Strauss Group Reports Q2 & H1-2026 Financial Results:[1] Solid operating income growth to NIS 363 million, up 42%; Net profit doubled to NIS 195 million

Key Financial Highlights – Q2-2026[2]

- Strauss Group revenues of NIS 2,867 million, down 1.9% on a LFL basis.[3]
- EBIT of NIS 363 million, up 41.9% (EBIT margin of 12.6%), compared with NIS 255 million (8.3% margin).
- Net Income attributable to shareholders of NIS 195 million, up 113.3%, compared with NIS 90 million.
- Positive free cash flow of NIS 150 million, compared with negative free cash flow of NIS 89 million.
- Strauss Israel and Coffee International delivered strong, double-digit EBIT growth
- Midroog maintained Strauss Group's Aa1.il rating and "Stable" outlook
- Strauss Group declared a semi-annual dividend of NIS 180 million, or approx. NIS 1.54 per share, to be paid on September 3rd, 2026.

PETAH TIKVA, Israel, August 12, 2026 – Strauss Group Ltd. (TASE: STRS) reported its financial results for the second quarter and first half of 2026, that ended on June 30th, 2026 with a substantial improvement in profitability, free cash flow and continued business momentum.

Shai Babad, President and CEO of Strauss Group, stated:

“The quarter's results are a testament to Strauss's resilience and the quality of our execution. Even in a complex business environment we have been able to significantly improve profitability, while continuing to invest in our brands, innovation, and capabilities that will drive our growth in the years to come. This is not a one-quarter move but the result of a clear path, disciplined execution and focus on activities in which we have a real advantage. I am proud of Strauss' thousands of employees in

1 The data presented in this document is based on the company’s Non-GAAP figures, which include the proportionate consolidation of jointly-controlled entities and exclude the following: share-based compensation; 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; other net income/expenses; and the related tax effects, unless stated otherwise.

2 Q2-2026 and H1-2026 results in this earnings release are presented in comparison to Q2-2025 and H1-2025, respectively, unless otherwise stated.

3 LFL (like-for-like) – Excluding translational impact of converting local currency of international JVs and subsidiaries into the Group's reporting currency (NIS).

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Israel, around the world as well as in our JVs. Thanks to their professionalism, commitment and dedication, we continue to lead, grow and create value for all our stakeholders."

Table 1: Key financial data, based on the Company's Non-GAAP reports:(1, 2, 3)

NIS million	H1-2026	H1-2025	% Change	% Change excl. FX	Q2-2026	Q2-2025	Change %	Change % excl. FX
Group Sales	5,868	6,063	-3.2%	0.3%	2,867	3,073	-6.7%	-1.9%
Gross Profit	1,943	1,649	17.9%	20.9%	986	868	13.6%	17.6%
Gross margin	*33.1%*	*27.2%*			*34.4%*	*28.3%*		
EBIT	679	444	52.9%	57.5%	363	255	41.9%	47.3%
EBIT margin	*11.6%*	*7.3%*			*12.6%*	*8.3%*		
Net Income Attributable to Shareholders	376	171	119.3%	131.3%	195	90	113.3%	129.7%
Net margin	*6.4%*	*2.8%*			*6.8%*	*3.0%*		
EPS (NIS)	3.21	1.47	118.4%		1.65	0.78	112.3%	
EBITDA	895	649	37.9%	41.6%	472	359	31.7%	36.4%
EBITDA margin	*15.2%*	*10.7%*			*16.4%*	*11.7%*		
Operating Cash Flow	366	-296	*N.M.*		265	51	*419.6%*	
Capex, Net	-262	-288	*-9.0%*		-115	-140	*-17.9%*	
Free Cash Flow	104	-584	*N.M.*		150	-89	*N.M.*	
Net debt	2,504	2,966	*-15.6%*		2,504	2,966	*-52.2%*	
Net debt / EBITDA	1.5	2.4			1.5	2.4		

Note: financial figures have been rounded to NIS millions. Percentage changes were calculated based on exact figures in thousands of NIS.

(1) As of Q1-2026, management determined that The Kitchen Hub incubator is no longer a reportable activity and has been excluded from Non-GAAP reporting. Comparative figures were restated by approx. NIS 18 million for H1-2026.
(2) Including loss on cocoa derivative of NIS 49 million in Q1-2025.
(3) Including insurance income of NIS 27 million in Q2-2026.

Strauss Group Financial Highlights – Q2-2026:

- Strauss Group's revenues of NIS 2,867 million, down 6.7%, or 1.9% on a LFL basis.[4]
- Strauss Group's EBIT of NIS 363 million, up 41.9% (EBIT margin of 12.6%). Excluding one-time insurance income of NIS 27 million, EBIT reached NIS 336 million (EBIT margin of 11.7%).
- Net profit attributable to shareholders of NIS 195 million, up 113.3% (Net margin of 6.8%).

[4] LFL (like-for-like) – Excluding translational impact of converting local currency of international JVs and subsidiaries into the Group's reporting currency (NIS).

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- Positive free cash flow of NIS 150 million vs. negative free cash flow of NIS 89 million.

Strauss Group Financial Highlights – H1-2026:

- Strauss Group revenues of NIS 5,868 million, down 3.2%, or up 0.3% on a LFL basis.[5]
- Strauss Group EBIT of NIS 679 million, up 52.9% (EBIT margin of 11.6%). Excluding one-time insurance income of NIS 27 million, EBIT reached NIS 652 million (EBIT margin of 11.1%).
- Net profit attributable to shareholders of NIS 376 million, up 119.3% (Net margin of 6.4%).
- Positive free cash flow of NIS 104 million vs. negative free cash flow of NIS 584 million.

Business Segment Performance

Strauss Israel

- Q2-2026 revenues of NIS 1,300 million, down 1.5%. Excluding the divested activity of Coffee-To-Go (Elite Coffee retail chain), sales remained unchanged. Q2-2026 EBIT of NIS 198 million, up 46% (EBIT margin of 15.2%). Excluding one-time insurance income of NIS 27 million, EBIT reached NIS 171 million (EBIT margin of 13.2%).
- H1-2026 revenues of NIS 2,759 million, up 1.6%. EBIT of NIS 373 million, up 50.5% (EBIT margin of 13.5%). Excluding one-time income from insurance, EBIT reached NIS 346 million (EBIT margin of 12.5%).
- **Health & Wellness**
  - Q2-2026 stable revenues of NIS 804 million, and EBIT of NIS 117 million, up 4.3% (EBIT margin of 14.6%).
  - H1-2026 revenues of NIS 1,579 million, up 2.1%, and EBIT of NIS 207 million, up 3.3% (EBIT margin of 13.1%).
- **Fun & Indulgence (Snacks & Confectionery)**
  - Q2-2026 revenues of NIS 306 million, up 1.8%, and EBIT of NIS 52 million (EBIT margin of 16.7%) vs. break-even in Q2-2025. Excluding one-time insurance income of NIS 27 million, EBIT reached NIS 25 million (EBIT margin of 8.2%).
  - H1-2026 revenues of NIS 734 million, up 5.6%, and EBIT of NIS 92 million (EBIT margin of 12.5%) vs. negative EBIT of NIS 15 million in H1-2025. Excluding one-time insurance income of NIS 27 million, EBIT reached NIS 65 million (EBIT margin of 8.8%).
- **Fun & Indulgence (Coffee Israel)**
  - Q2-2026 revenues of NIS 190 million, down 11.1%, or 3.1% excluding the divested Coffee-To-Go business, and EBIT of NIS 29 million, up 35.0% (EBIT margin of 15.4%).
  - H1-2026 revenues of NIS 446 million, down 5.6% or up 3.5% excluding Coffee-To-Go, and EBIT of NIS 74 million, up 18.5% (EBIT margin of 16.6%).

[5] LFL (like-for-like) – Excluding translational impact of converting local currency of international JVs and subsidiaries into the Group's reporting currency (NIS).

Coffee International

- Q2-2026 revenues of NIS 1,334 million, down 13.1% mainly driven by negative FX translation due to the stronger shekel, as well as lower selling prices in *3corações* following the decline in green coffee prices.[6] LFL revenues declined 3.9%. Q2-2026 EBIT of NIS 148 million, up 44.3% (EBIT margin of 11.1%).
- H1-2026 revenues of NIS 2,656 million, down 9.1% of 2.2% on a LFL basis, and EBIT of NIS 280 million, up 78.2% (EBIT margin of 10.5%).
- ***3corações*** (50% share)
    - Q2-2026 revenues of NIS 945 million, down 15.0% or 8.2% on a LFL basis, driven by lower selling prices partially offset by volume growth in R&G segment. Q2-2026 EBIT of approx. NIS 110 million, up ~25.0% (EBIT margin of 11.6%).
    - H1-2026 revenues of NIS 1,856, down 12.4% or 7.1% on a LFL basis, and EBIT of approx. NIS 202 million, up 71.2% (EBIT margin of 10.8%).
- **Central and Eastern Europe (CEE)** (Poland, Romania, Russia and Ukraine)
    - Q2-2026 revenues of NIS 389m, down 8.3% or up 6.4% on a LFL basis.
    - H1-2026 flat revenues of NIS 800 million, or up 11.0% on a LFL basis.

Strauss Water

- Q2-2026 revenues of NIS 233 million, up 7.1%, and EBIT of NIS 28 million, up 4.9% (EBIT margin of 11.8%).
- H1-2026 revenues of NIS 453 million, up 6.8%, and EBIT of NIS 45 million, down 13.9% (EBIT margin of 9.9%) mainly due to the impact of the war in Israel in Q1-2026.
- **Haier Strauss Water** (49%-owned JV with Haier) (100% in NIS)
    - Q2-2026 revenues of NIS 213 million, down 9.8% or up 2.6% on a LFL basis. Net profit of NIS 15 million, down 26.8% or 14.3% on a LFL basis.
    - H1-2026 revenues of NIS 439 million, down 5.2% or up 5.8% on a LFL basis. Net profit of NIS 40 million, down 21.8% or 12.4% on a LFL basis.

[6] *3corações* – Três Corações is a joint venture in Brazil jointly held by Strauss Coffee B.V. (50%) and São Miguel Group (50%).

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

NIS million	H1-2026	H1-2025	% Change	% Change excl. FX	Q2-2026	Q2-2025	% Change	% Change excl. FX
Group Sales	5,868	6,063	*-3.2%*	*0.3%*	2,867	3,073	-6.7%	-1.9%
Strauss Israel	2,759	2,715	*1.6%*		1,300	1,319	-1.5%	
Health & Wellness	1,579	1,548	*2.1%*		804	806	-0.1%	
Fun & Indulgence (Snacks and Sweets) (1)	734	695	*5.6%*		306	301	1.8%	
Fun & Indulgence (Coffee Israel)	446	472	*-5.6%*		190	212	-11.1%	
Coffee International (1)	2,656	2,924	*-9.1%*	*-2.2%*	1,334	1,536	-13.1%	-3.9%
Strauss Water(1)	453	424	*6.8%*	*7.6%*	233	218	7.1%	8.3%

Note: Financial data were rounded to the nearest NIS million. Percentages changes were calculated based on the exact figures in NIS thousands.

(1) Fun & Indulgence (Snacks and Confectionery) figures include Strauss Group's 50% interest in the salty snacks business. Coffee International figures include Strauss Group's 50% interest in the *3corações* joint venture in Brazil (jointly held with the local São Miguel Group (50%)).

Table 3. EBIT Summary by Segment (Non-GAAP):[1]

NIS million	H1-2026	H1-2025	% Change	% Change excl. FX	Q2-2026	Q2-2025	% Change	% Change excl. FX
Group EBIT	**679**	**444**	**52.9%**	**64.4%**	**363**	**255**	**41.9%**	**53.5%**
EBIT margin	*11.6%*	*7.3%*			*12.6%*	*8.3%*		
Strauss Israel	373	248	*50.5%*		198	135	46.0%	
EBIT margin	*13.5%*	*9.1%*			*15.2%*	*10.2%*		
Health & Wellness	207	201	*3.3%*		117	113	4.3%	
EBIT margin	*13.1%*	*13.0%*			*14.6%*	*14.0%*		
Fun & Indulgence (Snacks and sweets) (2) (3)	92	-15	*N.M.*		52	1	3353.0%	
EBIT margin	*12.5%*	*-2.1%*			*16.7%*	*0.5%*		
Fun & Indulgence (Coffee Israel)	74	62	*18.5%*		29	21	35.0%	
EBIT margin	*16.6%*	*13.2%*			*15.4%*	*10.1%*		
Coffee International	280	157	*78.2%*	*94.1%*	148	102	44.3%	59.5%
EBIT margin	*10.5%*	*5.4%*			*11.1%*	*6.7%*		
Strauss Water	45	52	*-13.9%*		28	26	4.9%	
EBIT margin	*9.9%*	*12.3%*			*11.8%*	*12.1%*		
Other	-19	-13	*-44.4%*		-11	-8	-26.1%	

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(1) As of Q1-2026, management determined that The Kitchen Hub incubator is no longer a reportable activity and has been excluded from Non-GAAP reporting. Comparative figures were restated by approx. NIS 18 million for H1-2026.

(2) Including insurance income of NIS 27 million in Q2-2026, and loss on cocoa derivative of NIS 49 million in H1-2025.

(3) Including loss on cocoa derivative of NIS 49 million in Q1 & H1-2025.

Table 4: Key financial data, based on the Company's GAAP reports:

NIS million	H1-2026	H1-2025	% Change	Q2-2026	Q2-2025	% Change
Total Group Sales	3,829	3,762	1.8%	1,843	1,875	*-1.7%*
Gross Profit	1,377	1,195	15.2%	726	583	*24.4%*
Gross margin	*36.0%*	*31.8%*		*39.4%*	*31.1%*	
EBIT	586	373	56.8%	341	183	*85.0%*
EBIT margin	*15.3%*	*9.9%*		*18.4%*	*9.8%*	
Net Income Attributable to the Company's Shareholders	359	150	139.4%	213	64	*231.2%*
Net margin	*9.4%*	*4.0%*		*11.6%*	*3.4%*	
EPS (NIS)	3.06	1.28	139.1%	1.81	0.55	*229.1%*
EBITDA	772	549	40.6%	436	271	*60.9%*
EBITDA margin	*20.2%*	*14.6%*		*23.7%*	*14.5%*	
Operating Cash Flow	303	-73	N.M.	146	20	*630.0%*
Capex, Net	-230	-254	*9.4%*	-98	-122	*19.7%*
Free Cash Flow	73	-327	N.M.	48	-102	*N.M.*
Net debt	2,387	2,383	0.2%	2,387	2,383	*0.2%*
Net debt / EBITDA	1.6	2.2		1.6	2.2	

Note: financial figures have been rounded to NIS millions. Percentage changes were calculated based on exact figures in thousands of NIS.

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Conference Call

On Wednesday, August 12th, 2026, at 14:00 (Israel time), the Company will host a webcast conference call in Hebrew with management to review the financial results.

To participate in the webinar please use the following link:

https://us02web.zoom.us/webinar/register/WN_h2xLHPKVS8uRce2jqitFYA

Webinar ID: 872 1102 2759

In addition, on Wednesday, August 12th, 2026, at 15:30 (Israel time), the Company will host a webcast conference call in English with management to review the financial results.

To participate in the webinar please use the following link:

https://us02web.zoom.us/webinar/register/WN_jEPSAAVfReGKPADwvcUS1A

Webinar ID: 825 2528 4755

Questions for the questions and answers session may be submitted (up to 2 hours) in advance to: IR@strauss-group.com

Likewise, Strauss Group's Q2-2026 earnings press release, and financial statements will be available on the Company's website

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

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Forward Looking Statement Disclaimer

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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.

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