



Third Quarter Financial Results: Strauss Group concludes a strong quarter with an increase of 10% in Sales to NIS 3.3 billion and an increase of 43% in Net Income to NIS 146 million

The improvement in profitability came mainly from Coffee International, with the coffee JV in Brazil recording an increase of 27% in sales and of 171% in operating profit, with an operating margin of 11.3%; increase in market share in Israel¹

PETAH TIKVA, Israel, November 26, 2025 – Strauss Group Ltd. (TASE: STRS) reported its financial results for the third quarter and first nine months of 2025, that ended September 30, 2025.

Shai Babad, CEO and President of Strauss Group: "The Group is on a growth trajectory, demonstrating improvement in profitability and increase in market share across most key market segments. Alongside continued impressive growth in our international coffee business, led by the coffee JV in Brazil, we have reinforced our beloved brands in Israel through innovation. Last month we inaugurated Michael's Campus in the North of Israel, which includes a new plant-based dairy facility at an investment of approximately NIS 270 million—a strategic investment that creates jobs, develops the local economy, and brings innovative products to market. Additionally, we launched the new 'Tami4 Shabbat' water bars and introduced the Cow-Free category, representing groundbreaking innovation in the dairy alternatives space. Today, Strauss stands in a position of strength, with growth engines in Israel and abroad, and a solid foundation for continued progress in the coming years."

Quarterly Highlights²:

- **Strauss Group:** Significant sales growth reaching NIS 3.3 billion, up 9.6%, improved operating profit and margin, mainly from Coffee International in addition to implementation of productivity initiatives. Pro-forma growth reached 16.3%.
- **Strauss Israel:** Growth in sales and market share alongside decline in profit and margin, primarily in the Health & Wellness segment.
- **Coffee International:** Significant growth in sales and operating profit, mainly due to pricing in the coffee JV in Brazil. The coffee companies in Central Eastern Europe have established their position as # 2-3 player in the market.

¹ The data presented in this document are based on the company's Non-GAAP figures, which include the proportionate consolidation of jointly controlled entities and exclude the following: share-based payments; end-of-period mark-to-market valuations of open financial derivative positions used for commodity hedging; timing adjustments for gains and losses from commodity derivatives, which are deferred until the related inventory is sold to third parties; capital-based compensation; other net income/expenses; and the related tax effects, unless stated otherwise. All changes are in comparison with the corresponding period last year, unless stated otherwise.

² Q3-2025 and 9M-2025 results in this earnings release are presented in comparison to Q3-2024 and 9M-2024, respectively, unless otherwise stated.

- **Strauss Water:** Continued revenue growth alongside decline in profit and margin, mainly due to reduced profitability in Haier Strauss Water in China following intense competition.
- **Innovation and new launches:** Inauguration of Michael's Campus in the North of Israel, launch of Cow-Free and Tami4Shabbat.

Table 1. Financial Performance Summary (Non-GAAP) ⁽¹⁾:

NIS million	Q3-2025	Q3-2024	% Change	% Change excl. FX	9M-2025	9M-2024	% Change	% Change excl. FX
Group Sales	3,277	2,991	9.6%	13.2%	9,340	8,334	12.1%	16.4%
Gross Profit	960	911	5.3%	8.0%	2,609	2,626	-0.7%	2.1%
<i>Gross margin</i>	29.3%	30.5%			27.9%	31.5%		
EBIT	312	223	40.1%	43.2%	738	578	27.6%	29.9%
<i>EBIT margin</i>	9.5%	7.4%			7.9%	6.9%		
Net Income attributed to shareholders	146	102	42.7%	47.0%	299	344	-13.2%	-11.4%
<i>Net margin</i>	4.4%	3.4%			3.2%	4.1%		
EPS	1.25	0.88	42.6%	N.M.	2.56	2.95	-13.2%	N.M.
EBITDA	415	332	24.9%	27.5%	1,046	912	14.5%	16.5%
<i>EBITDA margin</i>	12.6%	11.1%			11.2%	10.9%		
Free Cash Flow	245	-98	N.M.	N.M.	-339	-495	31.5%	N.M.

(1) The data presented in this document are based on the company's non-GAAP figures, which include the proportionate consolidation of jointly controlled entities and exclude the following: share-based payments; end-of-period mark-to-market valuations of open financial derivative positions used for commodity hedging; timing adjustments for gains and losses from commodity derivatives, which are deferred until the related inventory is sold to third parties and/or the derivative is exercised; other net income and expenses; and the related tax effects, unless stated otherwise. All changes are in comparison with the corresponding period last year, unless stated otherwise.

(2) Comparative figures include the data for Sabra and Obela (based on 50%), which were sold during 2024.

(3) Including loss on cocoa derivative of NIS 49 million in Q1-25, NIS 27 million in Q2-24 and NIS 18 million in Q3-24.

Note: Financial data were rounded to the nearest NIS million. Percentages changes were calculated based on the exact figures in NIS thousands. The figures for total International Dips & Spreads were derived from the exact figures for Sabra and Obela, in NIS thousands.

Third Quarter 2025 Financial Highlights²:

- The Group's **sales** grew approximately 9.6% to NIS 3,277 million (13.2% excluding FX).
- **EBIT** increased approximately 40.1% to NIS 312 million, representing 9.5% of sales, in comparison to NIS 223 million, 7.4% of sales.
- **Net income** attributed to shareholders increased approximately 42.7% to NIS 146 million, 4.4% of sales, in comparison to NIS 102 million, 3.4% of sales.
- **Free cash flow** of NIS 245 million, compared to negative free cash flow of NIS 98 million.

First Nine Months 2025 Financial Highlights²:

- The Group's **sales** grew approximately 12.1% to NIS 9.3 billion (16.4% excluding FX).
- **EBIT** increased approximately 27.6% to NIS 738 million, representing 7.9% of sales, compared to NIS 578 million, 6.9% of sales.
- **Net income** attributed to shareholders decreased approximately 13.2% to NIS 299 million, representing 3.2% of sales, compared to NIS 344 million, 4.1% of sales.
- **Negative free cash flow** of NIS 339 million, in comparison to negative free cash flow of NIS 495 million.

Segment Q3 & 9M Financial Highlights

Table 2. Sales Summary by Operating Segment (Non-GAAP) ⁽¹⁾:

NIS million	Q3-2025	Q3-2024	% Change	9M-2025	9M-2024	% Change
Strauss Israel	1,407	1,371	2.7%	4,122	3,892	5.9%
Health & Wellness	821	827	-0.6%	2,369	2,312	2.5%
Fun & Indulgence (Snacks and sweets) ⁽²⁾	365	323	12.9%	1060	955	11.0%
Fun & Indulgence (Coffee Israel)	221	221	-0.2%	693	625	10.8%
Strauss International Coffee ⁽²⁾	1,636	1,259	30.0%	4,560	3,418	33.4%
Strauss Water	234	224	4.1%	658	627	4.9%
Other ⁽³⁾	0	137	N.M.	-	397	N.M.

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(2) Fun & Indulgence (Snacks and Confectionery) figures include Strauss's 50% interest in the salty snacks business. International Coffee figures include Strauss's 50% interest in the Três Corações joint venture (3C) in Brazil (a company jointly held by the Group (50%) and by the local São Miguel Group (50%)).

(3) Comparative figures include the data for Sabra and Obela (based on 50%), which were sold during 2024.

Note: Financial data were rounded to the nearest NIS million. Percentages changes were calculated based on the exact figures in NIS thousands. The figures for total International Dips & Spreads were derived from the exact figures for Sabra and Obela, in NIS thousands.

Table 3. Operating Profit Summary by Operating Segment (Non-GAAP)⁽¹⁾:

NIS million	Q3-2025	Q3-2024	% Change	% Change excl. FX	9M-2025	9M-2024	% Change	% Change excl. FX
Group EBIT	312	223	40.1%	43.2%	738	578	27.6%	29.9%
<i>EBIT margin</i>	9.5%	7.4%			7.9%	6.9%		
Strauss Israel	146	158	-7.7%	N.M.	394	408	-3.5%	N.M.
<i>EBIT margin</i>	10.4%	11.5%			9.6%	10.5%		
Health & Wellness	101	120	-15.5%	N.M.	302	286	5.7%	N.M.
<i>EBIT margin</i>	12.4%	14.5%			12.8%	12.4%		
Fun & Indulgence (Snacks and sweets) ⁽²⁾⁽⁴⁾	15	9	61.7%	N.M.	0	39	N.M.	N.M.
<i>EBIT margin</i>	4.0%	2.8%			0.0%	4.1%		
Fun & Indulgence (Coffee Israel)	30	29	4.3%	N.M.	92	83	11.5%	N.M.
<i>EBIT margin</i>	13.5%	12.9%			13.3%	13.2%		
Strauss International Coffee ⁽²⁾	163	68	139.8%	N.M.	320	167	91.3%	N.M.
<i>EBIT margin</i>	9.9%	5.4%			7.0%	4.9%		
Strauss Water ⁽²⁾	23	26	-11.5%	N.M.	75	75	0.1%	N.M.
<i>EBIT margin</i>	9.8%	11.6%			11.4%	11.9%		
Other ⁽³⁾	-20	-29	-31.4%	N.M.	-51	-72	-28.9%	N.M.

(1) The data presented in this document are based on the company's non-GAAP figures, which include the proportionate consolidation of jointly controlled entities and exclude the following: share-based payments; end-of-period mark-to-market valuations of open financial derivative positions used for commodity hedging; timing adjustments for gains and losses from commodity derivatives, which are deferred until the related inventory is sold to third parties and/or the derivative is exercised; other net income and expenses; and the related tax effects, unless stated otherwise. All changes are in comparison with the corresponding period last year, unless stated otherwise.

(2) Fun & Indulgence (Snacks and Confectionery) figures include Strauss's 50% interest in the salty snacks business. International Coffee figures include Strauss's 50% interest in the Três Corações joint venture (3C) in Brazil (a company jointly held by the Group (50%) and by the local São Miguel Group (50%)). Strauss Water EBIT figures include Strauss's interest in Haier Strauss Water (HSW) in China (49%).

(3) Comparative figures include the data for Sabra and Obela (based on 50%), which were sold during 2024.

(4) Including loss on cocoa derivative of NIS 49 million in Q1-25, NIS 27 million in Q2-24 and NIS 18 million in Q3-24.

Note: Financial data were rounded to the nearest NIS million. Percentages changes were calculated based on the exact figures in NIS thousands. The figures for total International Dips & Spreads were derived from the exact figures for Sabra and Obela, in NIS thousands.

Strauss Israel

- **Strauss Israel** sales in Q3-2025 reached NIS 1.41 billion, up 2.7%. **EBIT** decreased by 7.7% to NIS 146 million (10.4% margin). In 9M-2025 sales increased by 5.9% to NIS 4.12 billion and **EBIT** decreased by 3.5% to NIS 394 million (9.6% margin). The increase in sales was mainly attributed to higher pricing and volumes, partially offset by divestment of the Coffee-to-Go and Ultra Fresh businesses and negative sales mix in Q3-25. Lower EBIT was mainly due to raw material cost inflation.

The Group realized non-recurring loss on cocoa derivatives amounting to NIS 49 million in Q1-2025 and in 9M-2025, NIS 18 million in Q3-2024, and NIS 44 million in 9M-2024. Excluding these losses, Strauss Israel EBIT would have totaled NIS 176 million (12.8% margin) for Q3-2024 and NIS 443 million (10.8% margin) in 9M-2025 and NIS 453 million (11.6% margin) in 9M-2024.

- **Health & Wellness segment** sales in Q3-2025 reached NIS 821 million, down 0.6%, while the segment's EBIT decreased by 15.5% to NIS 101 million (12.4% margin). In 9M-2025 sales reached NIS 2.4 billion, up 2.5%, while the segment's EBIT increased by 5.7%, reaching NIS 302 million (12.8% margin). Sales were supported by higher volume and improved mix in 9M-2025. The lower EBIT and EBIT margin in Q3-2025 vs. Q3-2024 were mainly due to increased marketing efforts, divestment of the Ultra Fresh activity as well as one-off expenses related to quality assurance and food safety, while the improvement in 9M-2025 EBIT was mainly a result of sales growth and productivity measures.
- **Fun & Indulgence (F&I) – Snacks and Confectionery segment** sales in Q3-2025 reached NIS 365 million, up 12.9%, while the segment's EBIT increased by 61.7% to NIS 15 million (4.0% margin). In 9M-2025 sales reached NIS 1.1 billion, up 11.0%, with break-even EBIT. Sales in Q3-2025 were supported mainly by higher prices and slightly higher volumes, while sales in 9M-2025 reflected higher prices and volumes. Both in Q3-2025 and in 9M-2025 EBIT was impacted by higher cocoa costs.

Excluding losses on cocoa derivative, as noted above, F&I EBIT would have totaled NIS 27 million (8.4% margin) in Q3-2024, NIS 49 million (4.6% margin) in 9M-2025 and NIS 84 million (8.8% margin) in 9M-2024.

Fun & Indulgence – Israel Coffee segment sales in Q3-2025 reached NIS 221 million, down 0.2%, while the segment's EBIT increased by 4.3% to NIS 30 million (13.5% margin). Sales in 9M-2025 reached NIS 693 million, up 10.8%, y-o-y, with the segment's EBIT increasing by 11.5% to NIS 92 million (13.3% margin). Sales in Q3-2025 reflected the divestment of Coffee-to-Go and lower volumes. 9M-2025 sales reflected higher pricing and volumes. EBIT was supported by pricing, which partially offset higher green coffee costs.

Strauss Coffee International

- **Strauss Coffee International** sales in Q3-2025 reached NIS 1.6 billion, up 30.0%, and EBIT increased by 139.8%, reaching NIS 163 million (9.9% margin). Sales in 9M-2025 reached NIS 4.6 billion, up 33.4%, EBIT increased by 91.3% to NIS 320 million (7.0% margin). Sales increased primarily due to higher pricing, while improving market share in most geographies. EBIT reflected higher pricing together with operational efficiencies.
- **Três Corações** (JV in 50% terms) Q3-2025 sales reached NIS 1.1 billion, up 26.9%, while EBIT increased by 171.2% to NIS 129 million (11.3% margin). 9M-2025 sales reached NIS 3.3 billion, up 36.9%, y-o-y, while EBIT increased by 149.7% to NIS 247 million (7.5% margin).

Sales increased primarily due to higher pricing and total volumes. EBIT reflected higher pricing together with operational efficiencies for the 9M-2025 period.

- **Central Eastern Europe (CEE)**³ sales in Q3-2025 reached NIS 504 million, an increase of 38.1%, moderated by the impact of exchange rates. Sales in 9M-2025 reached NIS 1.3 billion, an increase of 32.5%. Sales were primarily supported by higher pricing and higher volumes mainly in Poland, where Strauss established #2 market position, leading the beans segment.

Strauss Water

- **Strauss Water** Q3-2025 sales reached NIS 234 million, up 4.1%. EBIT was down 11.5% to NIS 23 million (9.8% margin). 9M-2025 sales were up 4.9% y-o-y, reaching NIS 658 million. EBIT was stable at NIS 75 million (11.4% margin). Sales were supported by higher install base and higher Israel & UK sales and improved mix. EBIT was impacted by lower net income in Haier Strauss Water, despite implementation of productivity initiatives.
- **Haier Strauss Water** Q3-2025 sales (in 100% terms) reached NIS 216 million, up 1.6%, and reached net income of NIS 16 million, down 42.8%, y-o-y. 9M-2025 sales reached NIS 679 million, up 3.1%, and reached net income of NIS 67 million, down 16.7%. Sales increased 13.2% in Q3-2025 and 9.3% in 9M-2025 in local currency while net income was lower due to intense competition and efforts to preserve and expand market share through promotions, marketing and R&D to diversify the product portfolio.

³ CEE – Poland, Romania, Ukraine, Russia

Webinar Earnings Call

On Wednesday, November 26th, 2025, at 14:00 Israel time/12:00 UK time/7:00 a.m. ET, Strauss Group will host a webinar earnings call in Hebrew to review the financial statements of the company. The webinar will be hosted by the company's management.

To participate in the webinar please use the following link:

https://us02web.zoom.us/webinar/register/WN_vQPMf1O5Q2gcQB6MITmQaA

Webinar ID: 832 6800 6951

In addition, on Wednesday, November 26th, 2025, at 15:30 Israel time/13:30 UK time/8:30 a.m. ET, Strauss Group will host a webinar earnings call in English to review the financial statements of the company. The webinar will be hosted by the company's management.

To participate in the webinar please use the following link:

https://us02web.zoom.us/webinar/register/WN_OR5ejEHyQiubHizKjLiXw

Webinar ID: 832 8565 5336

Questions for the questions and answers session may be submitted (up to 2 hours) in advance to:

ir@strauss-group.com

Management's review will be accompanied by a presentation which will be available on the Investor Relations section of our website on Wednesday, November 26th, 2025.

<https://ir.strauss-group.com/>

Likewise, Strauss Group's Q3 & 9M-2025 earnings press release and financial statements will be available on the Company's website.

<https://ir.strauss-group.com/>

A recording of the webinar will be available on the company's website shortly following the webinar.

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GAAP to Non-GAAP Reconciliations

In addition to reporting financial results in accordance with generally accepted accounting principles (GAAP), the Company provides Non-GAAP operating results which include the results of jointly controlled entities as if they were proportionately consolidated. Strauss Group has a number of jointly controlled companies: the Três Corações joint venture (3C) - Brazil (a company jointly held by Strauss Group (50%) and by the São Miguel Group (50%) in Brazil), Strauss Frito-Lay Ltd. (a 50%/50% JV with PepsiCo Frito-Lay in Israel) and until the completion of the sale in December 2024, Sabra Dipping Company (a 50%/50% JV with PepsiCo in the U.S. and Canada) ("Sabra"), and PepsiCo Strauss Fresh Dips & Spreads International⁽¹⁾ (a 50%/50% JV with PepsiCo outside the U.S. and Canada) ("Obela"). For more information on this sale, please refer to the Description of the Company's Business Report for 2024, section 11.1.

In addition, Non-GAAP figures exclude any share-based payments, mark to market of commodity hedging transactions as at end-of-period, other expenses or income and taxes referring to these adjustments.

Company Management believes that these measures provide investors with transparency by helping to illustrate the underlying financial and business trends relating to the Company's results of operations and financial position and comparability between current and prior periods. Management uses these measures to establish and monitor budgets and operational goals and to evaluate the performance of the Company. Please see the GAAP to Non-GAAP reconciliation tables in the Company's MD&A Report for a full reconciliation of the Company's GAAP to Non-GAAP results.

Table 4: Key financial data, based on the company's managerial (non-GAAP) reports⁽¹⁾:

NIS million	Q3-2025	Q3-2024	% Change	% Change excl. FX	9M-2025	9M-2024	% Change	% Change excl. FX
Total Group Sales	3,277	2,991	9.6%	13.2%	9,340	8,334	12.1%	16.4%
Gross Profit	960	911	5.3%	8.0%	2,609	2,626	-0.7%	2.1%
<i>Gross margin</i>	29.3%	30.5%			27.9%	31.5%		
EBIT	312	223	40.1%	43.2%	738	578	27.6%	29.9%
<i>EBIT margin</i>	9.5%	7.4%			7.9%	6.9%		
Net Income Attributed to shareholders	146	102	42.7%	47.0%	299	344	-13.2%	-11.4%
<i>Net margin</i>	4.4%	3.4%			3.2%	4.1%		
EPS (NIS)	1.25	0.88	42.6%	N.M.	2.56	2.95	-13.2%	N.M.
EBITDA	415	332	24.9%	27.5%	1,046	912	14.5%	16.5%
<i>EBITDA margin</i>	12.6%	11.1%			11.2%	10.9%		
Operating Cash Flow	367	60	511.7%	N.M.	71	-41	N.M.	N.M.
Capex, Net	-122	-158	-22.8%	N.M.	-410	-454	-9.7%	N.M.
Free Cash Flow	245	-98	N.M.	N.M.	-339	-495	31.5%	N.M.
Net debt	2,767	3,286	-15.8%	N.M.	2,767	3,286	-15.8%	N.M.
Net debt / EBITDA	2.1	2.7			2.1	2.7		

Table 5: Key financial data, based on the company's GAAP reports:

NIS million	Q3-2025	Q3-2024	% Change	9M-2025	9M-2024	% Change
Total Group Sales	2,054	1,873	9.7%	5,816	5,300	9.7%
Gross Profit	647	653	-0.9%	1,842	1,801	2.3%
<i>Gross margin</i>	<i>31.5%</i>	<i>34.9%</i>		<i>31.7%</i>	<i>34.0%</i>	
EBIT	268	216	23.5%	641	484	32.3%
<i>EBIT margin</i>	<i>13.0%</i>	<i>11.6%</i>		<i>11.0%</i>	<i>9.1%</i>	
Net Income Attributed to the Company's Shareholders	127	99	28.0%	277	232	19.3%
<i>Net margin</i>	<i>6.2%</i>	<i>5.3%</i>		<i>4.8%</i>	<i>4.4%</i>	
EPS (NIS)	1.09	0.85	28.2%	2.38	1.99	19.6%
EBITDA	356	304	17.1%	905	754	20.0%
<i>EBITDA margin</i>	<i>17.3%</i>	<i>16.2%</i>		<i>15.6%</i>	<i>14.2%</i>	
Operating Cash Flow	165	180	-8.3%	92	339	-72.9%
Capex, Net	-102	-132	-22.7%	-277	-281	-1.4%
Free Cash Flow	63	48	31.3%	-264	-34	676.5%
Net debt	2,349	2,551	-7.9%	2,349	2,551	-7.9%
Net debt / EBITDA	2.1	2.5		2.1	2.5	

Forward Looking Statement Disclaimer

This press release does not constitute an offering to purchase or sell securities of Strauss Group Ltd. (the "Company") or an offer for the receipt of such offerings. The press release's sole purpose is to provide information. The Information provided in the press release concerning the analysis of the Company's activity is only an extract, and in order to receive a complete picture of the Company's activity and the risks it faces, one should review the Company's reports to the Israel Securities Authority and the Tel Aviv Stock Exchange .

The press release may contain forward-looking statements as defined in the Israeli Securities Law, 5728-1968. All forward-looking statements in this press release are made based on the Company's current expectations, evaluations and forecasts, and actual results may differ materially from those anticipated, in whole or in part, as a result of different factors including, but not limited to, changes in market conditions and in the competitive and business environment, regulatory changes, currency fluctuations or the occurrence of one or more of the Company's risk factors. In addition, forward-looking forecasts and evaluations are based on information in the Company's possession while preparing the press release. The Company does not undertake any obligation to update forward-looking forecasts and evaluations made herein to reflect events and/or circumstances that may occur after this press release was prepared.