



Matrix begins 2025 with a record quarter in revenues, gross profit, operating profit, and net profit

Gross revenue grew by 11.3% to a record NIS 1.54B

Gross profit grew by 9.6% to a record NIS 227M

Operating profit grew by 13.8% to a record NIS 126M

Net profit grew by 12.8% to a record NIS 80.6M

EBITDA reached a record of NIS 175.6M

Matrix published its financial results for the first quarter of 2025, presenting a record quarter in revenue, gross profit, operating profit, and net profit.

The company's revenue for the first quarter reached a record of approximately NIS 1.54B, compared to approximately NIS 1.45B in the same quarter of the previous year, an increase of about 6.4%. Excluding the impact of the increase in revenue recognized on a net basis, the revenue growth rate stood at about 11.3%.

The increase in **revenues** in the quarter was primarily driven by increased activity in the IT solutions, consulting, and management sector in Israel—particularly in the areas of data, cybersecurity, digital, core systems, the engineering arm, defense, and the financial sector, as well as in the cloud infrastructure and computing sectors. In addition, this quarter's results reflected three acquisitions made by Matrix in recent months: Gav Systems (consolidated for the first time at the beginning of 2025), Ortech, and the American company Alacer.

Gross profit for the quarter totaled a record approximately NIS 227M (about 14.7% of revenues), compared to approximately NIS 207.1M in the same quarter of the previous year (about 14.2% of revenues), an increase of about 9.6%. The rise in gross profit and its margin is attributed mainly to the increase in business activity and operational streamlining within the company.

Operating profit for the first quarter of 2025 reached a record of approximately NIS 126M (about 8.1% of revenues), compared to approximately NIS 110.7M in the same quarter of the previous year (about 7.6% of revenues), an increase of about 13.8%. The growth in operating profit, compared to the same quarter of the previous year, is attributed to increases in profits across all sectors, except for a decrease in profit in the IT solutions and services sector in the US. Excluding the effect of the first-time consolidation of Gav Systems, Ortech, and Alacer, Matrix recorded organic growth in operating profit of about 9.5%.

Net profit for the quarter reached a record of approximately NIS 80.6M (about 5.2% of revenues), compared to approximately NIS 71.4M (about 4.9% of revenues) in the same quarter of the previous year, an increase of about 12.8%.



Net profit attributable to shareholders for the quarter reached a record of approximately NIS 75.6M (about 4.9% of revenues), compared to approximately NIS 68.6M (about 4.7% of revenues) in the same quarter of the previous year, an increase of about 10.1%.

EBITDA for the quarter reached a record of approximately NIS 175.6M, compared to approximately NIS 157.5M in the same quarter last year, an increase of approximately 11.5%.

Dividend. Matrix continues to distribute dividends in accordance with its standard distribution policy, at a rate of up to 75% of net profit attributable to shareholders. Upon publishing its first-quarter financial results, the company announced an additional dividend distribution of approximately NIS 56.6M (89 agorot per share).

Moti Gutman, CEO of Matrix:

“We are proud to begin 2025 with record results across all indicators: revenues, gross profit, operating profit, net profit, and EBITDA. These results are further evidence of the leading position Matrix occupies in the Israeli IT market, of its business resilience, as demonstrated by the ability of the company to weather ongoing crises, especially the war, and its leadership in the most dynamic and fast-growing areas of technology.

This quarter shows double-digit growth in revenues and profit from our operations in Israel, thanks to accelerated activity in high-demand sectors such as digital and data solutions, AI, modernization of core systems, information security and cybersecurity, cloud services, and business continuity. Our defense arm continues to expand, driven by growing demand from the defense establishment and defense industry enterprises.

In March, we announced the signing of a memorandum of understanding to negotiate the merger of Magic Software with Matrix—a significant strategic move representing a quantum leap in the development of Matrix. We are in the midst of carrying out this transaction and estimate that it will be completed in the course of the last quarter of the year, subject to all required regulatory approvals. With its completion, Matrix is expected to become one of the largest publicly traded IT services companies worldwide, with a broad global geographic footprint, particularly in our primary target market—the US.

At the same time, we are expanding our operations through additional acquisitions we have carried out recently. The acquisition of Alacer in the US strengthens our capabilities in the fintech and GRC (governance, risk, and compliance) sectors; the acquisition of Gav Systems expands our IT services and call center operations in Israel; and the acquisition of Ortech strengthens our presence in the field of advanced machinery and production lines, including defense industries, which is experiencing significant growth resulting from the trend toward strengthening domestic manufacturing independence in these industries, driven by ongoing security and geopolitical challenges.”

In the field of **artificial intelligence**, Matrix leads with proven end-to-end capabilities—from infrastructure, through data and models, to integration, customer



experience, and responsible AI. The unique experience we've gained through the implementation of military, governmental, and civilian projects in Israel and worldwide enables us to offer groundbreaking solutions even in the most complex environments and forms the foundation for significant partnerships.

Matrix acquired the prestigious NCP (NVIDIA Certified Partner) certification, which recognizes its advanced capabilities in AI and cloud computing, thanks to the extensive activity of the company in the field. This certification places Matrix at the forefront of global innovation in intelligent, GPU-based cloud services.

Matrix is participating in the tender by the Israel Innovation Authority to establish a state-of-the-art high-performance computing (HPC) data center, designed to serve companies across the market, especially in the high-tech sector and the academic community. Built and operated by Matrix (subject to winning the tender), the data center will enable large-scale AI model training. The HPC data center is a project of national significance, with a total budget exceeding a quarter of a billion shekels, of which approximately NIS 160M will be provided by a government grant.”

About Matrix

Matrix (TASE: Matrix), which currently employs over 12,000 workers, is the leading information technology company in the Israeli market, with extensive operations in the US and Europe. In an era of rapid digital acceleration, Matrix is at the forefront of adopting breakthrough technologies, methodologies, and tools that deliver tremendous value to its clients.

Matrix offers a comprehensive 360-degree suite of services, and it is involved in some of the largest strategic consulting and integration projects in Israel. Its expertise spans the development and implementation of enterprise technologies and applications, local and cloud infrastructure solutions and services, outsourcing, offshore and nearshore, training and deployment, representation and marketing of leading global software products, and more.

The company is consistently at the forefront of innovation, developing and deploying advanced technologies in areas such as cloud, cybersecurity, digital, big data, AI, machine learning, the Internet of Things (IoT), automation, augmented reality, and more.

Matrix is a recognized industry leader, ranked as the number one software services company in Israel for over 19 consecutive years by the research firms IDC, STKI, and Gartner.

For more information, visit: www.matrix-globalservices.com