

# CASTRO.HOODIES

G R O U P

February 2024



**HOODIES.®**

**URBANICA**  
WEAR ♣ HOUSE

**CAROLINA LEMKE**  
BERLIN



**YVES ROCHER**  
*Bretagne, France*

**KIKO**  
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Yves Rocher, the #1 Beauty Brand in France, Selects the Castro-Hoodies Group as its Exclusive Distributor in the United States of America.

The US Beauty Market annual revenue is estimated at \$100bn and is expected to grow at a CAGR of 6% until 2032 with 28% of revenues generated online.



Source: Euromonitor, Statista, Precedence Research, and Kantar, the world leader in consumer experience



## ABOUT YR

Yves Rocher is the leading Beauty brand in France and a global leader in Botanical Beauty.

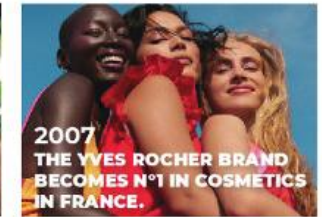
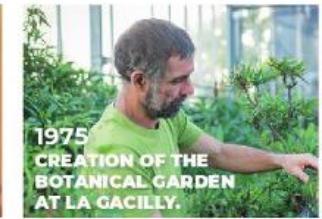
Yves-Rocher sales stand at **1.5 billion USD**, with more than **250 million products** sold, **7,500 employees** worldwide, **90 markets** and **2,300 stores** and **3,500 wholesale locations**.



### DID YOU KNOW?

93% of our products are conceived in our factories in Brittany, France.

# KEY DATES



## WHY?

We believe that Yves Rocher has invaluable advantages that differentiate it from the competition while attracting new consumers who are eager to find proven natural solutions to their beauty needs;

- French seal of quality, expertise and efficacy
- Natural active ingredients
- 60 years of legacy and heritage
- Affordable price point
- Proven Israeli Omni-channel concept
- Decades long experience managing retail operations
- Experience managing Best-in-Class E-com operations
- Access to cutting edge Israeli technology

Decade long partnership and trust



### DID YOU KNOW?

100% of our active ingredients are of plant origin.

## HOW?

The proven Israeli operating model can increase sales with lower costs and risks while providing a proven formula for penetration;  
**Strong and lean digital and E-com operations with an efficient stores model based on our experience.**

As part of the agreement the Castro-Hoodies Group will establish Radixis, a US-based company which will lead Sales and Marketing operations in the US. Radixis will launch a state-of-the-art R&D Center in Tel Aviv which will host all technological teams to support E-com and in-store operations in the US using the latest AI technologies in the field.

Yves Rocher USA will be led by Ron Rotter who will lead the group's strategic venture in the US as its founder and president. The initial investment in Yves Rocher USA stands at \$7M.



### DID YOU KNOW?

93% ingredients of natural origin in  
our care products.



Castro-Hoodies will be joined by digital entrepreneur and US digital market veteran **Avi Goldfinger** who will co-invest in the American venture. Avi will hold the position of Head of Digital and Technology

Two Israeli tech trailblazers will invest in the venture and join as active-advisors in the fields of Technology and Digital Operations

**Assaf Hefetz, Co-Founder and former CTO of Snyk**, a leading developer security company valued at \$7.5 billion, began his tech journey at age 14, pursuing a degree in Computer Science. With extensive experience in the world of cybersecurity, Assaf is also an active angel investor and startup advisor. Assaf will serve as Radixis Cyber and Technology Advisor.

**Rami Lachter – Founder and President of Flare**, a hyper-growth US based consumer business and a market leader in its space. Before founding Flare, Rami was a private equity investor leading investments into companies ranging from early-stage deep tech startups to late-stage growth companies. Rami will serve as Radixis Generative AI & Digital Operations Advisor.



### DID YOU KNOW?

We do not and never promote animal testing either for our finished products or the ingredients they contain.

# RADIXIS R&D CENTER

Radixis Tel-Aviv R&D Center will harness the Israeli Tech in Artificial Intelligence, Big Data and Machine Learning in the fields of E-com, Retail and Cosmetics to enhance the customer experience and ensure flawless conversion funnel both online and in-stores.

Our AI technologies will improve customers' satisfaction by matching the right active natural ingredients in the Yves-Rocher rich product offerings to the customers' needs and personal biological data.

Our formula for success is based on integrating the latest technologies that supplement the customer experience.

Using Yves Rocher proven loyalty scheme, we will leverage big data analyses to exactly meet our customers needs.

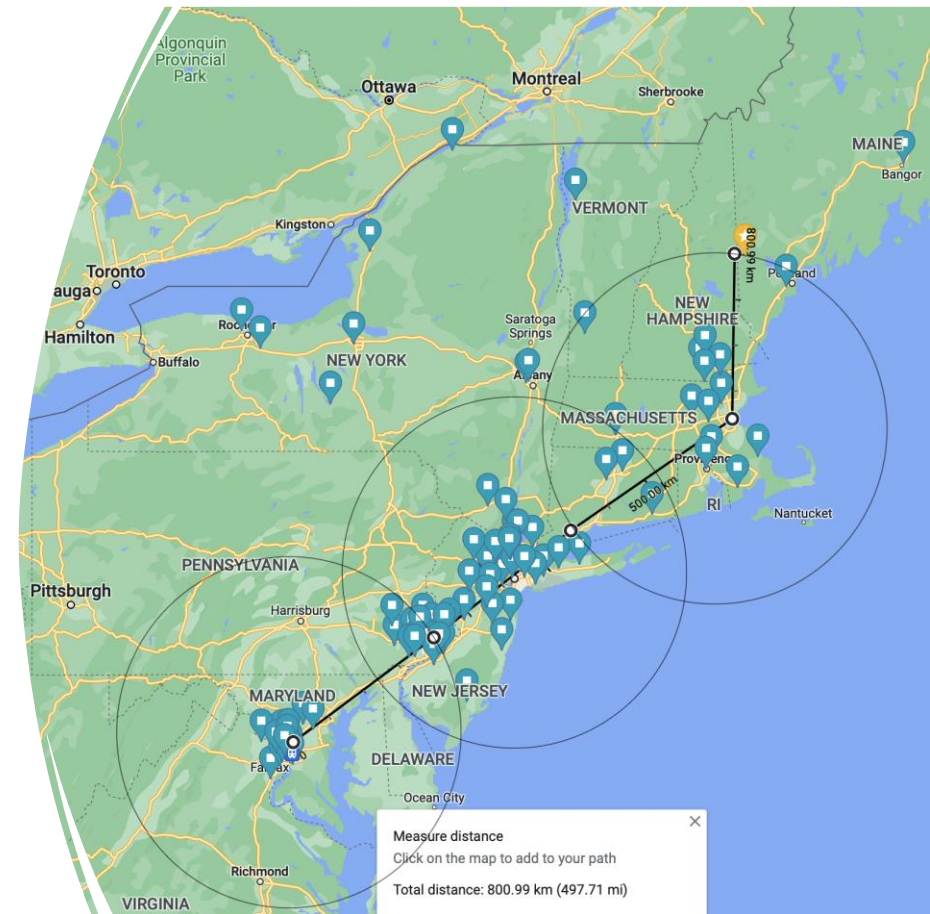


## DID YOU KNOW?

Yves Rocher is the first French brand to obtain UEBT certification for its 9 emblematic plants.

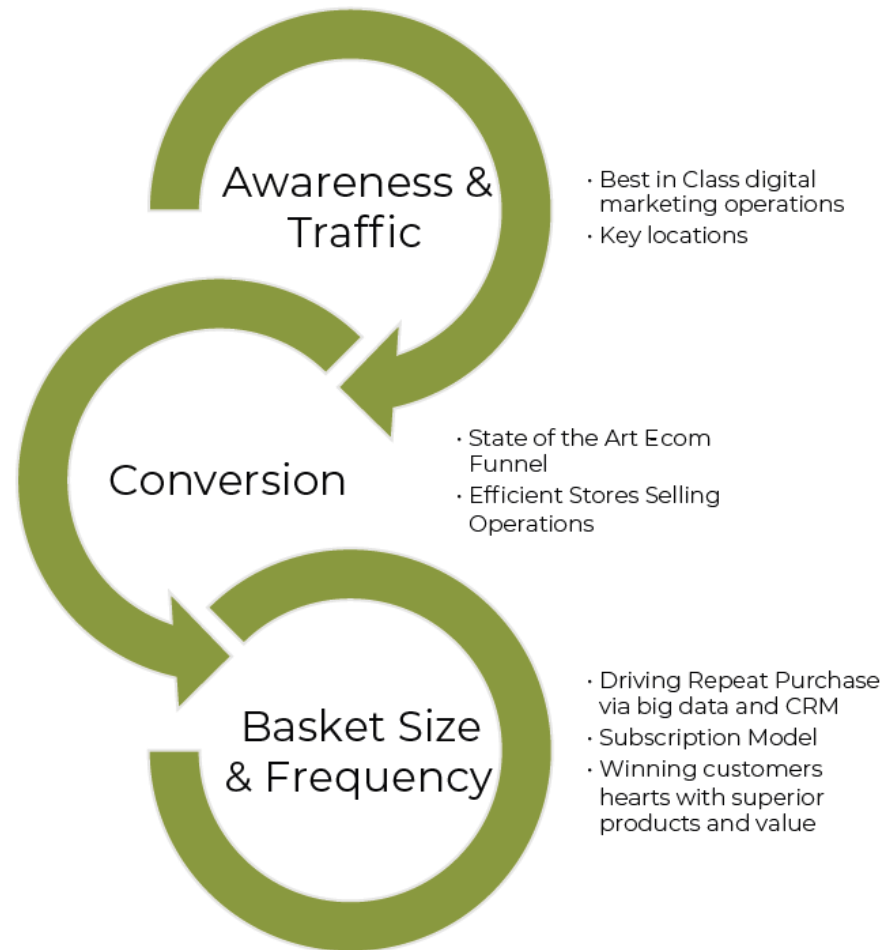
# PHYSICAL RETAIL GO TO MARKET STRATEGY

- Our plan is to be laser focused on a geographical area where we will concentrate our efforts and where we can grow scale which will later allow us to expand to adjacent areas.
- We see the Washington – New-York – Boston axis as our entry to the market and have mapped around 100 potential locations within this area.
- We will establish two operating teams: Physical operations and Digital operations teams
- Roi Kovalio head of Castro-Hoodies beauty division for the last three years will relocate to the US to lead the US retail and wholesale operations. Roi started his retail career as a retail area manager in Florida and later held various positions in Adidas where he held the position of head of Israel retail.



# RETAIL GO TO MARKET STRATEGY

We will execute based on our proven Omni-channel model ensuring effectiveness and efficiency



# ACT BEAUTIFUL PROGRAM

## ACT BEAUTIFUL IS TO CHOOSE...



.....A FRENCH AND  
EFFICIENT COSMETIC  
BASED ON PLANTS.....

Today: **100% plant-based** active ingredients with proven efficacy,  
**5,000** plant species studied in our Botanical Garden since 1975,  
**95% of our products** made in France.  
2030: **100% of our products** made in France.



.....MORE NATURAL  
FORMULAS LIMITING  
THE USE OF  
CONTROVERSIAL  
INGREDIENTS.....

Today: **93% of ingredients** of natural origin in all our skincare products,  
**1,600 ingredients** banned from our formulas, i.e. 300 more than European  
regulations.  
2030: **96% of ingredients** of natural origin in all our skincare products.



.....ECO-DESIGNED  
PACKAGING  
WITH LESS  
PLASTIC.....

Today: **50% recycled plastic** in our packaging,  
**45% fully recyclable packaging**.  
2030: **100% fully recyclable** packaging  
**-30%\* less plastic** used.

\*in tons of plastic vs 2019, -7% in 2022

COLLECTIVE  
COMMITMENTS

Confidential internal document

# ACT BEAUTIFUL PROGRAM

## ACT BEAUTIFUL IS TO CHOOSE...

CERTIFIED ORGANIC PLANTS GROWN USING AGROECOLOGICAL METHODS

Today: 9 plants certified organic and grown using agroecology in our 60 hectares of fields in La Gacilly.  
2030: 18 plants.

SUPPORT THE ACTIVITIES OF OUR FARMING PARTNERS

Today: 1<sup>st</sup> French brand to obtain UEBT certification for our La Gacilly plants, 150 plant chains certified by an external organization (AB, UEBT, FairTrade...).  
2030: 250 sustainable plant chains.

SUPPORT THE ACTIVITIES OF OUR FARMING PARTNERS

Today: 3,300 partners supported in their farming practices and economic development.  
2030: 5,000 partners.

A MORE ENERGY-AND WATER-EFFICIENT COSMETICS INDUSTRY

Today: -50% carbon emissions in our La Gacilly factories, -23% water use in our La Gacilly factories.  
2030: 75%\* of carbon emissions in our factories, -30%\*\* of water used.

\*in tons of carbon vs 2019  
\*\*in cubic meters of water per ton of product vs 2019

# ACT BEAUTIFUL PROGRAM

## ACT BEAUTIFUL IS TO CHOOSE...



.....A BRAND WHOSE  
EMPLOYEES TAKE  
CARE FOR NATURE.....

Today: **100% of our employees** trained in environmental issues.  
2030: **All our employees** will be working in the field with a local association to preserve nature and plants.



.....TO SUPPORT  
THE ACTIONS OF  
THE YVES ROCHER  
FOUNDATION .....

Today: **120M trees planted** and protected by the Yves Rocher Foundation thanks to a partnership of more than 30 years.  
2030: **150M trees** planted and protected by the Yves Rocher Foundation.



.....MAKE OUR DAILY  
LIVES GREENER  
TOGETHER .....

Because we all have the power to act, **take part in our greening actions** for a daily life with more and more natural.

COLLECTIVE  
COMMITMENTS

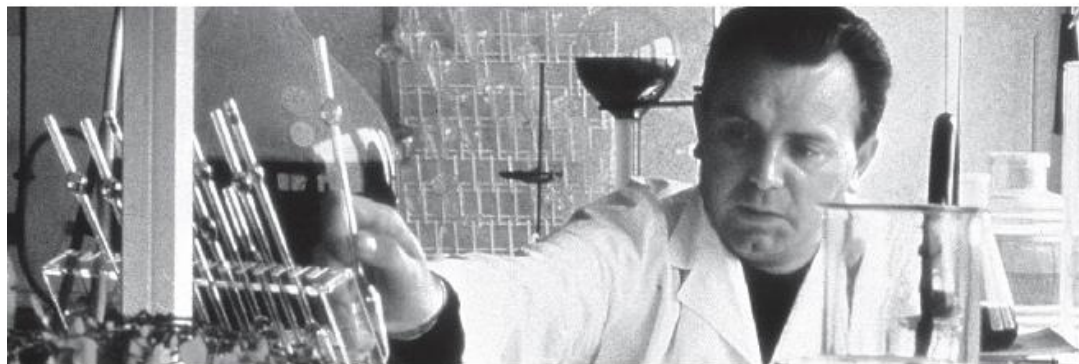
# Foundation Yves Rocher

## Committed to biodiversity

Protecting biodiversity is the primary mission of the Yves Rocher Foundation. It is a positive battle in favor of life. The Foundation strives to put biodiversity at the heart of the daily life of every individual by providing support and financial aid for local, alternative and effective initiatives across the globe. In 2020, it had reached its goal of planting 100 million trees thanks to close collaboration with its experts and the associations and NGOs working in the field. The Foundation is also synonymous with the 500 Terre de Femmes winners working tirelessly in over 50 countries for the good of our planet.

The Foundation operates on a collective basis, and its pluralist approach is firmly focused on action. Who are its principal stakeholders? Scientists, planters, an extensive community of politically, socially and environmentally aware photographers, and women who have chosen to change the world at a local level.

"NATURE IS MY GUIDE,  
I JUST FOLLOW IT"



Mr. Yves Rocher

# Thanks!



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