

May 28, 2026

Maytronics Reports First Quarter 2026 Results

Rafi Benami, CEO:

"The first quarter of 2026 reflects a challenging market environment alongside stable demand in several of our key markets. The results were impacted by supply constraints resulting from conservative planning for 2026 and the effects of the security situation and therefore do not fully reflect the Company's underlying business potential. At the same time, we are seeing encouraging initial traction from our new product launches, which support our competitive positioning. We remain focused on improving planning and execution capabilities, while implementing measures to enhance operational efficiency and business flexibility."

Key Highlights:

- **Revenues** for the first quarter of 2026 amounted to NIS 309.3 million, a decrease of 10.8% compared to the corresponding period last year. The decline reflects the impact of a more competitive environment, supply constraints, and foreign exchange effects. On a constant currency basis, revenues declined by approximately 0.8%.
- **Gross profit** totaled NIS 87.8 million, representing a gross margin of 28.4%, compared to 37.5% in the same quarter last year. The decrease in gross profitability was primarily driven by:
 - The introduction of a 10% tariff on Israeli products in the U.S. market
 - Changes in sales mix across channels and geographies
 - Lower manufacturing efficiency amid operational challenges as a result, among other things, from the security situation during the period
 - The strengthening of the Israeli Shekel against key currencies, particularly the U.S. dollar, which reduced gross profit by approximately NIS 13.2 million
- **Operating expenses** amounted to NIS 98.5 million, an increase of 3.5% compared to the prior year. The increase was mainly driven by a lower capitalization of R&D expenses, as well as higher IT related expenses, these were partially offset by lower payroll expenses and variable selling and marketing costs.
- The Company recorded an **operating loss** of approximately NIS 10.8 million in the quarter, compared to an operating profit of NIS 34.9 million in the corresponding period last year.
- **Financial expenses** totaled NIS 14.8 million, compared to NIS 16.2 million in the prior year, primarily reflecting lower interest expenses following a significant reduction in credit facilities.
- The Company reported a **net loss** of NIS 26.4 million, compared to a **net profit** of NIS 15.5 million in the first quarter of last year.
- **Cash flow from operating activities** was negative NIS 25.6 million, compared to negative NIS 33.5 million in the corresponding period.
- **Net debt** as of March 31, 2026 stood at approximately NIS 637.3 million, a decrease of approximately NIS 181 million compared to the prior year.

- **Order backlog** as of March 31, 2026 amounted to NIS 171.8 million, representing an increase of 39% versus the same period last year.
- Based on the information currently available to the Company, including market trends, order backlog and prevailing exchange rates, the Company estimates that its **revenues for the second quarter** of 2026 will range between NIS 425 million and NIS 465 million.