



**Matrix publishes the financial results for the second quarter of 2024:
Record results in operating profit, net profit, and profit attributable to
the company shareholders, despite the effects of the war**

Matrix released its financial results for the second quarter of 2024 and the first half of the year, showing record results in the first half of 2024 and the second quarter of the year, with continuing consistent growth in sales and profits.

Matrix sales in the first half of 2024 grew by about 8.1% and amounted to a record of approximately NIS 2.79B. The operating profit grew by about 11.5% and amounted to a record of approximately NIS 221.9M.

In the second quarter of 2024, the operating profit grew by about 13.9% to a record amount of approximately NIS 111.3M. Matrix shows record results in the quarter also in net profit and profit attributable to the company shareholders.

Sales

Matrix sales in the second quarter of 2024 amounted to approximately NIS 1.33B, compared with approximately NIS 1.29B in the previous year, an increase of about 3.6%. Company sales in the first half of 2024 reached a record of approximately NIS 2.79B, compared to approximately NIS 2.58B in the previous year, an increase of about 8.1%, which is entirely due to organic growth.

Gross profit

The gross profit in the second quarter of 2024 amounted to approximately NIS 201.8M, compared to approximately NIS 185M in the previous year, an increase of about 9%. The ratio of gross profit to sales increased from about 14.4% to about 15.1%.

The gross profit in the first six months of 2024 amounted to a record of approximately NIS 408.9M, compared to approximately NIS 373.7M in the previous year, an increase of about 9.4%.

The gross profit was positively affected, among others, by the indemnification by the National Insurance Institute, which was received during the quarter, for part of the social component in the salary of company employees who were doing reserve service.



Operating profit

The operating profit in the second quarter of 2024 amounted to a record of approximately NIS 111.3M, compared to approximately NIS 97.7M in the corresponding quarter of the previous year, an increase of about 13.9%. The ratio of operating profit to sales in the second quarter of 2024 grew from about 7.6% to about 8.3%.

The operating profit for the period amounted to approximately NIS 221.9M, compared to approximately NIS 199.1M in the corresponding period of the previous year, an increase of about 11.5%, all from organic growth. The ratio of operating profit to sales for the period grew from about 7.7% to about 8%.

Net profit

The net profit in the second quarter of 2024 amounted to a record of approximately NIS 73.1M, compared to approximately NIS 62.8M the previous year, an increase of about 16.4%. In the first half of the year, the net profit amounted to approximately NIS 144.5M, compared to approximately NIS 128.2M the previous year, an increase of about 12.8%.

Adjusted EBITDA, excluding IFRS 16

The adjusted EBITDA in the second quarter reached approximately NIS 124.5M, compared to approximately NIS 114.8M the previous year, an increase of about 8.5%. The adjusted EBITDA in the first half of the year reached a record amount of about approximately NIS 249.3M, compared to approximately NIS 230.7M the previous year, an increase of about 8.1%.

Dividends

Matrix continues the policy of distributing dividends at a rate of up to 75% of the net profit attributable to the shareholders, subject to distribution tests according to law. By the end of the second half of 2024, Matrix distributed to its shareholders dividends totaling approximately NIS 132.1M. With the publication of the reports today, Matrix announced the distribution of an additional quarterly dividend of approximately NIS 52.1M (NIS 0.82 per share).

According to **Moti Gutman, CEO** of Matrix:

"Matrix continues to show consistent growth in its indices, at impressive growth rates, leading the market in the most advanced technologies—all this in war time and during one of the most difficult periods in the history of the country. We are concluding the second quarter and first half of the year with growth in all the key indicators: sales, gross profit, operating profit, EBITDA, net profit, profit attributable to company



shareholders, and cash flow. We present record results for the quarter in operating profit, net profit, and profit attributable to company shareholders, and record results in sales and all profit indicators for the first half of the year, with the growth in sales and profits entirely due to organic growth.

The consistent growth that Matrix has been showing is a clear expression of its leadership in the Israel IT market, as reflected in analyst reports, and, in parallel, of its financial strength. The research company STKI recently published the annual ranking of the IT market in Israel for the year 2024, and Matrix was ranked as the leader of the Israeli IT market for the 19th year in a row, winning the Tier 1 ranking in 47 important technology categories, including in leading areas such as cyber security consulting, deployment of cyber products, migration to the cloud, data science projects, and machine learning. We were also ranked first in the new and important category of generative AI and LLM projects.

Matrix operates in Israel and the US at the forefront in all technology fields, in particular in the "hot" areas of cloud, cyber, digital data, and AI solutions. We have a wide sectoral distribution and thousands of customers in all sectors of the economy. Matrix is a leading player in the implementation of large-scale multi-year integration projects in Israel, which provide high visibility over time. Because of the war, we see a significant growth in activity involving the defense ecosystem and defense industries in the execution of projects, services, and the sale of software products. Our business results also reflect a considerable increase in the area of equipping our customers with infrastructure and solutions for business continuity and disaster recovery, as well as in the procurement of services and products for recovery from cyber-attacks. In the US, we have recently completed several projects in the GRC field and we have new engagements with customers, which we won during the quarter and that are expected to reflect in the volume of activity and profit in the following quarters.

Matrix continues to consolidate its position as a company that carries out complex and innovative projects of national importance — economic, social, and security projects that support the State of Israel in this challenging period.

In these difficult times, we share in the grief of all the families of the fallen and the murdered, we wish complete healing and a speedy recovery to the injured, we pray and wish for the return of all the hostages as soon as possible, and stand with the security forces in their mission of utmost importance. The State of Israel is in the midst of a challenging period, characterized by uncertainty regarding the continuation of the war and its consequences. The leading positioning of Matrix, its financial strength, and the high cash flow it generates, however, allow us to continue investing in future growth even during turbulent times of economic, political, and security challenges."