קשרי משקיעים
Investor Relations

HIPER Global

May 30, 2022

HIPER Global is reporting strong results in the first quarter of 2022.

HIPER Global is reporting an increase of 28.5% in revenues in the first quarter of 2022, totaling approximately $ 62 million compared to approximately $ 48 million last year.

Gross profit in the quarter amounted to approximately $ 9 million (approximately 15% of the revenues), an increase of approximately 34.4% compared to last year.

A 52% increase in operating profit in the quarter, which amounted to approximately $ 3.6 million (5.8% of the revenues), compared to $ 2.3 million last year.

Net income amounted to approximately $ 3.6 million, an increase of approximately 157% compared to last year.

Yoav Weinberg, co-chairman of the board of directors in HIPER Global said: " We conclude the quarter with excellent results that reflect the positive momentum and organic growth in the Company's operations, despite a challenging macro environment. The split of HIPER Global and its listing as a public company on the Tel Aviv Stock Exchange in March 2022 is a significant milestone in the Company's development, and we believe that this step will lead to improvement of its operations, while accelerating growth and creating value for shareholders. Looking ahead, we will continue to focus on improving existing activities and examining additional synergistic acquisitions, with an emphasis on international markets – which are regarded by the Company as a future growth engine."

Shahaf Shrager, CEO of HIPER Global, said: "We are continuing the positive trend of recent quarters in this quarter as well, while showing double-digit growth in operational parameters. This growth is a result of organic growth, the addition of new customers and the expansion of projects among existing customers, which led to continued improvement in the various profit lines, alongside activity in a complex macro environment and a competitive market."

Highlights of the results for the first quarter of 2022

The description of the Company and its businesses in pro forma data is made in relation to the Company, as if the transfer of the OEM segment activities to the Company had already been completed in the periods presented, although the transfer of the activities was only carried out upon completion of the split (on March 8, 2022). The data is based on pro forma Carve-out consolidated financial statements prepared to reflect the results of the OEM segment activities.

It is indicated that this is voluntary, unreviewed, and unaudited financial information regarding the Group's operating results as of the reporting date:

The Company's revenues from sales and services in the quarter amounted to approximately $ 62 million, compared to approximately $ 48 million in the corresponding quarter last year, an increase of approximately 28.5% which derives from organic growth, addition of new customers and expansion of projects among existing customers in operations in Israel and abroad.

Gross profit in the quarter amounted to approximately $ 9.2 million (approximately 15% of the revenues) compared to approximately $ 6.9 million (approximately 14.3 of the revenues) in the corresponding quarter last year. An increase of approximately 34.4%, which results from the increase in revenue turnovers alongside improved profitability rates.

Selling, administrative and general expenses in the quarter amounted to approximately $ 5.7 million, compared to approximately $ 4.5 million in the corresponding quarter last year. The increase is primarily attributable to one-time expenses in the quarter for professional services in connection with the split process and the Company's listing for trading.

Operating profit in the quarter amounted to approximately $ 3.6 million (approximately 5.8% of the revenues) compared to approximately $ 2.3 million (approximately 4.9% of the revenues) in the corresponding quarter last year, an increase of approximately 52%, mainly due to the improvement in gross profit, which was partially offset by an increase in selling and administrative expenses.

Financial income, net in the quarter amounted to approximately $ 0.4 million compared to financial expenses, net, of approximately $ 0.4 million in the corresponding quarter last year.

Net income in the quarter amounted to approximately $ 3.6 million compared to approximately $ 1.4 million in the corresponding quarter of last year. An increase of approximately 157%.

EBITDA in the quarter amounted to approximately $ 4.5 million compared to approximately $ 3.2 million in the corresponding quarter last year, an increase of approximately 39%.

About the Company:

The Company is engaged in providing computing solutions to technology companies that develop products, allowing them to turn the customer's idea into a tangible product and consults them from the planning stage to reaching the market on time. The Company operates in Israel, England and the USA and provides its customers with global solutions. The activity in this field includes joint work with the customers' development bodies and adapting complex technological solutions according to their needs. In subsequent stages, the Company manufactures and supplies the systems it has designed in global deployment and in accordance with the business needs of its customers.

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