

May 18, 2026

HIPER Global reports the results of the first quarter of 2026 while presenting growth in all parameters

Revenues in the first quarter amounted to approximately \$ 91.5 million compared to approximately \$80.4 million in the corresponding quarter, an increase of approximately 13.7%.

Gross profit in the quarter increased by approximately 22.9% to \$15.5 million compared to \$12.6 million in the corresponding quarter (approximately 16.9% of the revenues compared to 15.7% in the corresponding quarter).

Operating profit in the quarter increased by approximately 13.7% to approximately \$7.6 million compared to approximately \$6.7 million in the corresponding quarter (approximately 8.3% of the revenues, similar to the corresponding quarter)

EBITDA in the quarter increased by 20.4% to approximately \$9.6 million compared to approximately \$8 million

Net income in the quarter increased by 11.8% to approximately \$5.2 million compared to approximately \$4.7 million. The Company declares a dividend distribution of approximately \$1.9 million

At the end of the first quarter, the Company signed an agreement to acquire 100% of the Israeli company IPS Tech, which develops and supplies embedded computing systems mainly to the defense sector, at a value of approximately NIS 60 million

As reported in the Company's presentation, the order backlog at the end of the first quarter of 2026 increased significantly to approximately \$326 million compared to approximately \$239 million as of the end of 2025

Shahaf Shrager, CEO of HIPER Global, said: " We are presenting in the quarter double-digit growth in all parameters, which was mainly driven by organic growth in revenues from Israel in the various sectors, as well as a sharp increase in revenues from Europe thanks to the new companies we acquired in 2025. Revenue growth was partially offset by the continued strengthening of the NIS and a certain decrease in the US sector due to a one-off decrease in sales to a major customer as a result of replacing its product generation and organizing for supplies of the new product generation, which the Company won, starting in the second quarter. The Company has a significant backlog, and in light of recent business developments in the various sectors, with an emphasis on defense and chips, we continue to be optimistic about the rest of the year. At the end of the first quarter, we entered into agreement to acquire the Israeli company EPS, as part of implementing the Company's long-term strategy. The acquisition is in line with two of Hiper's strategic targets: focusing on self-developed IP-based products and solutions and expanding operations in the defense market. We intend to continue to work to identify "Additional growth opportunities."

Highlights of the results for the first quarter of 2026

The Company's revenues in the quarter increased by 13.7% and amounted to approximately \$91.5 million, compared to approximately \$80.4 million in the corresponding quarter last year. The increase in revenues was mainly due to the consolidation of the results of two companies in the Europe segment that were acquired during 2025 and had not yet been consolidated in the corresponding period, alongside organic growth in revenues in the Israel segment, which was partially offset by a (one off) decrease in revenues in the US segment.

Revenues from the Israel operating segment increased by 12.4% and amounted to approximately \$61.1 million in the quarter, compared to approximately \$54.4 million in the corresponding quarter last year. The increase in revenues in the segment was due to increase in activity with customers in the various sectors.

Revenues from the US operating segment amounted to approximately \$20.3 million in the quarter, compared to approximately \$25 million in the corresponding quarter last year. The decrease in segment revenue was mainly due to a temporary decrease in sales to a major customer in the US segment as a result of replacing its product generation and organizing for supplies of the new product generation that the Company won, starting in the second quarter.

Revenues from the Europe operating segment grew by approximately 288% and amounted to approximately \$13.8 million, compared to approximately \$3.5 million in the corresponding quarter last year. The increase in segment revenue was due to the first-time consolidation of the results of the subsidiary in England that was acquired in April 2025 and the subsidiary in Germany that was acquired in December 2025.

Gross profit in the quarter increased by approximately 22.9% and amounted to approximately \$15.5 million (approximately 16.9% of the revenues) compared to approximately \$12.6 million (approximately 15.7% of the revenues) in the corresponding quarter last year. The increase in gross profit was due to the increase in revenue and a mix of transactions with higher profitability, despite the impact of the continued revaluation in the NIS/dollar exchange rate, which led to an increase in the dollar value of NIS costs in the Israel segment compared to the corresponding period.

Selling, administrative and general expenses in the quarter amounted to approximately \$7.9 million compared to approximately \$5.9 million in the corresponding quarter last year. The increase in selling, administrative and general expenses resulted from the first-time consolidation of the results of the company acquired in Germany at the end of 2025 and also includes the amortization of intangible assets recognized in connection with the business combination. In addition, there was an increase in the dollar value of salary costs in the Israel segment as a result of the continued revaluation of the NIS/dollar exchange rate.

Operating profit in the quarter increased by approximately 13.7% to approximately \$7.6 million (8.3% of the revenues), compared to approximately \$6.7 million (8.3% of the revenues) in the corresponding quarter last year.

Operating profit of the Israel operating segment increased by approximately 29.7% and amounted to approximately \$6.1 million in the quarter, compared to approximately \$4.7 million in the corresponding quarter last year.

Operating profit of the US operating segment amounted to approximately \$1.3 million in the quarter, compared to approximately \$1.9 million in the corresponding quarter last year.

Operating profit of the Europe operating segment amounted to approximately \$0.2 million in the quarter compared to a profit of \$ 0.1 million.

EBITDA in the quarter increased by approximately 20.4% and amounted to approximately \$9.6 million, compared to approximately \$8 million in the corresponding quarter last year.

Net income in the quarter increased by 11.8% and amounted to approximately \$5.2 million compared to approximately \$4.7 million in the corresponding quarter last year.

About the company:

The Company is engaged in providing computing solutions to technology companies that develop products. The Company consults and implements the process of turning the customer's idea into a tangible product from the planning stage to reaching the market on time. The Company operates in Israel and the world (through subsidiaries in 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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