

# Q4 and yearly 2024 Earnings Conference Call

26 Mar. 2025



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# 2024 Key Factors – Market's Point Of View



## *Macro Economic*

### B2B

- Continued Inventory scrutiny throughout 2024
- Inventory correction mostly behind us

### End Consumer

- Pressure on Discretionary spending
- Demand Mix trading down
- Decline in new build



## *Channels Mix Transitions*

- Increased Product offering Online
- Increased Pool Owners Comfort To Buy Online
- Massive digital advertising



Online Channel Gaining Share



## *Increased Competition*

- Wave of new product launches
- Expanded mass retail presence (US & EU)
- Infringements of Maytronics IP
- Increased digital marketing spend



## *Sword Of Iron War*

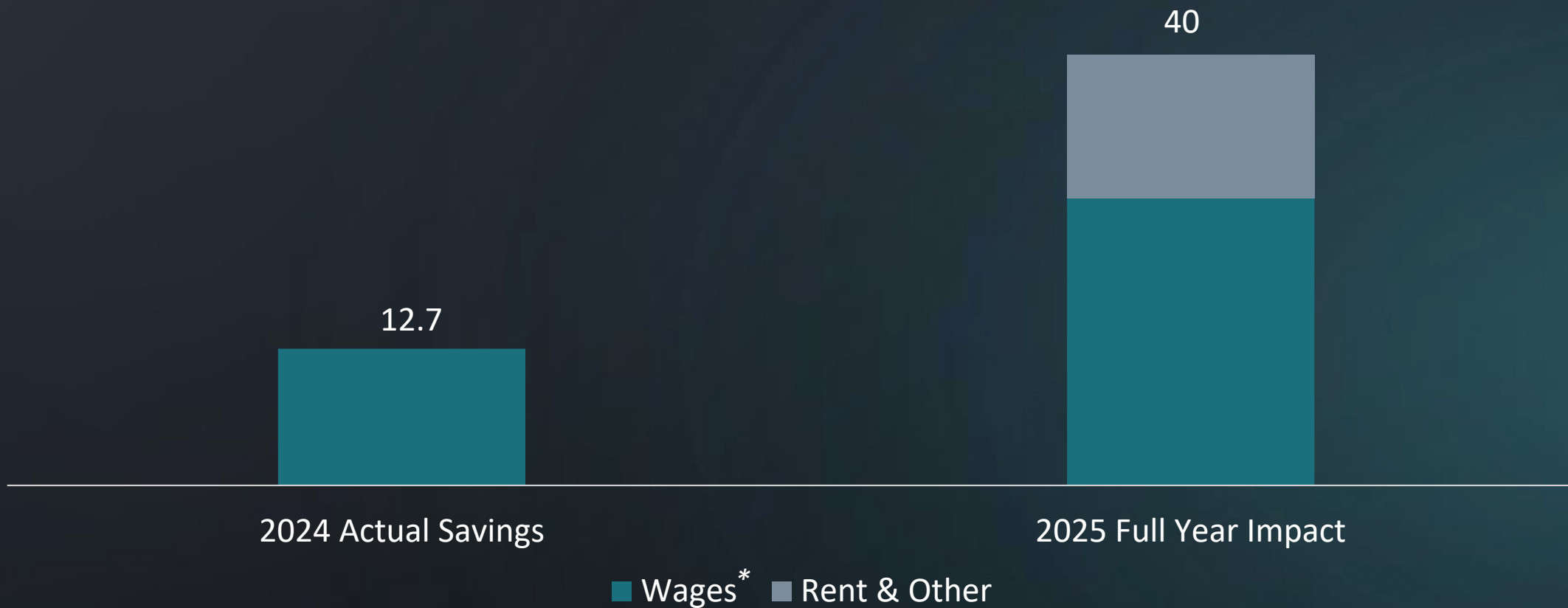
- Slower progress on projects / Hold on others
- Logistics challenges resulted in inflated costs & production inefficiency
- Higher indirect cost on production
- Presence instability - HQ Employees actively drafted throughout the year



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# Organizational Alignment (M NIS)

*HQ Saving Initiatives (M NIS)*



(\*) Wages of office employees in HQ & subsidiaries

# 2024 Net Profit (M NIS)

## PROVISIONS AND WRITE-OFFS

Raw Materials ~(15.9)

Finished Goods ~(10.7)

Water Tech ~(15.7)

Pool Side Connect ~(5)

Other

(25.2)

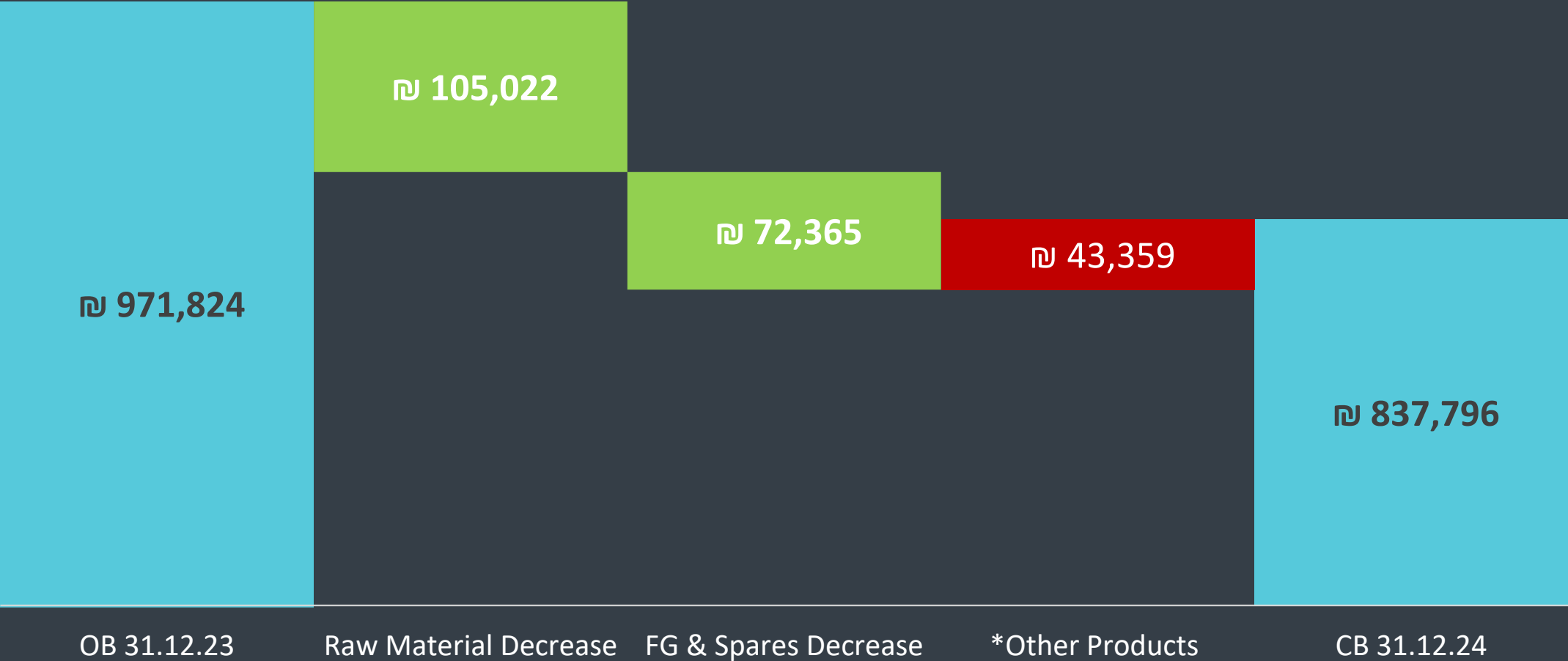
Net Profit Proforma

Net Profit for the Year

(29.5)



# Inventory Changes 31.12.23 VS 31.12.2024



\*Including Focus balance- 11 M NIS

# COGS Optimization 2024 EOY status

**TARGETS**

FY 2023

Direct Cost Savings  
10-15%

**Committed Targets**

FY 2026

**STATUS  
UPDATE**  
(Full Year  
proforma)

**Direct Labor  
Saving****BOM Saving****In-direct  
COGS Saving**

Achieved

~13.5%

Achieved

~7.0%

Achieved

~7.5%

Aggregated Achieved ~7%

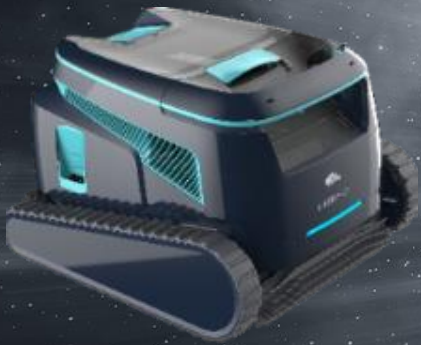
Aggregated  
Target FY 2026  
10-15%

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# Product Offering Enhancement and Expansion

**LIBERTY™**  
600



**niya**  
Sonar Line



**niya** tracker



Skimmi



Dolphin X



mineralSwim™ osv3



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# Optimize GTM & Sustainable Partnerships



**ECCXi NA**



*Formalizing and expand  
the eCommerce business at NA*



***Establish the eCommerce  
Global Organization***



**ECCXi EU**



*Build the operations and business  
development for eCommerce at EU*



***Adjustments to B2B model in selected markets  
to increase competitiveness and route-to-market sustainability***



# The Pool Market – 2024 Summary

## New Build:

Pool Install-base: >30M

Total of ~**240K Pools**

YoY: ~ -25% from 2023

*Highly influenced by Macro*



Equipment  
Market Growth (\$):  
**Low Single Digit**



*Wide-portfolio pool  
solutions company report  
-4% - 7% growth*

Company estimations



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# ELECTRIC CLEANERS' CATEGORY TRENDS



- Flattish\* (QNT), restrained by Macro
- Trade down and fix-over-buy trends
- Increasing competitive pressure:
  - Number of players
  - Heavy promotions and price pressure
- Super-premium introductions

## ROBTIC CLEANERS

### MAYTRONICS:

- 1.16B ILS Robotic Cleaner sales -24%, 146M ILS +18% SP sales
- Dolphin By Maytronics continues to be the No. 1 Brand & the clear market leader despite some MS Erosion in 2024

~\$300

## BASIC VACUUM CLEANERS



- Natural gateway to the category given convenient price
- Double-digit growth\* (QNT)
- Fierce competition

### MAYTRONICS:

- Negligible presence
- High potential - to be pursued by Niya



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(\*) Company estimations

# ELECTRIC CLEANERS CATEGORY TRENDS





# The Dolphin Difference



**Best  
Performance**



**A Legacy  
of Trust**



**Built to  
Last**



**Unmatched  
Service**



**Eco  
Friendly**



**Always Powered  
Cleaners**



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The background of the slide features a complex, layered design. On the left, there are faint, semi-transparent financial charts, including a line graph and a bar chart. On the right, there are intricate circuit board patterns with various components and connecting lines. The overall color palette is a range of blues, from deep navy to light sky blue, with some yellow/gold accents from the text and circuit elements.

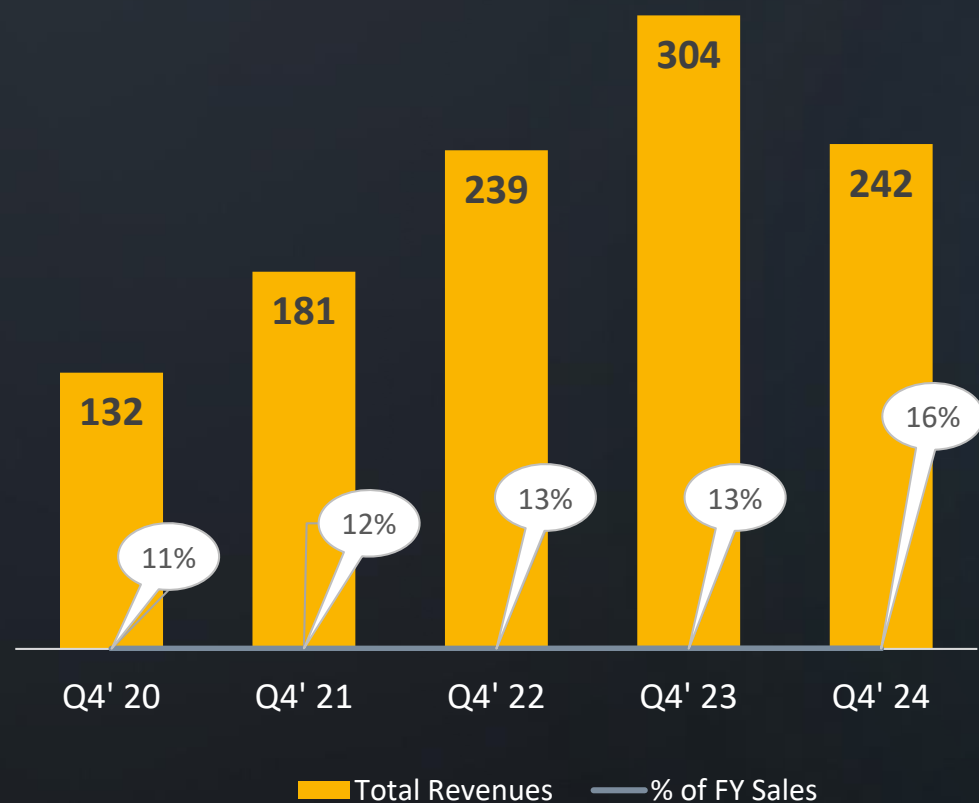
# *Maytronics Financial Summary*

## *Q4 & Yearly 2024*

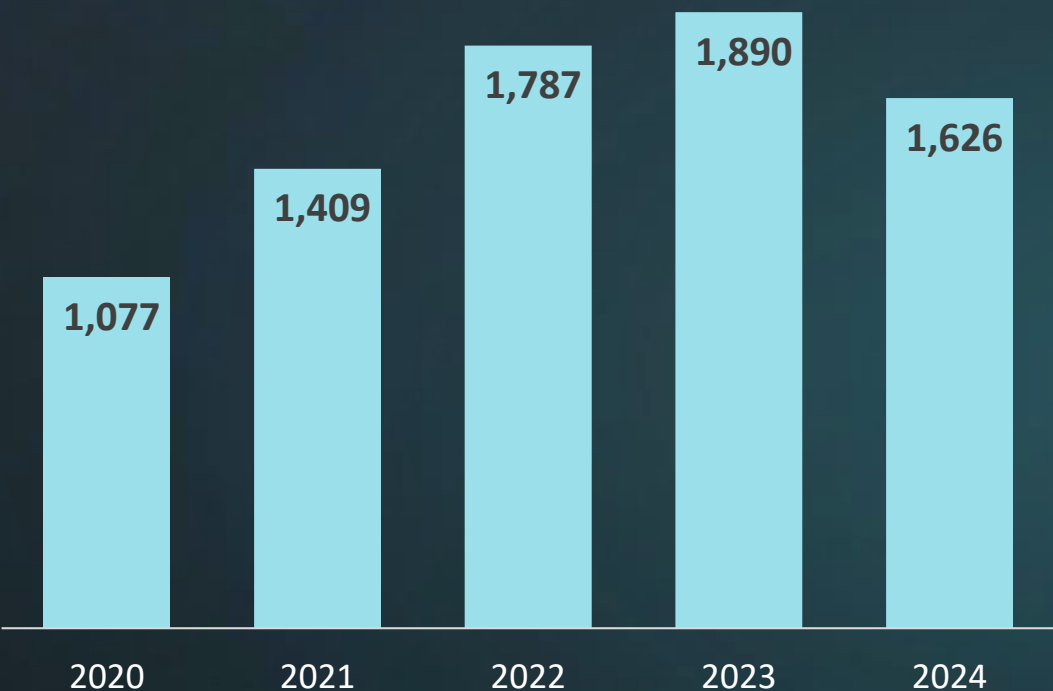


# Q4 & Full Year 2024 Revenues (M' ILS)

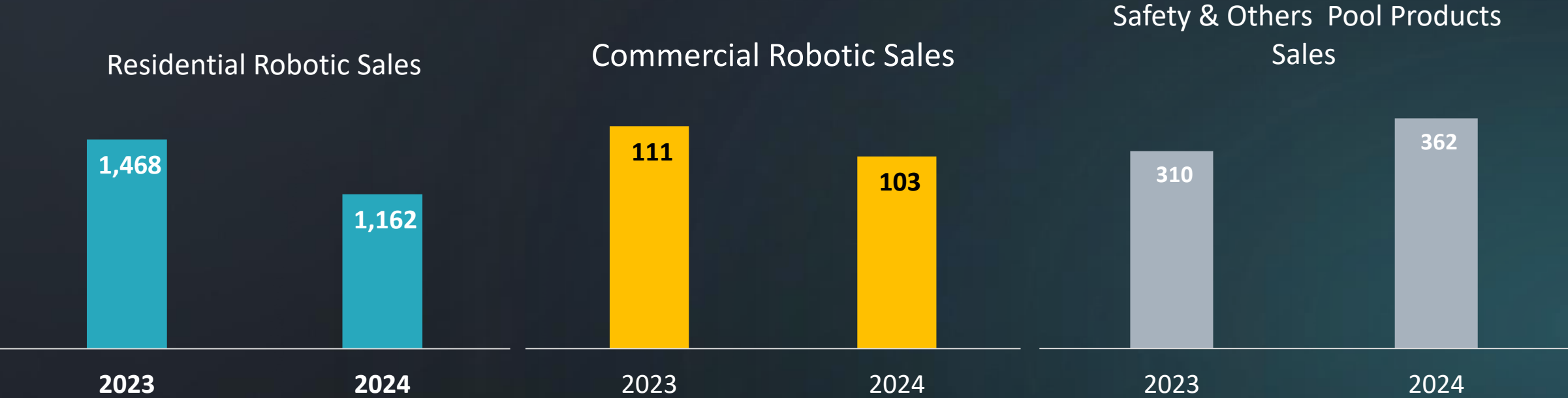
Q4 Revenues M' ILS



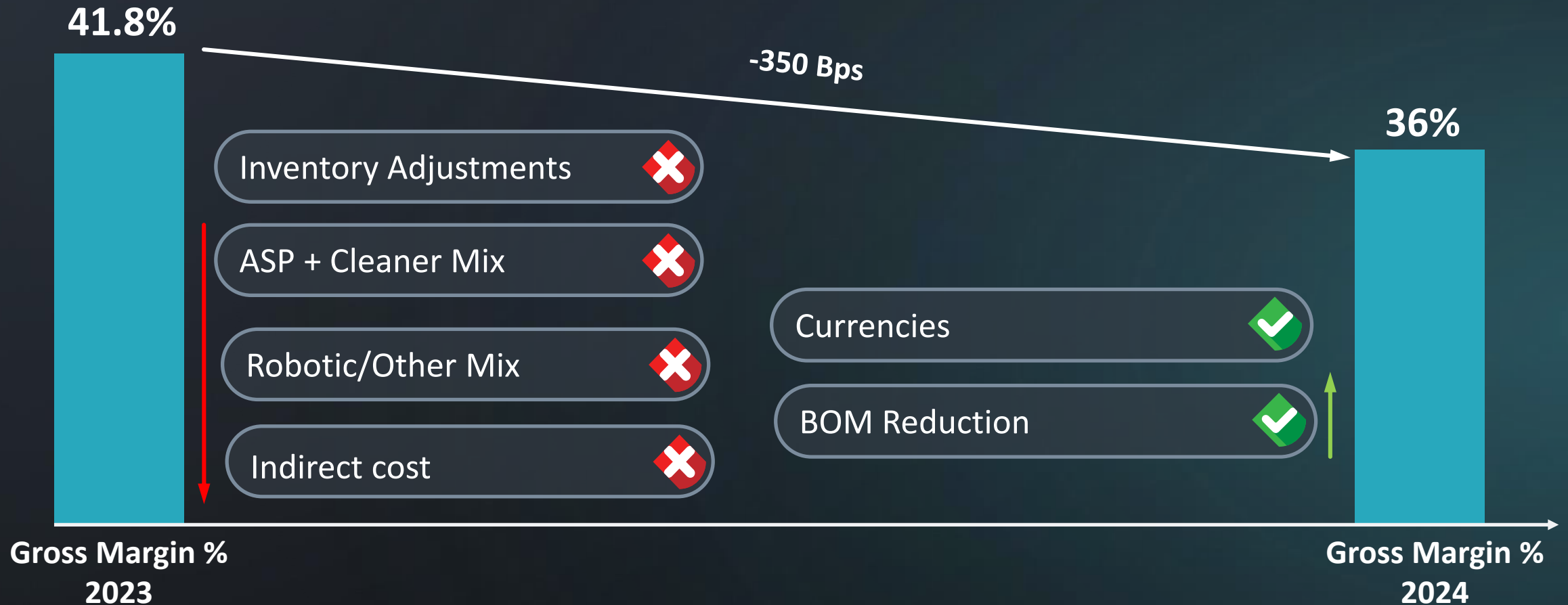
Revenue Full Year 2024 - 2020 m' ILS



# 2024 Revenue By Segment (M' ILS)



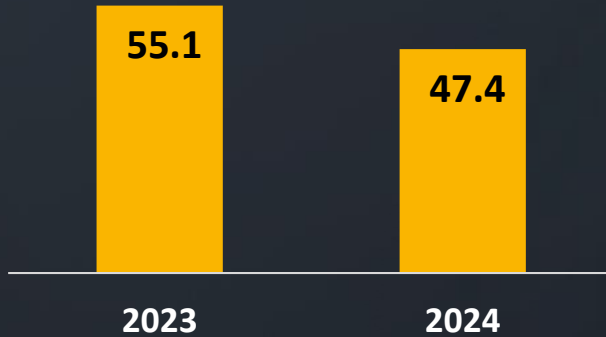
# 2024 Gross Margin Main Factors





# FY OPEX (M' ILS)

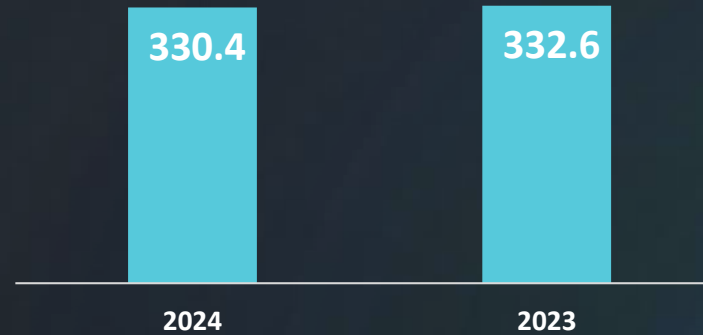
R&D Expenses M' ILS



Reduced HC in WT

Increase in expenses attributed to development of robotic cleaners and increase in capitalization

Sales & Marketing Expenses M' ILS

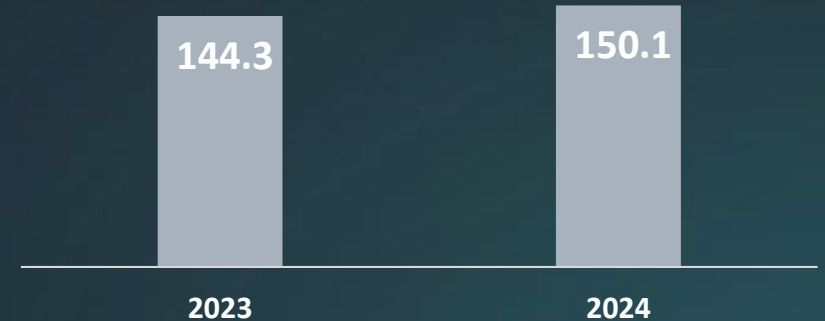


4% reduction in Payroll & related expenses mainly due to a reduction of HC.

Decrease in Shipping cost

ECCXI S&M expenses increased mainly due to digital campaigns

G&A Expenses M' ILS



9% reduction in Payroll & related expenses mainly due to a reduction in HC.

2023 included a one-time COVID-19 benefit received by MTNA

Deferred Wages related to minority purchase



# Debt & Finance Expenses K NIS

	Q2' 23	Q3' 23	Q4' 23	Q1' 24	Q2' 24	Q3' 24	Q4' 24
Cash and Short-Term Investments	169,139	125,413	148,764	105,633	137,175	115,073	104,675
Total Debt	794,634	752,480	835,111	897,559	789,452	782,204	865,027
Net Debt	625,495	627,067	686,347	791,926	652,277	667,131	760,352
Interest Expenses	14,164	11,295	12,205	13,427	13,636	12,663	13,615
Net Financial Expenses	17,325	14,721	15,940	10,288	18,744	17,810	4,130



# 2024 Profit Summary NIS K

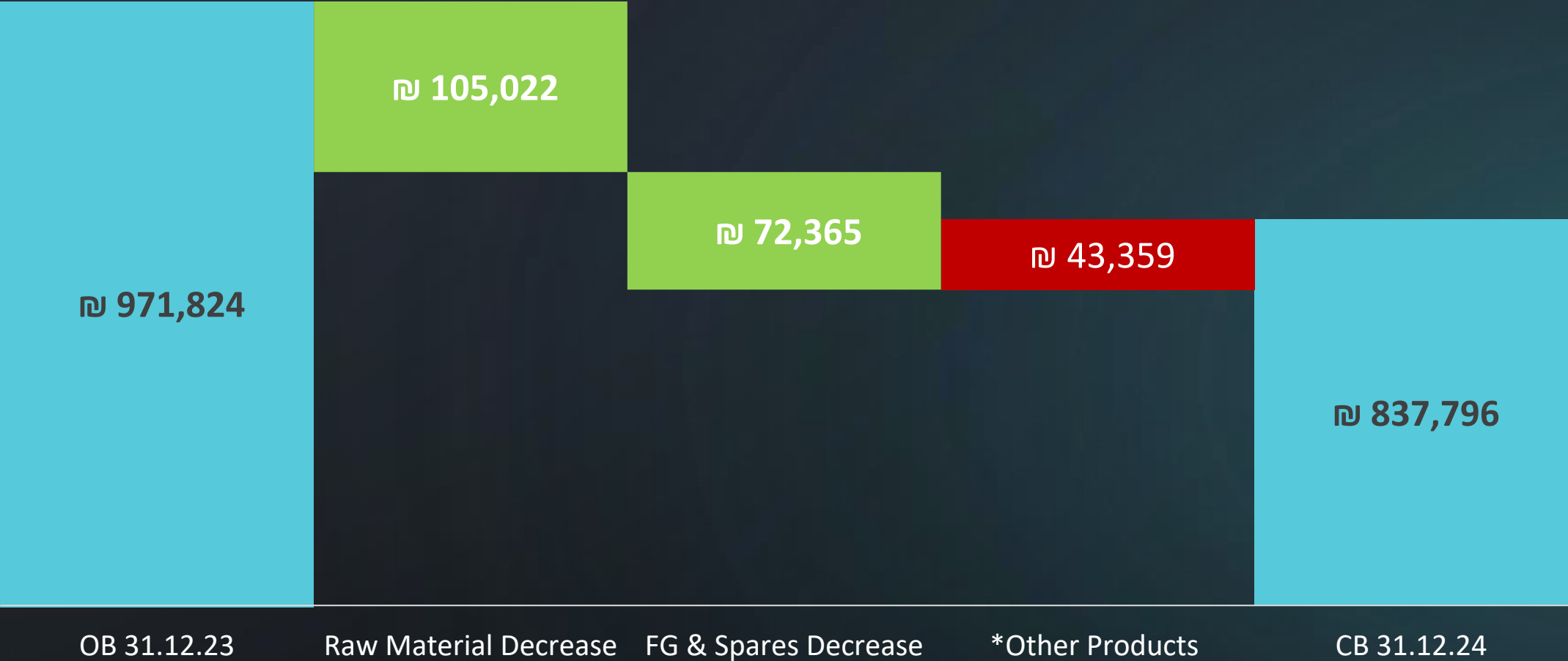
	2024	2023	% Change
Operating income	37,242	258,232	-85.6%
Net income (loss)	(29,467)	163,559	

## 2024 Cash flow NIS K

	2024	2023
Cash from operating activities	129,251	164,375
Cash from investing	(129,189)	(133,885)
Cash from financing	(49,791)	(25,409)



# Inventory Changes 31.12.23 VS 31.12.2024



\*Including Focus balance- 11 M NIS







2028  
2027  
2026  
2025  
2024

# Dolphin and Beyond Closer To Consumer- Key Strategic Themes

1

**Technology** Reinforce Robotic Cleaners' Product Leadership

2

**Cost** Restructure Cost to Increase Competitiveness

3

**GTM**  
(Go to Market) Optimize GTM & Sustainable Partnerships

4

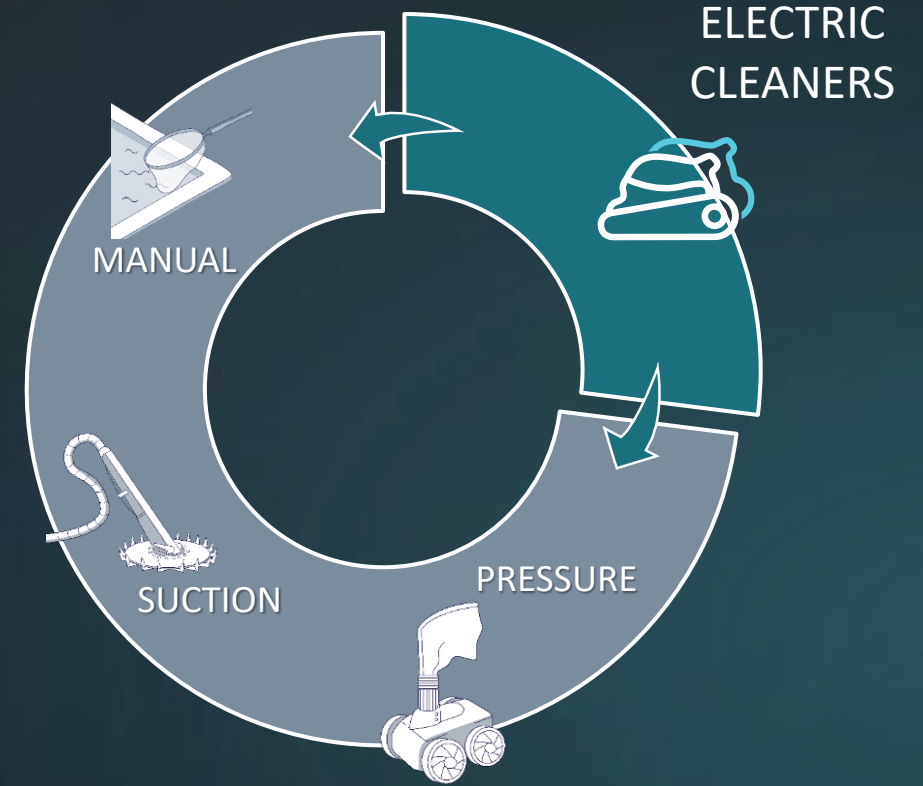
**Offering &  
Ecosystem** Expand Offering & Diversification



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# CLEANING TECHNOLOGY VIEW

- Electric Cleaners superiority over alternatives remains undisputed
- Consistent one-way conversion trend to Electric Cleaners
- Penetration rate is still low – Potential is unlikely to be exhausted in the foreseeable future



**STRONG GROWTH OUTLOOK FOR ELECTRIC CLEANERS' CATEGORY**



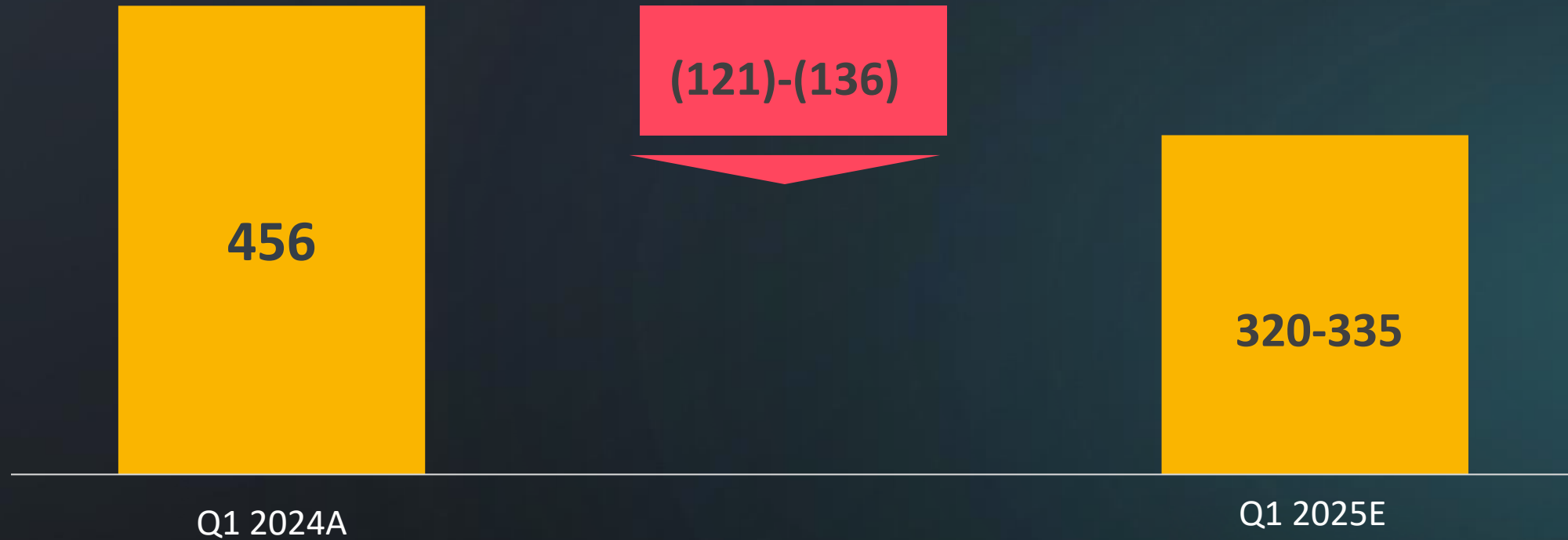
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# EVOLVING BUSINESS ENVIRONMENT CALLS FOR CHANGE IN THE SCOPE OF DATA THAT IS SHARED WITH THE CAPITAL MARKETS

	History	2023 onwards
<b>Market Growth</b>	<ul style="list-style-type: none"> <li>• Stable</li> </ul>	<ul style="list-style-type: none"> <li>• Volatile</li> </ul>
<b>Competition</b>	<ul style="list-style-type: none"> <li>• Handful of well-known players</li> </ul>	<ul style="list-style-type: none"> <li>• Dynamic, numerous players, “agendas” ...</li> </ul>
<b>Channels</b>	<ul style="list-style-type: none"> <li>• Focus on B2B (mostly 2-step)</li> </ul>	<ul style="list-style-type: none"> <li>• Multi-channels, D2C focus</li> </ul>
<b>Partners Purchase Patterns</b>	<ul style="list-style-type: none"> <li>• Strong sell-in / sell out correlation</li> <li>• Focus on early buy</li> </ul>	<ul style="list-style-type: none"> <li>• Inventory correction trend</li> <li>• Inventory management conservativeness</li> </ul>
	High Visibility	Lower Visibility
	History	Updated Yearly Guidance Approach
<b>Yearly Guidance</b>	<ul style="list-style-type: none"> <li>• Explicit annual and long-term revenue &amp; profitability ranges</li> </ul>	<ul style="list-style-type: none"> <li>• Quarterly revenue</li> <li>• Long term indication</li> <li>• Additional indication: Per need*</li> </ul>
<b>Market &amp; competitive data</b>	<ul style="list-style-type: none"> <li>• Vast set of estimations re market size, competitors share, technologies etc.</li> </ul>	<ul style="list-style-type: none"> <li>• Leaner set of estimations, ranges, qualitative indicators</li> </ul>



# Q1 2025 Outlook (M NIS)





# 2025 – Full Year Indicators

- Inventory Reduction ~80M-100M ILS
- Org. Alignment ~40M ILS
- Robotic Cleaners' Direct COGS Reduction 5%-6% (YoY)
- Capex Reduction 12M – 15M ILS Vs. 2024
- FCF/Net Profit Ratio - 100% or Above.

# Mid-Term Growth Targets

## CLEANERS

## OTHER POOL PRODUCTS

~80%

Share of MT revenue

~20%

Segment Multi-Year Market Growth Dynamics

MSD - HSD

LSD - MSD

Maytronics Segment Growth Capacity

QTY: LSD - MSD

HSD - LDD

Maytronics positioned to outpace market growth based on strong channel presence and low market share

REV: MSD

Maytronics Multi-Year Revenue Outlook

MSD - HSD



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(\*) LSD = Low Single Digit | MSD = Mid Single Digit | HSD = High Single Digit | LDD = Low Double Digit



# Q&A

