



HUB Security Reports Second Half 2024 Financial Results and the Filing of its Annual Report on Form 20-F for the Year Ended December 31, 2024

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Significant Year-over-Year Margin Expansion, Streamlined Operations, and Strategic Wins Position HUB for Scalable Growth in 2025

Conference call will be held Friday, May 2 at 10:00 am ET

TEL AVIV, Israel, May 01, 2025 (GLOBE NEWSWIRE) -- HUB Cyber Security Ltd. (NASDAQ: HUBC) ("HUB" or the "Company"), a global leader in confidential computing and advanced data fabric technology, today announced results for the full year and second half period ended December 31, 2024 and the filing of its Annual Report on Form 20-F for the Year Ended December 31, 2024.

Financial results for H2 2024:

- Revenues were \$13.8 million, compared to \$17.6 million in H2 2023. The year-over-year change reflects the Company's deliberate strategic pivot to optimize its business mix. HUB has proactively exited lower-margin segments, including certain areas within its IT Services and Cyber Consultancy divisions, in order to concentrate on its core, higher-value offerings. This realignment underscores HUB's commitment to enhancing profitability and building a more resilient foundation for sustainable long-term growth.
- Gross margin improved significantly to 25.6% in H2 2024, up from 15.4% in H2 2023. This improvement highlights the positive impact of HUB's strategic realignment toward higher-margin business segments. Despite a leaner revenue base, the Company's sharpened focus has enhanced overall profitability and established a stronger foundation for sustained financial performance going forward.
- Operating expenses for H2 2024 totaled \$14.7 million, a significant 29% reduction compared to \$20.9 million in H2 2023. This sharp reduction underscores management's disciplined approach to cost control and operational efficiency as HUB continues its transition toward a more focused, higher-margin business model.
- Operating loss in H2 2024 was \$11.1 million, a significant improvement of 38% compared to the prior year. This meaningful progress reflects the benefits of streamlined operations and a more efficient organizational structure, reinforcing the positive impact of the Company's strategic realignment.

Management Commentary

Noah Hershcoviz, CEO of HUB, had the following commentary on the Company's financial results:

We said we'd rebuild HUB on stronger ground - and this report shows we're doing exactly that. In 2024, we executed a focused strategic transformation, shifting away from non-core, lower-margin services to concentrate on our core strength: delivering secure, enterprise-grade data infrastructure for regulated industries. By doubling down on our Secured Data Fabric platform and modern data governance capabilities, we've reinforced our financial foundation, improved operational efficiency, and positioned HUB as a trusted partner for institutions navigating complex compliance and data management environments. These results confirm that our strategy is taking hold -and we remain committed to scaling profitably, expanding our client base, and creating lasting value for our shareholders

Our strategic expansion into the highly regulated banking sector is beginning to bear fruit. In March, we were selected by Cassa di Risparmio della Repubblica di San Marino S.p.A. to execute a comprehensive €20 million digital banking and infrastructure modernization initiative. In today's financial landscape, banks face a growing compliance burden with increasing demands for data protection, traceability, and transparency. Traditional data security solutions often fall short of these regulatory standards, and we see HUB leading the charge in delivering innovative, dependable solutions that help banks stay ahead of compliance challenges.

Momentum is also building across our base of other European clients driven by regulatory pressure, IT complexity, and rising compliance costs. A leading bank managing over €900 billion in assets deployed HUB's Secured Data Fabric to unify fragmented KYC and AML systems, consolidating sanctions screening and real-time monitoring across multiple business units. The solution is now fully operational, with invoicing already underway in 2025. This engagement exemplifies HUB's growing role as a trusted partner for secure, scalable data modernization across global financial institutions.

In recent months, we have enhanced our financial flexibility by resolving approximately \$17 million in legacy liabilities and secured new financing on favorable terms. In addition, we successfully executed a reverse stock split and believe we are now in full compliance with Nasdaq listing requirements, reinforcing our commitment to maintaining strong governance and positioning HUB for future growth.

We've learned from the Company's experience, and we're clear-eyed about what it takes to rebuild shareholder equity and long-term trust. We've put the past behind us, and through it all, we've continued to make the business world a safer, smarter place. Global institutions continue to rely on us, and we take that responsibility seriously. By aligning every part of the business around our Secured Data Fabric platform, we've created a focused, high-performance engine for scalable growth. This is no longer just a turnaround story, rather a reaffirmation of our ability to execute, deliver, and create lasting value for our clients, shareholders, and partners.

Secured Data Fabric: Innovation and Market Penetration

The Secured Data Fabric platform is the Company's primary growth engine. This cutting-edge technology consolidates data from multiple silos into a unified, secure system that enables clients to navigate vast data pools, ensure compliance, and protect sensitive information with advanced encryption.

HUB's solution stands apart from traditional data lake systems by securely retrieving data in real time. It offers a transformative approach that reduces costs and mitigates security vulnerabilities. This unique value proposition has driven strong demand, reflected in a significant increase in our backlog and a surge in RFPs from existing and new clients.

Leading financial institutions have already embraced HUB's platform, and the Company is seeing growing interest across various sectors, including healthcare, payment companies, transportation, travel tech, and other regulated industries. This broadening demand highlights the versatility of our solution in addressing critical challenges in data security and operational efficiency across diverse verticals.

With an expanding pipeline of opportunities and a proven ability to deliver tailored solutions at scale, HUB believes it is well-positioned for continued growth and to further establish itself as a trusted partner across industries.

Premier Professional Services: Stability, Trust, and Cross-Sell Opportunity

Our Premier Professional Services and Cyber Consultancy group remains a cornerstone of HUB's operations. This is a trusted advisor business -staffed by over 270 skilled professionals -that delivers ICT, software, and cyber defense solutions to some of the world's most sensitive environments. What makes this business powerful is its trust capital. Many of our client relationships go back decades-some as far as the early 1990s. These relationships are not just recurring-they are strategic. They give us privileged access, long-term visibility, and a platform to introduce our Secured Data Fabric into large, complex organizations. We believe this business not only underpins our cash flow but gives HUB a major competitive advantage in winning new software deployments within high-barrier sectors.

Building for the Future: Talent and Leadership

HUB has strengthened its leadership team with key appointments as part of our broader transformation efforts. In recent months, the Company has announced the appointment of John Rogers as President of the Americas Region, Renah Persofsky as Chairperson of the Board of Directors, and Shlomo Bibas as the newest member of our Board. These leaders bring the experience and execution focus required to support our expansion into new markets. Looking ahead, we intend to further scale our leadership bench by adding world-class talent to support our North American growth strategy in the coming months.

Filing of Annual Report on Form 20-F for the Year Ended December 31, 2024

A copy of the Company's annual report on Form 20-F for the year ended December 31, 2024 has been filed with the U.S. Securities and Exchange Commission at <https://www.sec.gov/> and posted on the Company's investor relations website at <https://investors.hubsecurity.com/>. The Company will deliver a hard copy of its annual report, including its complete audited consolidated financial statements, free of charge, to its shareholders upon request at info@hubsecurity.com.

Conference Call Details

Date and Time: Friday, May 2, 2025, at 10:00 am ET

Live Webcast Information: Interested parties can access the conference call via a live webcast, which is available in the Investor Relations section of the Company's website at [IR Website](#) or <https://app.webinar.net/zgyVQ43Yo5L>.

Replay: A webcast replay will be available in the Investor Relations section of the Company's website at [IR Website](#) or <https://app.webinar.net/zgyVQ43Yo5L>.

About HUB Cyber Security Ltd.

HUB Cyber Security Ltd ("HUB" or the "Company") was established in 2017 by veterans of the elite intelligence units of the Israeli Defense Forces. The Company specializes in unique cyber security solutions protecting sensitive commercial and government information. The Company debuted an advanced encrypted computing solution to prevent hostile intrusions at the hardware level while introducing a novel set of data theft prevention solutions. HUB operates in over 30 countries and provides innovative cybersecurity computing appliances and a wide range of cybersecurity services worldwide. Hub's Secured Data Fabric is a revolutionary product developed in partnership with its subsidiary, BlackSwan Technologies, that is emerging as a leader in highly secure data management and unification.

Forward-Looking Statements

This press release contains forward-looking statements for purposes of the safe harbor provisions under the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements are typically identified by words such as "plan," "believe," "expect," "anticipate," "intend," "outlook," "estimate," "future," "forecast," "project," "continue," "could," "may," "might," "possible," "potential," "predict," "seem," "should," "will," "would" and other similar words and expressions, but the absence of these words does not mean that a statement is not forward-looking.

The forward-looking statements are based on the current expectations of the management of HUB, as applicable, and are inherently subject to uncertainties and changes in circumstances and their potential effects and speak only as of the date of such statement. There can be no assurance that future developments will be those that have been anticipated. These forward-looking statements involve a number of risks, uncertainties, or other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. These risks and uncertainties include, but are not limited to, those discussed and identified in public filings made with the SEC by HUB

and the following: (i) significant uncertainty regarding the adequacy of HUB's liquidity and capital resources and its ability to repay its obligations as they become due; (ii) the war between Israel and Hamas commenced in October 2023, which may harm Israel's economy and HUB's business; (iii) expectations regarding HUB's strategies and future financial performance, including its future business plans or objectives, prospective performance and opportunities and competitors, revenues, products and services, pricing, operating expenses, market trends, liquidity, cash flows and uses of cash, capital expenditures, and HUB's ability to invest in growth initiatives and pursue acquisition opportunities; (iv) the outcome of any legal or regulatory proceedings against HUB in connection with our previously announced internal investigation or otherwise; (v) the ability to cure and meet stock exchange continued listing standards and remain listed on the Nasdaq; (vi) competition, the ability of HUB to grow and manage growth profitably, maintain relationships with customers and suppliers and retain its management and key employees; (vii) limited liquidity and trading of HUB's securities; (viii) geopolitical risk, including military action and related sanctions, and changes in applicable laws or regulations; (ix) the possibility that HUB may be adversely affected by other economic, business, and/or competitive factors; (i) other risks and uncertainties set forth in the sections entitled "Risk Factors" and "Cautionary Statement Regarding Forward-Looking Statements" in HUB's Annual Report on Form 20-F filed on May 1, 2025.

Should one or more of these risks or uncertainties materialize or should any of the assumptions made by the management of HUB prove incorrect, actual results may vary in material respects from those expressed or implied in these forward-looking statements.

All subsequent written and oral forward-looking statements concerning the business combination or other matters addressed in this press release and attributable to HUB or any person acting on its behalf are expressly qualified in their entirety by the cautionary statements contained or referred to in the press release. Except to the extent required by applicable law or regulation, HUB undertakes no obligation to update these forward-looking statements to reflect events or circumstances after the date of this press release to reflect the occurrence of unanticipated events.

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