

May  
2023

# Results Overview Q1.2023

# Forward looking statement

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The company is the **largest manufacturer in Europe** and one of the leaders in the world as production of wet wipes for the "**private label**" market



The company has **7 production sites** in the world in a wide layout that allows proximity to the customer

The company is a **vertical manufacturer** of wet wipes, and produces most of the non-woven fabric for itself, which accounts for about 60% of the product's cost



In 2017, the company operated a new **green production site** in Dimona. The site produces flushable and dispersible paper in accordance with the advanced European regulation



The company continues to **invest in innovation** in its variety of products in accordance with the needs of advanced customers



The company is the **largest manufacturer for USA** and one of the leaders in the world as production of **tampons** for the "private label" market

# New Operating Plan

- Focusing on **Wipes** core activity **Europe**
- Focusing on **Tampons** PL players in **USA**
- Dimona **Green** hybrid product Line
- Executing our **finance strength plan**

# Highlights

## Q1.2023 results vs. Last year (000 NIS)

**+16%**

### Sales

Sales in original currency +10%

**+16%**

### Operating Profit

Before others

**+6%**

### EBITDA

+19% inc. discontinued operation

**+4M**

### Net Profit

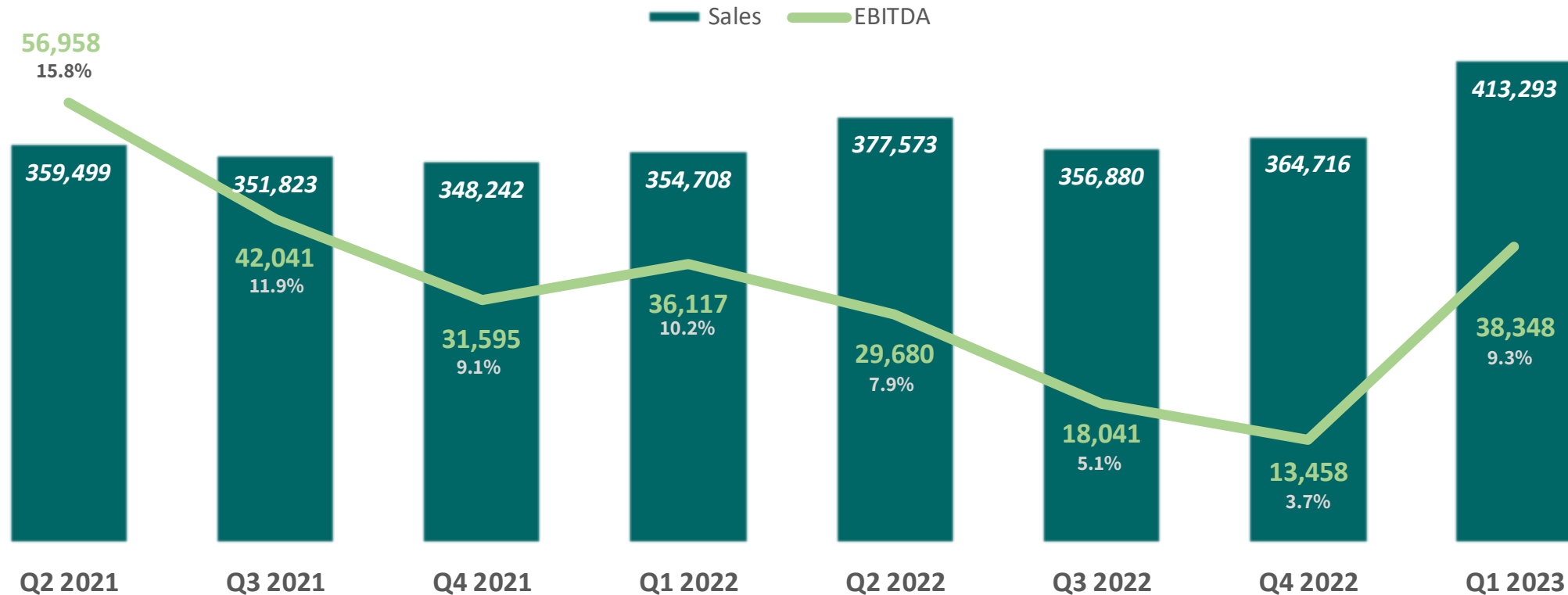
From negative to positive

	Q1 2023	Q1 2022	Var	Var %
<b>Sales</b>	<b>413,293</b>	<b>354,708</b>	↑ 58,585	16.5%
<b>EBIT</b>	<b>16,925</b>	<b>15,166</b>	↑ 1,759	11.6%
<b>EBIT (Before Others)</b>	<b>17,637</b>	<b>15,157</b>	↑ 2,480	16.4%
<b>EBITDA (Continued operation)</b>	<b>38,348</b>	<b>36,117</b>	↑ 2,231	6.2%
<b>EBITDA</b>	<b>33,444</b>	<b>28,084</b>	↑ 5,360	19.1%
<b>Net Profit (Continued operation)</b>	<b>6,950</b>	<b>7,436</b>	↓ -486	-6.5%
<b>Net Profit</b>	<b>1,419</b>	<b>(2,576)</b>	↑ 3,995	
<b>CF - Operating activities</b>	<b>34,144</b>	<b>(27,042)</b>	↑ 61,186	



# Sales and EBITDA\* trends 2021-2023

Quarterly basis (000 NIS)



# Sales and EBIT\* by Division

Q1.2023 VS. Last year (000 NIS)

	Sales				EBIT	
	Q1 2023	Q1 2022	Var %	Var % (Org.)	Q1 2023	Q1 2022
<b>Albaad Europe</b>	302,129	262,001	15.3%	9.0%	7,878	16,087
% from sales					2.6%	6.1%
<b>Albaad IL</b>	56,372	59,049	-4.5%	-7.0%	(1,408)	4,608
% from sales					(2.5%)	7.8%
<b>Albaad Fabric IL</b>	99,342	87,294	13.8%	7.5%	13,312	3,321
% from sales					13.4%	3.8%
<b>Albaad Fem IL</b>	67,384	45,775	47.2%	34.0%	9,636	(4,072)
% from sales					14.3%	(8.9%)
<b>Intercompany</b>	(111,934)	(99,411)			(5,979)	245
<b>HeadQuarter &amp; Others</b>					(5,802)	(5,032)
<b>Total Company</b>	413,293	354,708	16.5%	9.8%	17,637 *	15,157
% from sales					4.3%	4.3%
<b>Other Income/Expenses</b>					(712)	9
<b>Total Company</b>	413,293	354,708	16.5%	9.8%	16,925	15,166
% from sales					4.1%	4.3%

# Diverse Product Range

## Home Care

Wipes  
Disinfecting / All Purpose Cleaning /  
Windows / Floors / Furnitures / Automotive

## Hygiene

Wipes  
Moist Toilet Paper  
Consumer Healthcare  
Adult Care

## Baby Care

Wipes  
Based formulas:  
Aqua / Gel / Rich Lotion /  
Diaper Rash Cream / Bathing Wipes

## Cosmetics

Wipes  
Makeup Remover / Hydrating /  
Exfoliating (abrasive) / Anti-aging

## Fem. Care

Tampons, Wipes  
Tampons:  
Tampon with a plastic applicator  
Tampon without applicator  
Tampon with a paper applicator  
Intimate Wipes





# Albaad's Added Value



## Global deployment

- ✓ Avoid Supply chain disruption
- ✓ Back up plan in case of disruption in one of our facilities
- ✓ Sufficient capacity in case market needs fast growing
- ✓ Nonwoven Production – Albaad produces majority of its own nonwoven consumption



## Marketing

- ✓ Identify and adjust the needs of each customer
- ✓ Highly qualified team - well experienced with A brands needs
- ✓ Well informed on innovative raw materials (fabrics, laminate, Chemicals), products and customers trends worldwide



## R&D

- ✓ Well trained and highly educated R&D corporate's team – led by PhD.
- ✓ Focuses on innovation
- ✓ Expertise in all production chain – Fibers, Fabrics and End-Products

# Innovation & Future Growth

## Green product line in Dimona - the next generation

- In 2017, the company operated a **new production site in Dimona**.
- The site produces flushable and dispersible paper that is used as a basic material for moist toilet tissue products with the best washable quality.
- In July 2021, came into force the EU **directives of labeling of single-use products made of plastic (SUPD)**. This decision has consequences regarding the composition of raw materials in wipes, which the company estimates will increase the demand for fabrics produced in the planned production line in Dimona.
- Completion of another production line for green fabrics by the end of **2023**.
- The new line is a **hybrid line** that allows production in both paper technology and green non-woven technology.



# Our Sustainability Management

## Sustainable Supply Chain

Supply chain certifications in sites to promote production with sustainable raw materials.

**Hydrofine® is made of 100% pulp and fibers that come from sustainably-managed forests.**



## Investments in Sustainable Production Lines

Investments in plastic-free production lines in Dimona enable us to deliver products that are in line with emerging regulations and markets needs.





# Innovations & Future Growth



Carrefour  
Product Launch




Improving Hydrofine with  
Lenzing fibres



# Innovations & Future Growth

Sequel Partners with Albaad  
To Bring **Revolutionary  
Game-Changing Tampons**  
to Market



**SEQUEL™**  
SPIRAL™ TAMPONS

FEATURING **HELICAL GROOVES**

- MAKE THE FLOW PATH LONGER TO SLOW THE FLOW
- CAN CATCH ESCAPED FLUID
- DESIGNED TO BE MORE COMFORTABLE AND ABSORB MORE EVENLY
- PATENTED PRODUCT

CONTACT:  
GRETA@TRYSEQUEL.COM

PHOTO COURTESY OF:  
Albaad

Menu


**NONWOVENS**  
INDUSTRY

MAGAZINE NEWS EXCLUSIVES

BREAKING NEWS

## Sequel Partners with Albaad

Companies to bring leak-proof tampon to market in 2023



01.04.23

Sequel, a startup engineering better health and wellness experiences for women starting with a leakage-preventing tampon, is partnering with **Albaad**, one of the world's largest manufacturers of feminine hygiene products and wet wipes. With the support of Albaad Fem Division's production capabilities, Sequel will bring its first product to the feminine hygiene market in 2023.



# Finance strength plan – First phase completed

- Dec. 2022 Successful **Rights issue** of **48.3 MNIS** to Strengthen Albaad BS
- Mar. 2023 **Closing USA wipes activity**  
Receiving \$6M mainly for the inventory  
Stop losses in USA
- May 2023 Receiving **Bank waivers** for Q2 & Q3.2023
- Commitment to **work plan and Budget** that support our finance strength plan



# Balance Sheet

Q1.2023 vs. Last year (000K NIS)

			31.03.2023	% from total	31.12.2022	% from total
50M	Cash on hand	Cash and cash equivalents	50,358	3%	27,186	2%
		Trade Receivables	260,800	16%	254,547	16%
		Inventory	389,941	24%	393,313	25%
		Other Current Assets	45,836	3%	37,580	2%
		Total Current Assets	746,935	45%	712,626	45%
366M	Equity	Non Current Assets	896,424	55%	883,964	55%
		Total Assets	1,643,359	100%	1,596,590	100%
22%	Equity from total balance sheet	Credit banking & institutions	563,493 <sup>*</sup>	34%	538,805	34%
		Trade Payables	263,285	16%	252,518	16%
		Total Current Liabilities	950,753	58%	910,734	57%
		Total Long-Term Liabilities	326,041	20%	331,194	21%
		Equity	366,565	22%	354,662	22%
		Total liabilities	1,643,359	100%	1,596,590	100%

# Finance strength plan – Going forward

- Focus on company performance : **EBITDA Growth, Operating Cash Flow**
- **Sales & Lease Back** of Dimona facility
- **Jordan site** - continues to grow, becoming tampons' main packaging site
- Strive to meet **Banks Initial Covenants**



A conceptual image where a human hand is cupping a small green seedling with three leaves. The seedling is growing out of a mound of dark soil. The entire mound of soil is shaped like a lush green forest landscape with many small trees. The background is a soft-focus green field with sunlight filtering through.

**THANK YOU**