAAP | | |
|------------------|----------|----------|----------|----------|----------|----------|
| | Q2 2024 | Q2 2023 | % Change | Q2 2024 | Q2 2023 | % Change |
| Revenues | \$ 136.3 | \$ 137.6 | (1.0)% | \$ 136.3 | \$ 137.6 | (1.0)% |
| Gross profit | \$ 38.8 | \$ 40.3 | (3.6)% | \$ 40.1 | \$ 41.6 | (3.7)% |
| Gross margin | 28.5% | 29.3% | (80) bps | 29.4% | 30.3% | (90) bps |
| Operating income | \$ 15.0 | \$ 15.4 | (2.6)% | \$ 18.2 | \$ 18.4 | (1.2)% |
| Operating margin | 11.0% | 11.2% | (20) bps | 13.4% | 13.4% | - |
| Net income (*) | \$ 9.0 | \$ 11.3 | (20.0)% | \$ 11.7 | \$ 13.5 | (13.6)% |
| Diluted EPS | \$ 0.18 | \$ 0.23 | (21.7)% | \$ 0.24 | \$ 0.28 | (14.3)% |

(*) Attributable to Magic Software’s shareholders.

Financial Highlights for the Second Quarter Ended June 30, 2024

- Revenues for the second quarter of 2024 decreased by 1.0% to \$136.3 million, compared to \$137.6 million in the same period of the previous year. On a constant currency basis (calculated based on average currency exchange rates for the three months ended June 30, 2023), revenues for the second quarter of 2024 would have increased by 0.4% to \$138.1 million. As described in the pre-announcement of our third quarter results on November 8, 2023, in the third quarter of 2023, we experienced a substantial and unexpected decline in demand for our professional services from several of our important U.S.-based blue-chip customers which, without any advance notification, decided to immediately suspend significant parts of their active time-and-materials-based projects. This reduced demand had a negative impact on our second quarter revenues compared to the same period of the previous year of approximately \$16.6 million. Compared to the fourth quarter of 2023 and the first quarter of 2024, revenues for the second quarter increase by 8.5% and 4.2%, respectively.
- Operating income for the second quarter of 2024 decreased by 2.6% to \$15 million, compared to \$15.4 million in the same period of the previous year. On a constant currency basis (calculated based on average currency exchange rates for the three months ended June 30, 2023), operating income for the second quarter of 2024 would have amounted to \$15.3 million, a decrease of 0.9% compared to the same of the previous year.
- Non-GAAP operating income for the second quarter of 2024 decreased by 1.2% to \$18.2 million, compared to \$18.4 million in the same period of the previous year. On a constant currency basis (calculated based on average currency exchange rates for the three months ended June 30, 2023), non-GAAP operating income for the second quarter of 2024 would have amounted to \$18.5 million, compared to \$18.4 million in the same period of the previous year.
- Net income attributable to Magic Software’s shareholders for the second quarter of 2024 decreased by 20% to \$9.0 million, or \$0.18 per fully diluted share, compared to \$11.3 million, or \$0.23 per fully diluted share, in the same period of the previous year. The decrease in net income attributable to Magic Software’s shareholders was primarily attributable to the increase in interest expenses resulting from the increase in our overall financial debt and negative impact of foreign currency exchange rates fluctuation recorded with respect to monetary assets and liabilities denominated in foreign currency.
- Non-GAAP net income attributable to Magic Software’s shareholders for the second quarter of 2024 decreased by 13.6% to \$11.7 million, or \$0.24 per fully diluted share, compared to \$13.5 million, or \$0.28 per fully diluted share, in the same period of the previous year.

Summary Results for the First Half 2024 (USD in millions, except per share data)

| | GAAP | | | Non-GAAP | | |
|------------------|----------|----------|----------|----------|----------|----------|
| | H1 2024 | H1 2023 | % Change | H1 2024 | H1 2023 | % Change |
| Revenues | \$ 267.0 | \$ 280.0 | (4.7)% | \$ 267.0 | \$ 280.0 | (4.7)% |
| Gross Profit | \$ 75.5 | \$ 79.2 | (4.6)% | \$ 78.4 | \$ 81.8 | (4.1)% |
| Gross Margin | 28.3% | 28.3% | - | 29.4% | 29.2% | 20 bps |
| Operating Income | \$ 29.5 | \$ 30.8 | (4.3)% | \$ 36.4 | \$ 36.9 | (1.5)% |
| Operating Margin | 11.0% | 11.0% | - | 13.6% | 13.2% | 40 bps |
| Net Income (*) | \$ 17.8 | \$ 21.4 | (16.7)% | \$ 23.0 | \$ 26.4 | (12.9)% |
| Diluted EPS | \$ 0.36 | \$ 0.44 | (18.2)% | \$ 0.47 | \$ 0.54 | (13.3)% |

(*) Attributable to Magic Software's shareholders.

Financial Highlights for the First Half Ended June 30, 2024

- Revenues for the first half period ended June 30, 2024 decreased by 4.7% to \$267.0 million compared to \$280.0 million in the same period of the previous year. On a constant currency basis (calculated based on average currency exchange rates for the six months ended June 30, 2023), revenues for the first half period ended June 30, 2024 would have amounted to \$271.5 million a decrease of 3.6% compared to the same period of the previous year.
- Operating income for the first half ended June 30, 2024 decreased by 4.3% to \$29.5 million compared to \$30.8 million in the same period of the previous year. On constant currency basis, (calculated based on average currency exchange rates for the six months ended June 30, 2023), operating income for the first half period ended June 30, 2024 would have amounted to \$30.1 million, a decrease of 2.3% compared to the same period of the previous year.
- Non-GAAP operating income for the first half ended June 30, 2024, decreased by 1.5% to \$36.4 million compared to \$36.9 million in the same period of the previous year. On constant currency basis, (calculated based on average currency exchange rates for the six months ended June 30, 2023), Non-GAAP operating income for the first half period ended June 30, 2024 would have amounted to \$37 million compared to \$36.9 million in the same period of the previous year.
- Net income attributable to Magic Software's shareholders for the first half period ended June 30, 2024 decreased by 16.7% to \$17.8 million, or \$0.36 per fully diluted share, compared to \$21.4 million, or \$0.44 per fully diluted share, in the same period last year.
- Non-GAAP net income attributable to Magic Software's shareholders for the first half period ended June 30, 2024 decreased by 12.9% to \$23.0 million, or \$0.47 per fully diluted share, compared to \$26.4 million, or \$0.54 per fully diluted share, in the same period last year.
- Cash flow from operating activities for the first half period ended June 30, 2024 amounted to \$41.4 million compared to \$42.6 million in the same period last year.
- As of June 30, 2024, Magic's cash, cash equivalents and short and long-term bank deposits amounted to \$108.4 million.
- Magic is reiterating 2024 annual revenue guidance of between \$540 million and \$550 million.

Guy Bernstein, Chief Executive Officer of Magic Software, said: “I am pleased to report that our performance in the first half of 2024 has been increasingly improving, underscoring the positive momentum that continues to drive our business forward. While we operate in a dynamic macroeconomic landscape, which has presented challenges for some of our North American blue-chip clients, particularly in the face of softer demand and budget constraints, we remain optimistic about the future. Our business is constantly improving, and our pipeline is robust as the vast majority of our customers continue to recognize the unique value we bring, increasingly choosing us as their preferred partner for their innovative digital and cloud transformation initiatives. We are confident that this momentum driven by our ongoing efforts to cultivate cutting-edge capabilities will continue to build throughout the year and propel us toward sustained, long-term profitability and enduring value to our esteemed shareholders.”

“The State of Israel is currently enduring a challenging period, marked by uncertainty regarding the ongoing war and its potential consequences. However, our strong client relationships, robust financial foundation, and the substantial cash flow we generate enable us to continue investing in future growth, even amid economic, political, and security turbulence”

Conference Call Details

Magic Software’s management will host a conference call on Thursday, August 14, 2024, at 10:30 am Eastern Daylight Time (17:30 Israel Daylight Time) to review and discuss Magic Software’s results.

To participate, please call one of the following teleconferencing numbers. Please begin placing your calls at least 5 minutes before the conference call commences. If you are unable to connect using the toll-free numbers, call the international dial-in number.

NORTH AMERICA: +1-866-652-8972

UK: 0-800-917-9141

ISRAEL: 03-918-0650

ALL OTHERS: +972-3-918-0650

For those unable to join the live call, a replay of the call will be available in the Investor Relations section of Magic Software’s website, www.magicsoftware.com.

Non-GAAP Financial Measures

This press release contains the following non-GAAP financial measures: non-GAAP gross profit, non-GAAP operating income, non-GAAP net income attributable to Magic Software’s shareholders and non-GAAP basic and diluted earnings per share.

Magic Software believes that these non-GAAP measures of financial results provide useful information to management and investors regarding certain financial and business trends relating to Magic Software’s financial condition and results of operations. Magic Software’s management uses these non-GAAP measures to compare the Company’s performance to that of prior periods for trend analyses, for purposes of determining executive and senior management incentive compensation and for budgeting and planning purposes. These measures are used in financial reports prepared for management and in quarterly financial reports presented to the Company’s board of directors. The Company believes that the use of these non-GAAP financial measures provides an additional tool for investors to use in evaluating ongoing operating results and trends and in comparing the Company’s financial measures with other software companies, many of which present similar non-GAAP financial measures to investors.

Management of the Company does not consider these non-GAAP measures in isolation or as an alternative to financial measures determined in accordance with GAAP. The principal limitation of these non-GAAP financial measures is that they exclude significant expenses and income that are required by GAAP to be recorded in the Company's financial statements. In addition, they are subject to inherent limitations as they reflect the exercise of judgment by management about which expenses and income are excluded or included in determining these non-GAAP financial measures. In order to compensate for these limitations, management presents non-GAAP financial measures together with GAAP results. Magic Software urges investors to review the reconciliation of its non-GAAP financial measures to the comparable GAAP financial measures, which it includes in press releases announcing quarterly financial results, including this press release, and not to rely on any single financial measure to evaluate the Company's business.

Non-GAAP measures used in this press release are included in the financial tables of this release. These non-GAAP measures exclude the following items:

- Amortization of purchased intangible assets and other related costs;
- In-process research and development capitalization and amortization;
- Cost of share-based payment;
- Costs related to acquisition of new businesses;
- The related tax, non-controlling interests' effects of the above items;
- Change in valuation of contingent consideration related to acquisitions;
- Change in deferred tax assets on carry forward tax losses.

Reconciliation of the most comparable GAAP financial measures to the non-GAAP financial measures used in this press release are included in the financial tables of this release.

About Magic Software Enterprises

Magic Software Enterprises Ltd. (NASDAQ and TASE: MGIC) is a global provider of end-to-end integration and application development platforms solutions and IT consulting services.

For more information, visit www.magicsoftware.com.

Forward Looking Statements

Some of the statements in this press release may constitute "forward-looking statements" within the meaning of Section 27A of the Securities Act of 1933, Section 21E of the Securities and Exchange Act of 1934 and the United States Private Securities Litigation Reform Act of 1995. Words such as "will," "look forward," "expect," "believe," "guidance" and similar expressions are used to identify these forward-looking statements (although not all forward-looking statements include such words). These forward-looking statements, which may include, without limitation, projections regarding our future performance and financial condition, are made based on management's current views and assumptions with respect to future events. Any forward-looking statement is not a guarantee of future performance and actual results could differ materially from those contained in the forward-looking statement. These statements speak only as of the date they were made, and we undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. We operate in a changing environment. New risks emerge from time to time and it is not possible for us to predict all risks that may affect us. For more information regarding these risks and uncertainties as well as certain additional risks that we face, you should refer to the Risk Factors detailed in our Annual Report on Form 20-F for the year ended December 31, 2023, which filed on May 13, 2024, and subsequent reports and filings made from time to time with the Securities and Exchange Commission.

Magic[®] is a registered trademark of Magic Software Enterprises Ltd. All other product and company names mentioned herein are for identification purposes only and are the property of, and might be trademarks of, their respective owners.

Press Contact:

Ronen Platkevitz
Magic Software Enterprises
ir@magicsoftware.com

MAGIC SOFTWARE ENTERPRISES LTD.
CONDENSED CONSOLIDATED STATEMENTS OF INCOME
U.S. Dollars in thousands (except per share data)

| | Three months ended June 30, | | Six months ended June 30, | |
|--------------------------------------------------------------------------------------|--------------------------------|------------------|------------------------------|------------------|
| | 2024 | 2023 | 2024 | 2023 |
| | Unaudited | | Unaudited | |
| Revenues | \$ 136,250 | \$ 137,583 | \$ 266,970 | \$ 280,023 |
| Cost of Revenues | 97,407 | 97,278 | 191,428 | 200,833 |
| Gross profit | 38,843 | 40,305 | 75,542 | 79,190 |
| Research and development, net | 2,847 | 2,425 | 5,640 | 4,964 |
| Selling, marketing and general and administrative expenses | 20,835 | 22,431 | 40,009 | 43,595 |
| Increase (decrease) in valuation of contingent consideration related to acquisitions | 121 | - | 427 | (165) |
| Total operating expenses | 23,803 | 24,856 | 46,076 | 48,394 |
| Operating income | 15,040 | 15,449 | 29,466 | 30,796 |
| Financial expenses, net | 1,235 | 316 | 2,879 | 1,015 |
| Income before taxes on income | 13,805 | 15,133 | 26,587 | 29,781 |
| Taxes on income | 3,040 | 2,455 | 5,769 | 5,268 |
| Net income | \$ 10,765 | \$ 12,678 | \$ 20,818 | \$ 24,513 |
| Share of loss of companies accounted for at equity, net | (85) | - | (149) | - |
| Net income attributable to non-controlling interests | (1,647) | (1,384) | (2,839) | (3,111) |
| Net income attributable to Magic's shareholders | \$ 9,033 | \$ 11,294 | \$ 17,830 | \$ 21,402 |
| Weighted average number of shares used in computing net earnings per share | | | | |
| Basic | 49,099 | 49,093 | 49,099 | 49,093 |
| Diluted | 49,099 | 49,133 | 49,099 | 49,133 |
| Basic and diluted earnings per share attributable to Magic's shareholders | \$ 0.18 | \$ 0.23 | \$ 0.36 | \$ 0.44 |

MAGIC SOFTWARE ENTERPRISES LTD.
RECONCILIATION OF GAAP AND NON-GAAP RESULTS
U.S. Dollars in thousands (except per share data)

| | Three months ended June 30, | | Six months ended June 30, | |
|--------------------------------------------------------------------------------------------------------|--------------------------------|------------------|------------------------------|------------------|
| | 2024 | 2023 | 2024 | 2023 |
| | Unaudited | | Unaudited | |
| GAAP gross profit | \$ 38,843 | \$ 40,305 | \$ 75,542 | \$ 79,190 |
| Amortization of capitalized software and acquired technology | 1,127 | 1,096 | 2,234 | 2,071 |
| Amortization of other intangible assets | 121 | 244 | 624 | 489 |
| Non-GAAP gross profit | \$ 40,091 | \$ 41,645 | \$ 78,400 | \$ 81,750 |
| GAAP operating income | \$ 15,040 | \$ 15,449 | \$ 29,466 | \$ 30,796 |
| Gross profit adjustments | 1,248 | 1,340 | 2,858 | 2,560 |
| Amortization of other intangible assets | 2,083 | 1,666 | 3,597 | 3,730 |
| Increase (decrease) in valuation of contingent consideration related to acquisitions | 121 | - | 427 | (165) |
| Capitalization of software development | (735) | (723) | (1,483) | (1,434) |
| Costs related to acquisitions | 158 | 107 | 302 | 181 |
| Cost of share-based payment | 304 | 609 | 1,195 | 1,231 |
| Non-GAAP operating income | \$ 18,219 | \$ 18,448 | \$ 36,362 | \$ 36,899 |
| GAAP net income attributable to Magic's shareholders | \$ 9,033 | \$ 11,294 | \$ 17,830 | \$ 21,402 |
| Operating income adjustments | 3,179 | 2,999 | 6,896 | 6,103 |
| Amortization expenses attributed to non-controlling interests and redeemable non-controlling interests | (396) | (377) | (848) | (524) |
| Changes in unsettled fair value of contingent consideration related to acquisitions | 52 | 68 | 166 | 203 |
| Deferred taxes on the above items | (166) | (444) | (1,065) | (791) |
| Non-GAAP net income attributable to Magic's shareholders | \$ 11,702 | \$ 13,540 | \$ 22,979 | \$ 26,393 |
| Non-GAAP basic and diluted net earnings per share | \$ 0.24 | \$ 0.28 | \$ 0.47 | \$ 0.54 |
| Weighted average number of shares used in computing basic net earnings per share | 49,099 | 49,093 | 49,099 | 49,093 |
| Weighted average number of shares used in computing diluted net earnings per share | 49,099 | 49,137 | 49,099 | 49,137 |

Summary of Non-GAAP Financial Information

U.S. Dollars in thousands (except per share data)

| | Three months ended | | | | Six months ended | | | |
|--------------------------------------|--------------------|-------|------------|-------|------------------|-------|------------|-------|
| | June 30, | | | | June 30, | | | |
| | 2024 | | 2023 | | 2024 | | 2023 | |
| | Unaudited | | Unaudited | | Unaudited | | Unaudited | |
| Revenues | \$ 136,250 | 100% | \$ 137,583 | 100% | \$ 266,970 | 100% | \$ 280,023 | 100% |
| Gross profit | 40,091 | 29.4% | 41,645 | 30.3% | 78,400 | 29.4% | 81,750 | 29.2% |
| Operating income | 18,219 | 13.4% | 18,448 | 13.4% | 36,362 | 13.6% | 36,899 | 13.2% |
| Net income attributable to | | | | | | | | |
| Magic's shareholders | 11,702 | 8.6% | 13,540 | 9.8% | 22,979 | 8.6% | 26,393 | 9.4% |
| Basic and diluted earnings per share | \$ 0.24 | | \$ 0.28 | | \$ 0.47 | | \$ 0.54 | |

MAGIC SOFTWARE ENTERPRISES LTD.
CONDENSED CONSOLIDATED BALANCE SHEETS
U.S. Dollars in thousands

| | June 30, 2024 | December 31, 2023 |
|----------------------------------------------------------------------------------|-------------------|----------------------|
| | <u>Unaudited</u> | |
| ASSETS | | |
| CURRENT ASSETS: | | |
| Cash and cash equivalents | \$ 107,642 | \$ 105,943 |
| Short-term bank deposits | 722 | 751 |
| Trade receivables, net | 132,827 | 131,098 |
| Other accounts receivable and prepaid expenses | 20,391 | 18,833 |
| Total current assets | <u>261,582</u> | <u>256,625</u> |
| LONG-TERM ASSETS: | | |
| Deferred tax assets | 7,232 | 6,729 |
| Right-of-use assets | 25,023 | 25,718 |
| Other long-term receivables and Investments in companies accounted for at equity | 7,805 | 8,623 |
| Property and equipment, net | 7,517 | 7,988 |
| Intangible assets and goodwill, net | 217,805 | 216,723 |
| Total long term assets | <u>265,382</u> | <u>265,781</u> |
| TOTAL ASSETS | <u>\$ 526,964</u> | <u>\$ 522,406</u> |
| LIABILITIES AND EQUITY | | |
| CURRENT LIABILITIES: | | |
| Short-term debt | \$ 25,888 | \$ 28,941 |
| Trade payables | 29,591 | 28,415 |
| Dividend payable to Magic Software shareholders | 10,016 | - |
| Accrued expenses and other accounts payable | 45,269 | 41,492 |
| Current maturities of lease liabilities | 4,409 | 4,406 |
| Liability in respect of business combinations | 2,116 | 6,656 |
| Put options for non-controlling interests | 19,520 | 18,252 |
| Deferred revenues and customer advances | 20,949 | 13,537 |
| Total current liabilities | <u>157,758</u> | <u>141,699</u> |
| LONG TERM LIABILITIES: | | |
| Long-term debt | 38,968 | 52,267 |
| Deferred tax liability | 10,971 | 11,610 |
| Long-term lease liabilities | 22,489 | 23,101 |
| Long-term liability in respect of business combinations | 1,609 | 1,049 |
| Put options of non-controlling interests | - | 620 |
| Employee benefit liabilities | 1,111 | 1,116 |
| Total long term liabilities | <u>75,148</u> | <u>89,763</u> |
| EQUITY: | | |
| Magic Software Enterprises shareholders' equity | 268,944 | 265,981 |
| Non-controlling interests | 25,114 | 24,963 |
| Total equity | <u>294,058</u> | <u>290,944</u> |
| TOTAL LIABILITIES AND EQUITY | <u>\$ 526,964</u> | <u>\$ 522,406</u> |

MAGIC SOFTWARE ENTERPRISES LTD.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
U.S. Dollars in thousands

| | Six months ended June 30, | |
|-------------------------------------------------------------------------------------------------------------------|---------------------------|-------------------|
| | 2024 | 2023 |
| | Unaudited | Unaudited |
| Cash flows from operating activities: | | |
| Net income | \$ 20,669 | \$ 24,513 |
| Adjustments to reconcile net income to net cash provided by operating activities: | | |
| Depreciation and amortization | 10,106 | 9,917 |
| Cost of share-based payment | 1,195 | 1,231 |
| Change in deferred taxes, net | (1,559) | (2,257) |
| Payments of deferred and contingent consideration related to acquisitions | - | (40) |
| Capital gain on sale of fixed assets | - | (5) |
| Amortization of premium and accrued interest on debt instruments at fair value through other comprehensive income | - | (49) |
| Effect of exchange rate on of cash and cash equivalents held in currencies other than the functional currency | 389 | 906 |
| Changes in value of short-term and long-term loans from banks and others and deposits, net | (1,089) | 499 |
| Working capital adjustments: | | |
| Trade receivables | 100 | 17,315 |
| Other current and long-term accounts receivable | (2,071) | (8,423) |
| Trade payables | 1,941 | (1,333) |
| Accrued expenses and other accounts payable | 3,794 | (4,072) |
| Deferred revenues | 7,904 | 4,439 |
| Net cash provided by operating activities | 41,379 | 42,641 |
| Cash flows from investing activities: | | |
| Capitalized software development costs | (1,483) | (1,434) |
| Purchase of property and equipment | (618) | (625) |
| Payments for business acquisitions, net of cash acquired | (10,248) | (15,585) |
| Payments of deferred and contingent consideration related to acquisitions | (7,238) | (17,330) |
| Proceeds from sale of property and equipment | - | 10 |
| Redemption of marketable securities | 968 | - |
| Investment in long-term deposits | 503 | (528) |
| Investment in short-term bank deposits | (670) | - |
| Proceeds from repayment of loan receivables | - | 541 |
| Proceeds from short-term bank deposits | 688 | 3,532 |
| Investment in a company accounted for at equity | (123) | - |
| Net cash used in investing activities | (18,221) | (31,419) |
| Cash flows from financing activities: | | |
| Proceeds from sale of non-controlling interest | 174 | - |
| Dividend to Magic's shareholders | - | (14,739) |
| Dividend paid to non-controlling interests | (2,210) | (2,733) |
| Repayment of lease liabilities | (2,956) | (2,720) |
| Purchase of redeemable non-controlling interest | - | (5,073) |
| Purchase of non-controlling interest | (314) | - |
| Short-term and long-term loans received | 10,707 | 49,463 |
| Repayment of short-term and long-term loans | (25,018) | (10,742) |
| Net cash (used in) provided by financing activities | (19,617) | 13,456 |
| Effect of exchange rate changes on cash and cash equivalents | (1,842) | (3,121) |
| Increase (decrease) in cash and cash equivalents | 1,699 | 21,557 |
| Cash and cash equivalents at the beginning of the period | 105,943 | 83,062 |
| Cash and cash equivalents at end of the period | \$ 107,642 | \$ 104,619 |