

August 2025

FINANCIAL RESULTS OVERVIEW Q2.2025



FORWARD LOOKING STATEMENT

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מה היה לנו הרבעון !

- תשלום אחרון בגין רכישת Optimal Care בסך 8.1 מ' יורו שמסתכם ל- 40.5 מ' יורו (24.3 מ' יורו מאי 2021 ברכישה, 8.1 מ' יורו מאי 2023, 8.1 מ' יורו מאי 2025)
- רבעון שיא בהכנסות 462 מ' ₪ צמיחה של 5%, אורגנית 4%
- פרויקט הגדלת כושר הייצור בתחום המגבונים באמצעות שיפור תהליכים ואופטימיזציה בין המפעלים, הייצור הכמותי בחציון גדל בכ-9%
- פרויקט שיפור תפוקות מפעל הבדים במשואות שהגדיל משמעותית את הרווחיות של חטיבת הבדים
- הטמעת מערכת ERP-SAP בספרד
- מציאת שוכר משנה חדש בתנאים משופרים למבנה השכור בארה"ב לכל אורך תקופת ההסכם המקורי



COMPANY HIGHLIGHTS

462 M

SALES

+5.1% vs. LY

Organic growth 3.8% vs. LY

33.7 M

EBIT*

-0.3% vs. LY

20.2 M

NET PROFIT**

+35.6% vs. LY

20.3%

GP MARGIN

-0.8% vs. LY

58.2 M

EBITDA**

+0.6% vs. LY

38.2 M

OPERATING CASH FLOW

Free Cash Flow 23.1M

HIGHLIGHTS

Q2.2025 Results VS. Last year (K NIS)

+5.1% **Sales**
Sales in original currency **+3.8%**

-0.3% **Operating Profit**
+1.1% including others

+0.6% **EBITDA**

+36% **Net Profit**
+64% inc. discontinued operation

	Q2 2025	Q2 2024	Var	Var %
Sales	462,323	440,017	↑ 22,306	5.1%
EBIT	34,769	34,396	↑ 373	1.1%
EBIT (Before Others)	33,687	33,790	↓ -103	-0.3%
EBITDA (Continued operation)	58,165	57,791	↑ 374	0.6%
Net Profit (Continued operation)	20,204	14,900	↑ 5,304	35.6%
Net Profit	25,067	15,247	↑ 9,820	64.4%

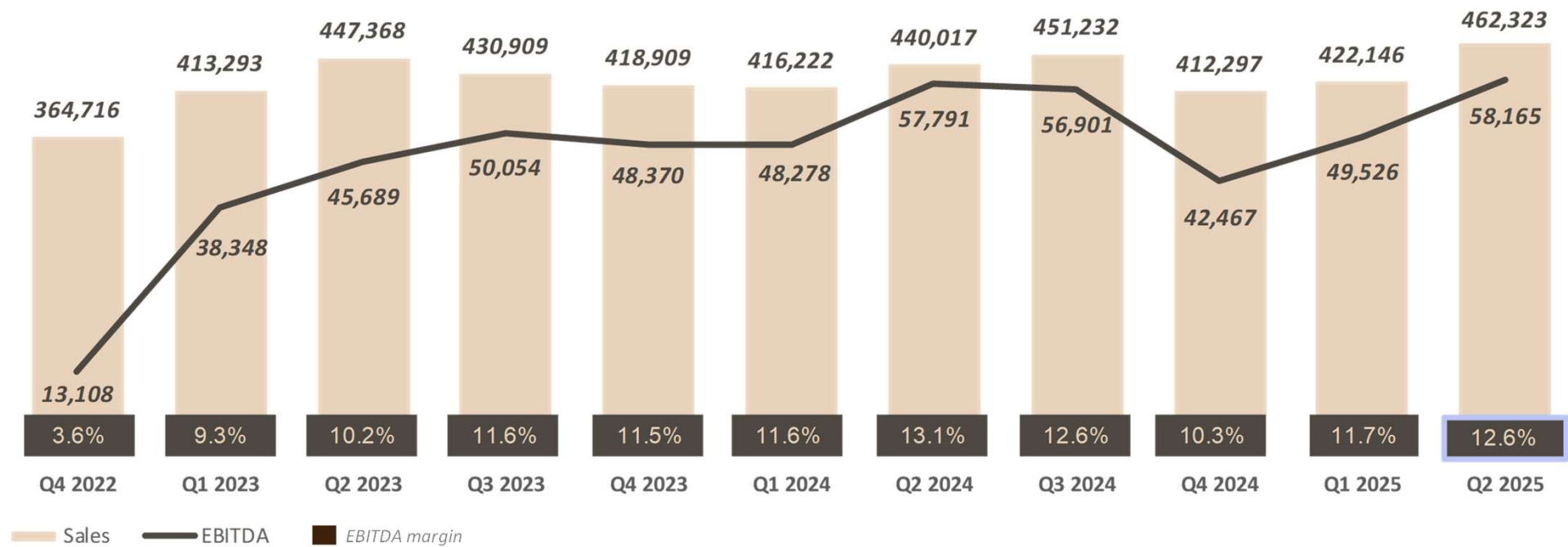
SALES & EBIT^{*} BY DIVISION

Q2.2025 Results VS. Last year (K NIS)

	Sales				EBIT	
	Q2 2025	Q2 2024	Var %	Var % (Org.)	Q2 2025	Q2 2024
Albaad Europe	367,461	348,597	5.4%	4.1%	23,442	30,688
% from sales					6.4%	8.8%
Albaad IL	66,992	55,216	21.3%	20.7%	1,965	3,128
% from sales					2.9%	5.7%
Albaad Fabric IL	97,125	82,760	17.4%	15.9%	17,649	3,547
% from sales					18.2%	4.3%
Albaad Fem IL	52,647	51,952	1.3%	4.8%	3,630	2,581
% from sales					6.9%	5.0%
Intercompany	(121,902)	(98,508)			(6,979)	(687)
HeadQuarter & Others					(6,020)	(5,467)
Total Company	462,323	440,017	5.1%	3.8%	33,687	33,790
% from sales					7.3%	7.7%
Other Income/Expenses					1,082	606
Total Company	462,323	440,017	5.1%	3.8%	34,769	34,396
% from sales					7.5%	7.8%

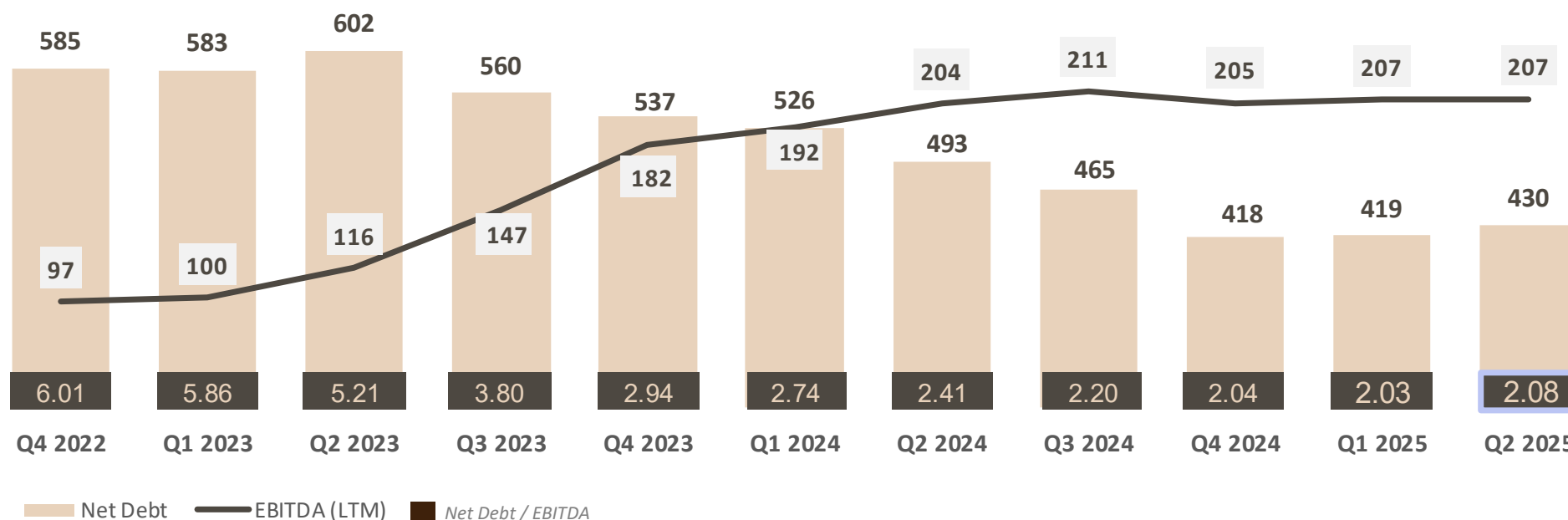
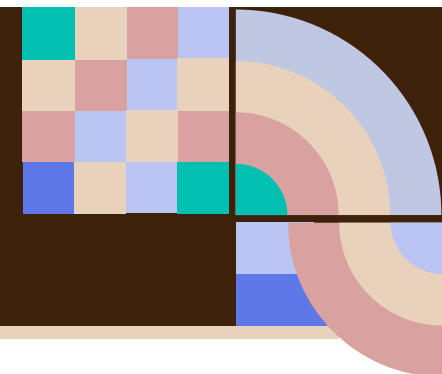
SALES & EBITDA* TRENDS 2023-2025

QUARTERLY BASIS (K NIS)



NET DEBT TO EBITDA* TRENDS 2023-2025

QUARTERLY BASIS (M NIS)



HIGHLIGHTS

H1.2025 Results VS. Last year (K NIS)

+3.3% **Sales**
Sales in original currency **+4.2%**

-1.1% **Operating Profit**
-0.3% including others

+1.5% **EBITDA**

+25% **Net Profit**
+21.9% inc. discontinued operation

	H1 2025	H1 2024	Var	Var %
Sales	884,469	856,239	↑ 28,230	3.3%
EBIT	59,963	60,151	↓ -188	-0.3%
EBIT (Before Others)	58,881	59,545	↓ -664	-1.1%
EBITDA (Continued operation)	107,691	106,069	↑ 1,622	1.5%
Net Profit (Continued operation)	30,545	24,412	↑ 6,133	25.1%
Net Profit	36,271	29,748	↑ 6,523	21.9%

SALES & EBIT* BY DIVISION

H1.2025 Results VS. Last year (K NIS)

	Sales				EBIT	
	H1 2025	H1 2024	Var %	Var % (Org.)	H1 2025	H1 2024
Albaad Europe	699,711	674,607	3.7%	5.3%	42,034	53,775
% from sales					6.0%	8.0%
Albaad IL	126,563	111,045	14.0%	14.6%	3,596	6,201
% from sales					2.8%	5.6%
Albaad Fabric IL	182,644	159,804	14.3%	16.0%	26,313	6,636
% from sales					14.4%	4.2%
Albaad Fem IL	100,847	101,088	(0.2%)	2.3%	5,587	3,873
% from sales					5.5%	3.8%
Intercompany	(225,296)	(190,305)			(6,701)	46
HeadQuarter & Others					(11,948)	(10,986)
Total Company	884,469	856,239	3.3%	4.2%	58,881	59,545
% from sales					6.7%	7.0%
Other Income/Expenses					1,082	606
Total Company	884,469	856,239	3.3%	4.2%	59,963	60,151
% from sales					6.8%	7.0%

BALANCE SHEET

AS OF 30.06.2025 VS. 31.12.2024 (K NIS)

9M

Cash on hand

430M

Net Debt

483M

Equity, Increased by 44m

31%

Equity from
total balance sheet

	30.06.2025	% from total	31.12.2024	% from total
Cash and cash equivalents	9,413	1%	25,158	2%
Trade Receivables	220,069	14%	219,046	15%
Inventory	357,732	23%	316,837	21%
Other Current Assets	42,612	3%	36,067	2%
Total Current Assets	629,826	41%	597,108	40%
Non Current Assets	914,697	59%	912,848	60%
Total Assets	1,544,523	100%	1,509,956	100%
Credit from banking & institutions	274,761	18%	286,592	19%
Trade Payables	234,165	15%	216,362	14%
Other Current Liabilities	141,026	9%	154,501	10%
Total Current Liabilities	649,952	42%	657,455	44%
Long-Term Loans from banks	164,870	11%	157,025	10%
Other Long-Term Liabilities	247,093	16%	258,109	17%
Total Long-Term Liabilities	411,963	27%	415,134	27%
Equity	482,608	31%	437,367	29%
Total liabilities	1,544,523	100%	1,509,956	100%

INNOVATION & FUTURE GROWTH

GREEN PRODUCT LINE IN DIMONA THE NEXT GENERATION

- **Green hybrid production line** that enables production in both paper technology and green non-woven technology
- The Hydrofine® Products from the new hybrid line will serve both flushable MTT wipes as well as traditional baby, cosmetic and cleaning wipes
- All Hydrofine® Products are made from 100% natural, plant based components
- Professional technicians are back on site finalizing the assembly. Commercial production is expected in 2026
- Approximately 176M NIS invested up to June 2025 from total budget of about 200M NIS



ESG FOCUS

- Achieved **Platinum rating** in Maala ESG Index
- **6th consecutive year** of high-tier recognition
- Reflects our **commitment to sustainable** business practices and demonstrates consistent excellence and improvement in:
 - 🌿 Environmental stewardship
 - 🤝 Social responsibility
 - 🏢 Corporate governance



Q2.2025 SUMMARY

Improvement in our result



Sales

original currency **+3.8%**



EBITDA⁽¹⁾



Net Profit⁽¹⁾

Maintaining positive performance for Q2.2025



*Operating
Cash Flow*



*Free⁽²⁾
Cash Flow*

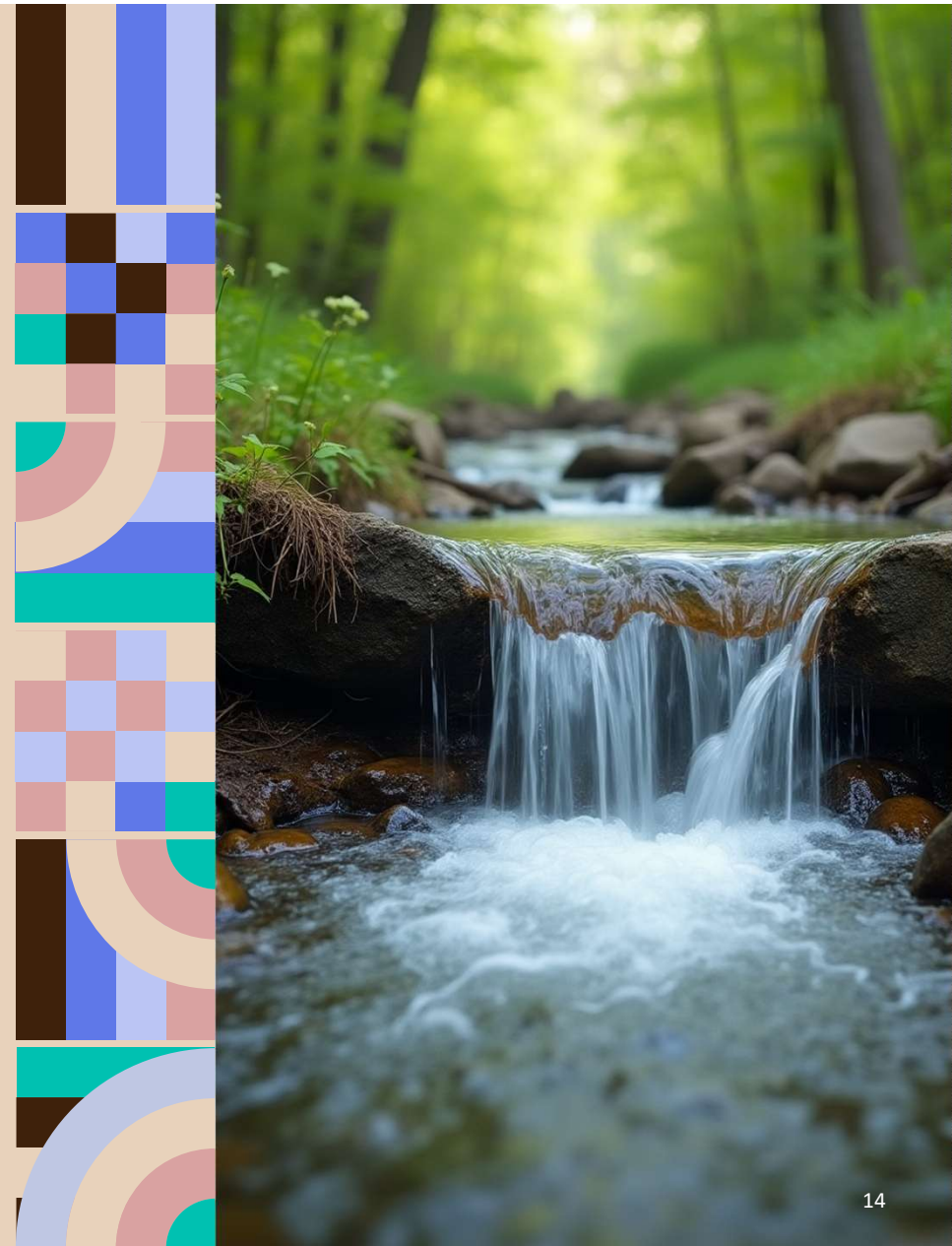


*Net Debt
To EBITDA*



(1) EBITDA & Net profit from continued operation

(2) FCF 23.1 M = Operating CF 38.2 M - Repayment of Liabilities for lease 5.2 M + Interest paid 6.9 M – CAPEX 16.8 M



פעולות אל מול אבני דרך בתוכנית הרב שנתית

מנועי צמיחה

(חדשנות ורכישות)

**הגדלת
כושר ייצור
ופתיחת שווקים**

**מיקוד בתפוקות
ועילות תפעולית**

יעילות בייצור, שיפור תהליכים
ואופטימיזציה רכש גלובלי

**מימוש תוכנית
הייצוב הפיננסי**

**הורדת יחס חוב ל-EBITDA
מ-6 ל-2**

■ **הגדלת כושר הייצור ושיפור ניצול ההזדמנויות בשוק**
השקעה במחסן ומכונות בסך של 5.7 מ' יורו באירופה (בעיקר בפולין)

■ **השלמת הקמת המפעל החדש בדימונה**
לקראת הפעלה מסחרית בשנת 2026

■ **תפעול ממוקד רווחיות**
שיפור היעילות התפעולית ואופטימיזציה של תהליכי הרכש

■ **תשלום דיבידנד**
של 20 מ' ₪ בתחילת אוקטובר

THANK YOU

