



# INVESTOR PRESENTATION

March 2022

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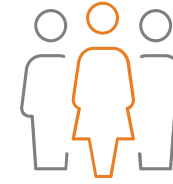
# TURPAZ - A LEADING GLOBAL F&F COMPANY



Founded  
in 2011



12 globally  
Production sites



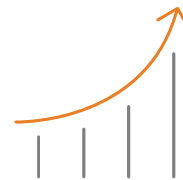
372  
employees  
53 in R&D  
(9 PhD)



Multinational  
fragrance &  
flavor house  
with specialty  
ingredients site



Scent  
Taste  
Pharma intermediates  
Specialty ingredients



Double digit growth  
via organic growth  
and M&A



IPO on TASE  
in May 2021 &  
Trade on TA-125  
since February 2022

# HIGHLIGHTS (US \$)

**Sales**  
**\$ 85.3M**

+ 61.8% Sales growth  
+ 18.6% Organic growth

**Adjusted EBITDA**  
**\$ 20.5M**

**+46%**

**Accomplished 4  
Acquisitions since  
IPO (May 2021)**

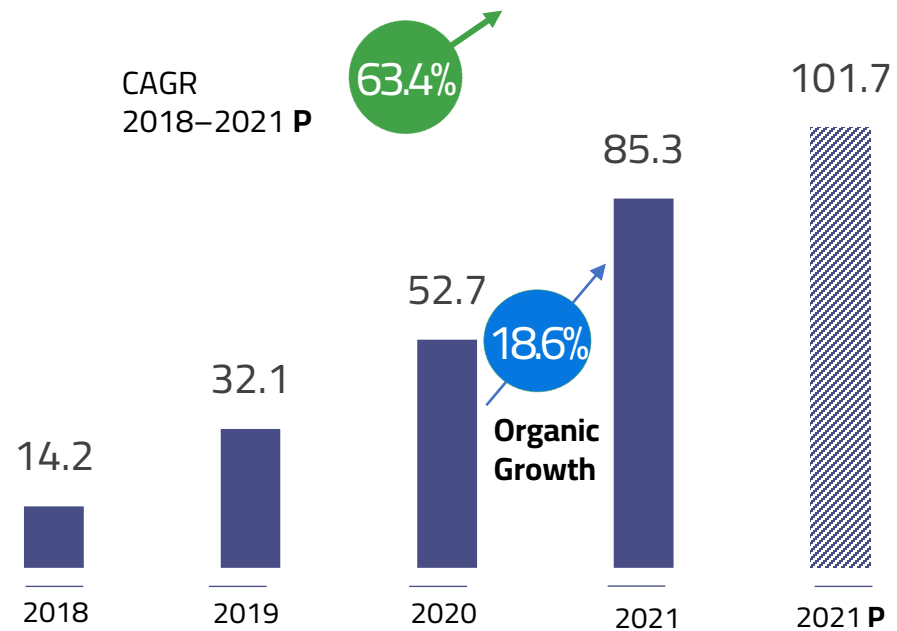
**Net cash flow  
from operation**  
**\$12.3M**

**Solid balance sheet  
supporting growth  
and acquisitions  
strategy**

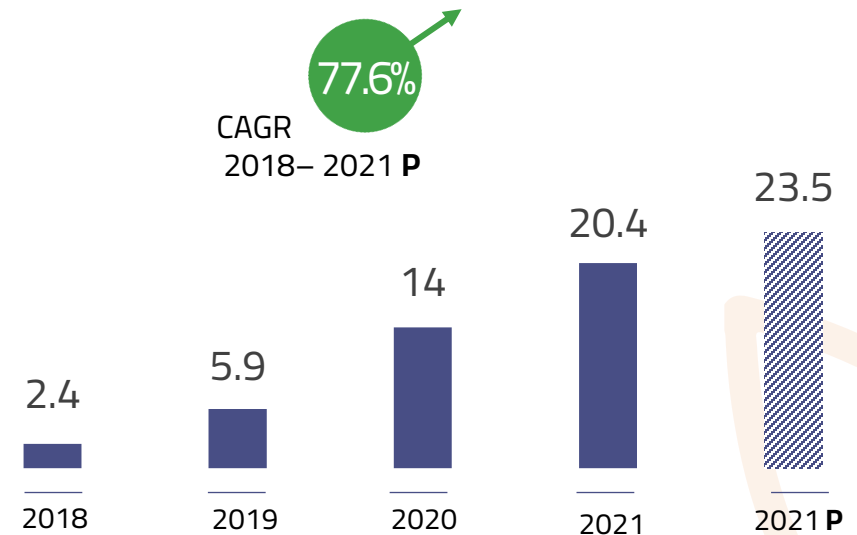
**Traded on  
TA-125**

# DOUBLE DIGIT GROWTH

Sales (M US \$)



Adj. EBITDA (M US \$)



P (proforma) - Assuming the acquisitions performed and completed in 2021 had been consolidated on January 1, 2021

# TURPAZ – CONSOLIDATE

In K US \$ / %	2020	2021
Sales	52,730	85,334
Operating profit	10,185 19.3%	16,040 18.8%
Organic growth	+18.6%	

## Highlights

While all other segments show significant improved profitability through 2021 compared to 2020, The flavor segment ratio increase from 18.5% to 39% (due to SDA activity for the all year 2021 compared to only the fourth quarter in 2020), with lower-than-average profitability and therefore overall consolidate profitability has decreased. Since completion of the SDA acquisition, the company is working to improve operations while growing, streamlining, and synergizing with other activities as planned.







In US K \$ / %

2020

2021

Sales

15,144

19,436

Operating profit

5,054

6,804

33.4%

35%

Organic growth

**+22.7%**

Acquisitions

Lori (\*)

Highlights

Strong Organic Growth reflects  
leveraging of synergies

(\*) Completed January 2022



In K US \$ / %	2020	2021
Sales	9,717	33,291
Operating profit	927 9.5%	2,533 7.6%
Organic growth	+17.9%	
Acquisitions	WFF, Florasynth, SDA (51%)	SDA (49%), Pilpel and Galilee Herb, FIT

## Highlights

SDA's operating profit margin is relatively low compared to the segment profitably. SDA has begun a program to improve its product lines & operational efficiency. Improved profitability is expected within the following quarters.



# P- INTERMEDIATES

P

In K US \$ / %

2020

2021

Sales

14,213

20,873

Operating profit

3,450

6,615

24.3%

31.7%

Organic growth

**+46.9%**

Highlights

Continue developing products  
with high added value

## S - INTERMEDIATES

S

In K US \$ / %

2020

2021

Sales

13,656

11,733

Operating profit

3,085  
22.6%

3,317  
28.3%

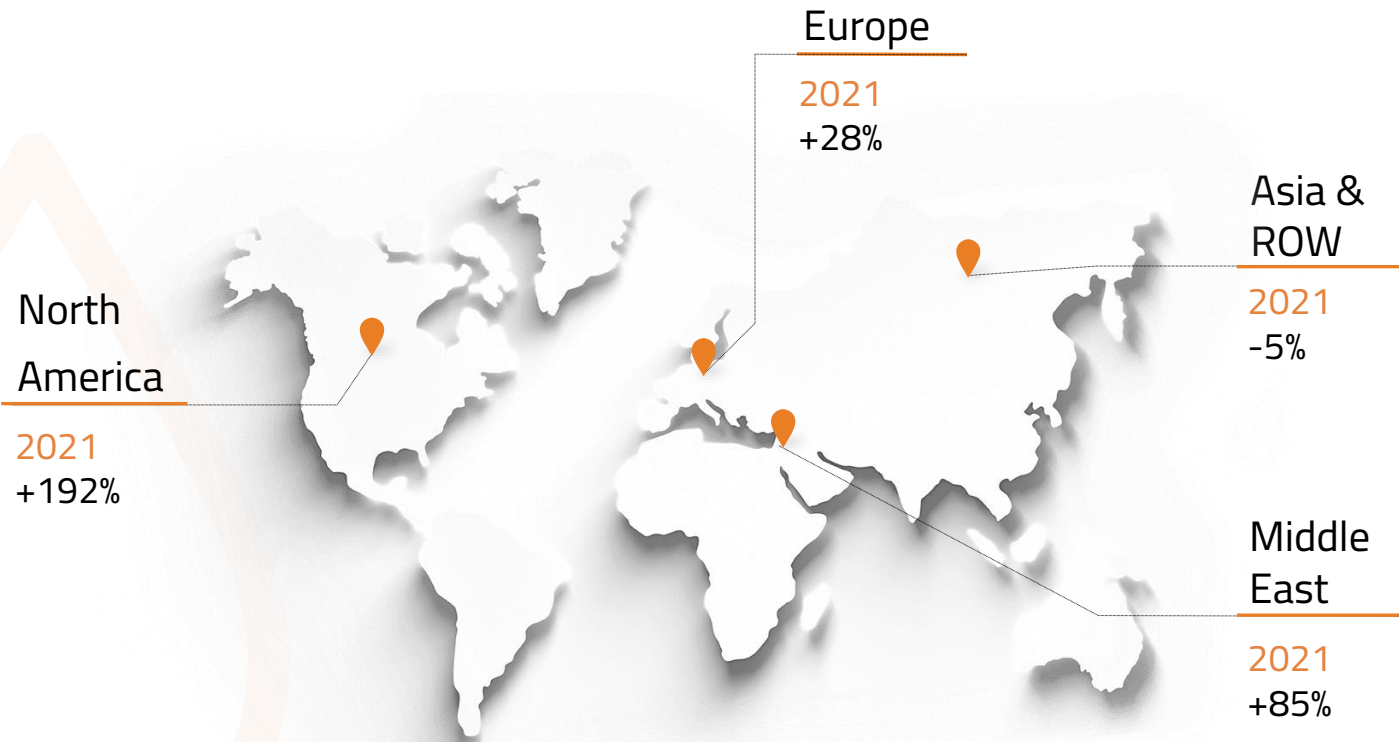
Organic growth

**-14.1%**

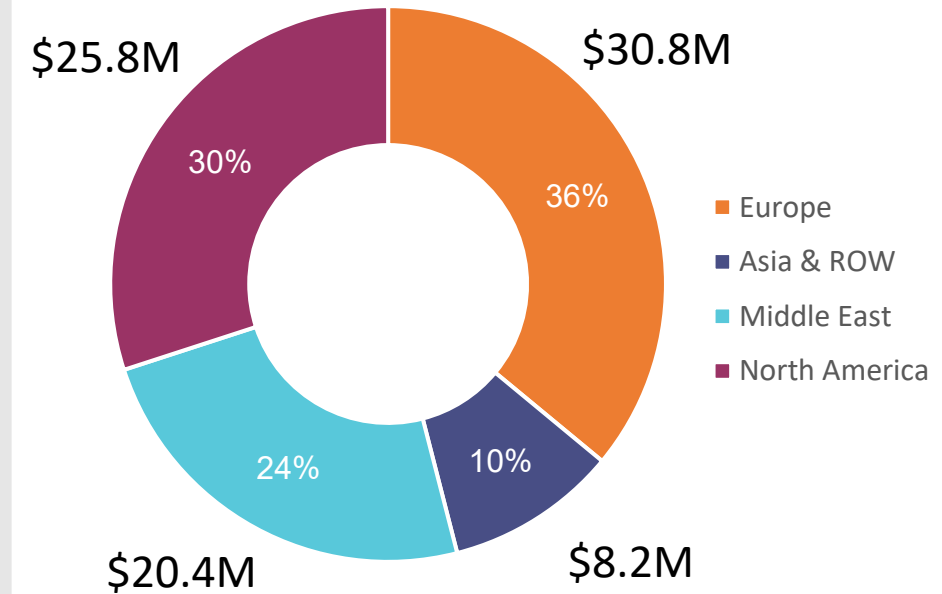
Highlights

Continuances improvement of  
product selection

# SALES BREAKDOWN BY TERRITORY



## SALES BREAKDOWN BY TERRITORY (US \$)



# HIGHLY EXPERIENCED MANAGEMENT TEAM



**KAREN  
COHEN - KHAZON**  
Chairperson & CEO



**EYAL  
AZULAY**  
VP  
CEO, Chemada



**OHAD  
BLUSTEIN**  
VP Finance



**ARI  
ROSENTHAL**  
VP Food Division



**YONI  
ADINI**  
General Counsel



**AVISHAI  
MORDEHOVICH**  
CEO, SDA



**CINDY  
NGUYEN**  
CEO, WFF



**MICHAEL  
REISS**  
President,  
Pollena Aroma



**MOSHE  
KATZ**  
CEO,  
Turpaz USA



**David  
Landau**  
CEO, FIT



**Alexandr  
Tjuterev**  
Co-Manager, Lori



**Tatjana  
Kramer**  
Co-Manager, Lori



# INFLUENCING EVERY ASPECT OF LIFE



HAIR CARE



WET WIPES



FINE  
FRAGRANCES



SOFT DRINKS



ICE CREAM



MAKEUP



BODY CARE &  
TOILETRIES



CONFECTIONERY



DIETARY  
SUPPLEMENTS



BAKERY



COSMETICS



SCENTED  
CANDELS



COFFEE



PHARMA



DAIRY



HOME  
FRAGRANCES



FABRIC CARE



FRUITS



ENERGY  
BARS



HERBS & SPICES



ORAL CARE



FLAVORS FOR CBD  
PRODUCTS



ANIMAL FEED



ODOR  
NEUTRALIZERS



CITRUS

# THE "GOLDEN TRIANGLE"



 Fragrance

 Flavor



 Pharma & Specialty  
Ingredients



# Multinational Company



**USA**

1 site – F&F  
Sales  
Production  
R&D



**Belgium**

1 site - Savory  
Sales  
Production  
R&D



**Poland**

1 site – F&F  
Sales  
Production  
R&D



**Latvia**

1 site – Fragrance  
Sales  
Production  
R&D



**Israel**

7 sites – F&F, Savory, pharma &  
specialty Ingredients  
Sales  
Production  
R&D

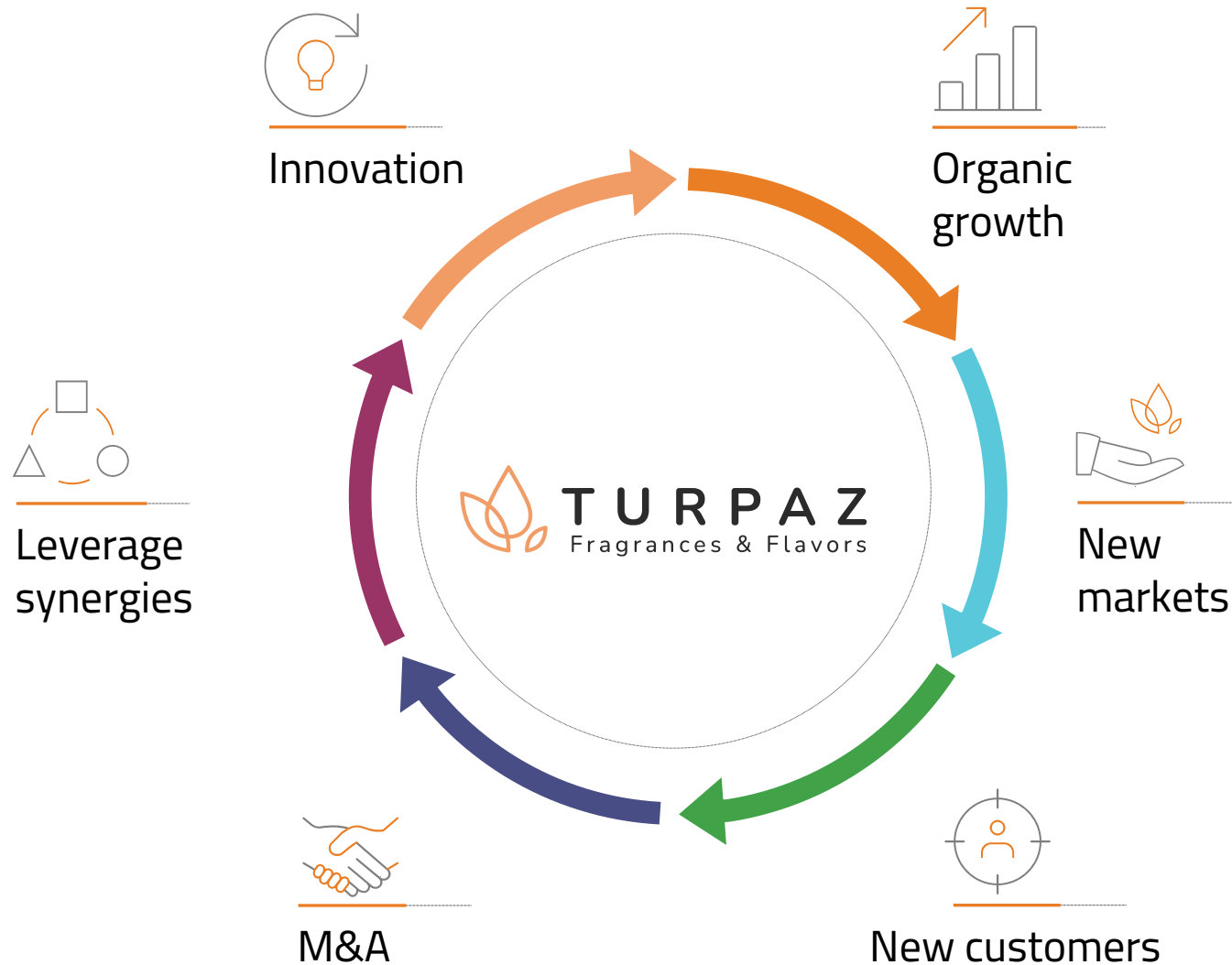


**Vietnam**

1 site – F&F  
Sales  
Production  
R&D



# STRATEGY – THINK GLOBAL, ACT LOCAL



# ACQUISITIONS STRATEGY



Small and medium  
size local businesses  
in Europe, Asia and  
North America



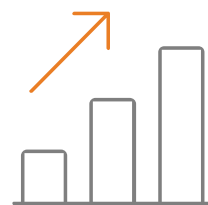
Enhance  
management  
capabilities and  
support



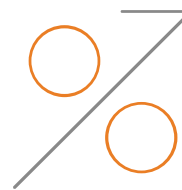
Loyal  
customers  
base



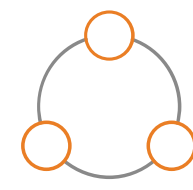
Relatively low  
EBITDA multiples



Revenues –  
up to  
\$50 M



Significant  
growth  
potential

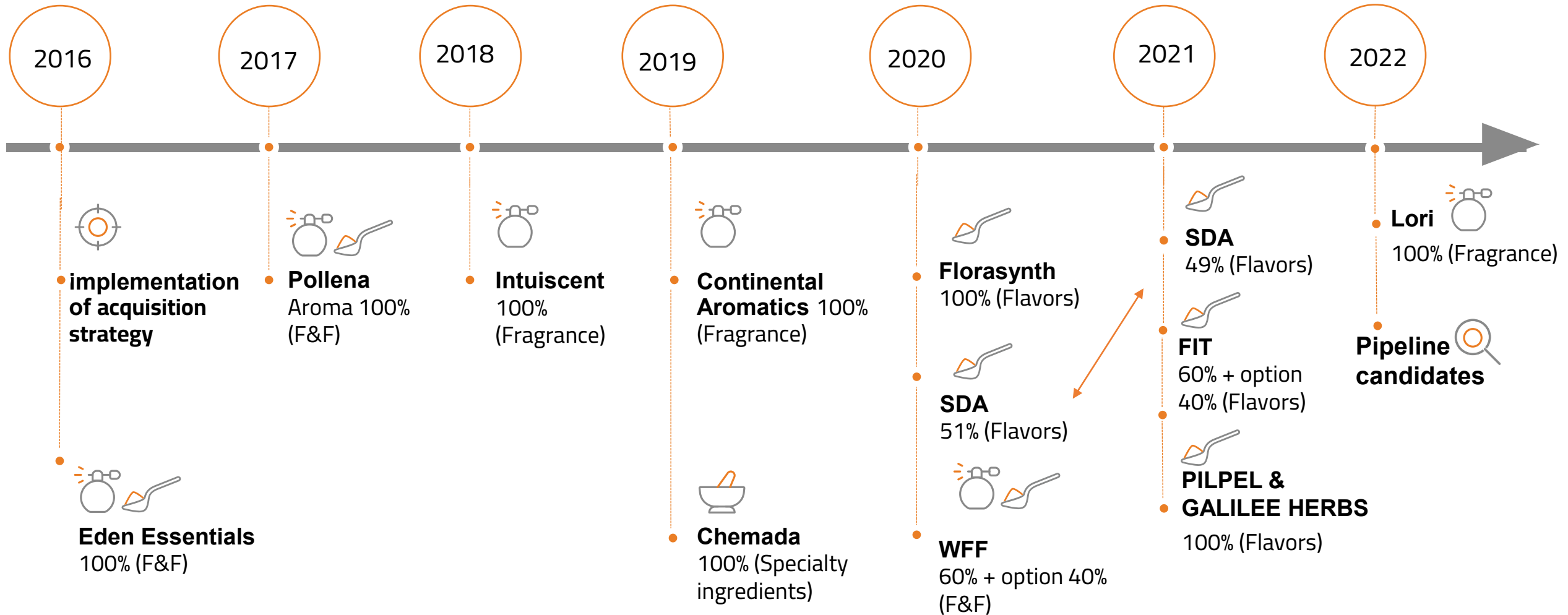


Significant  
synergetic  
advantages



Unique  
products or  
technologies

# PROVEN TRACK RECORD OF ACQUISITIONS



# ORGANIC GROWTH STRATEGY



Strengthening  
research, development  
& innovation systems



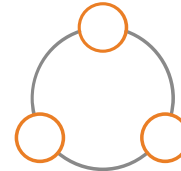
Improving supply  
chain processes and  
production arrays



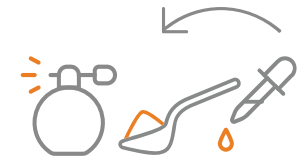
Expanding global  
marketing & sales  
network deployment



Fast response to  
customer needs  
based on experience



Enhance synergies  
among the Group



Cross-selling  
among the Group



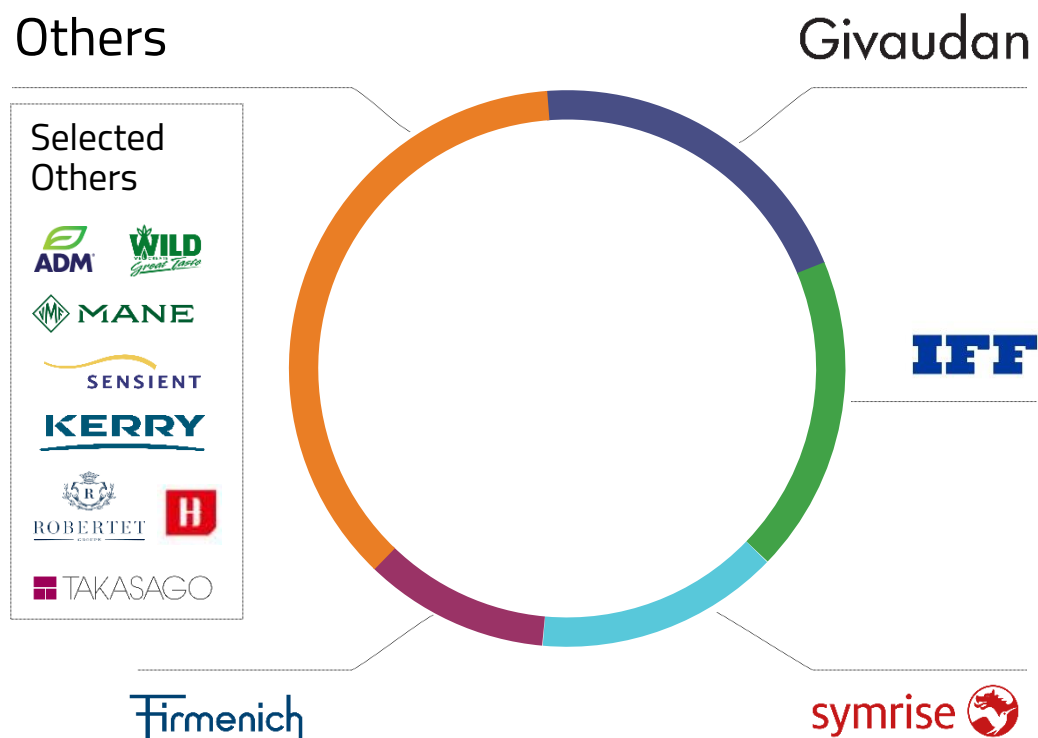
# FLAVORS & FRAGRANCES MARKET





# F&F MARKET – Projected to reach USD 37.3B by 2026

## COMPETITION LANDSCAPE



## CUSTOMERS

4 Main F&F players focus  
mainly on large  
multinational customers

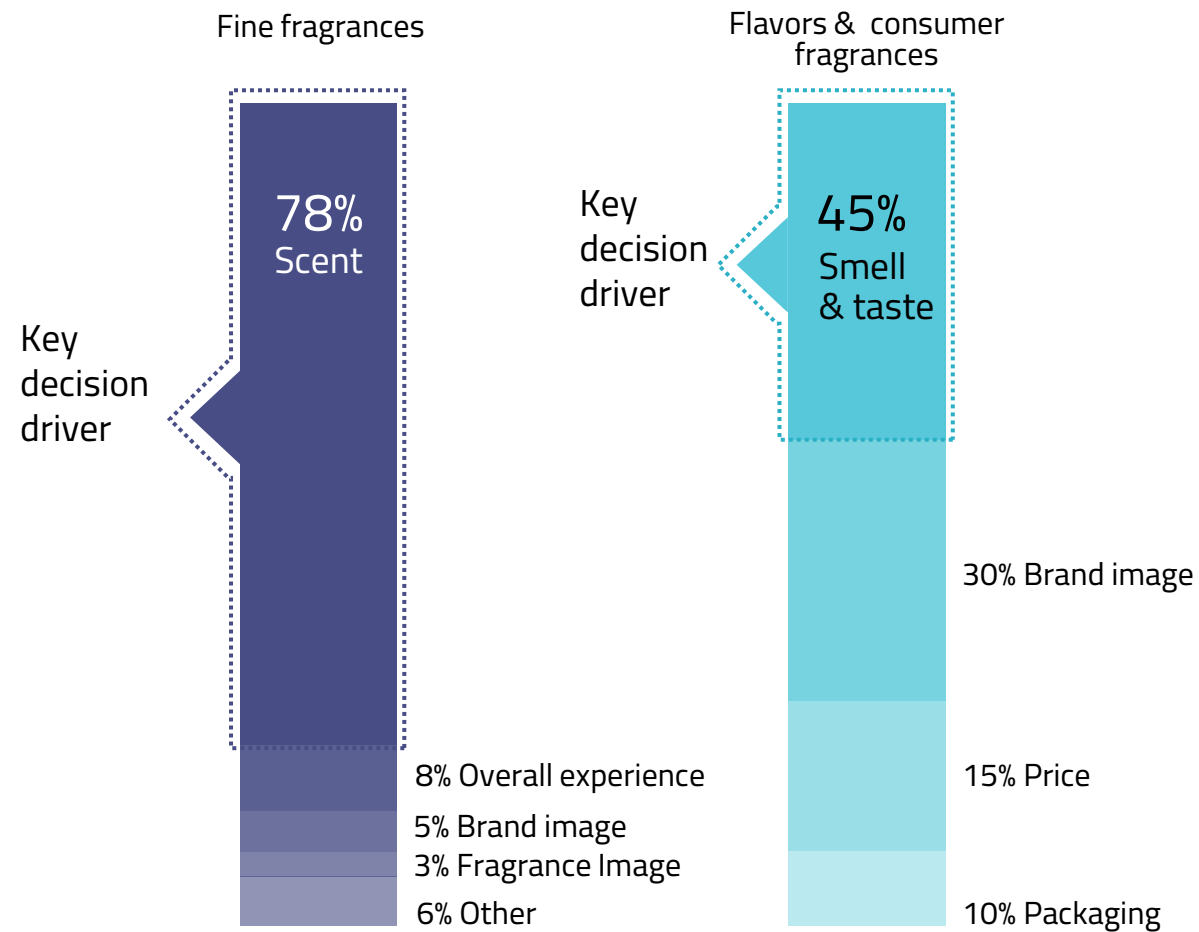
3 types of customers:  
large multinational, mid level  
and small local businesses

~40%  
Large CPGs

~60%  
Mid-Sized,  
Small, Private  
Label CPGs

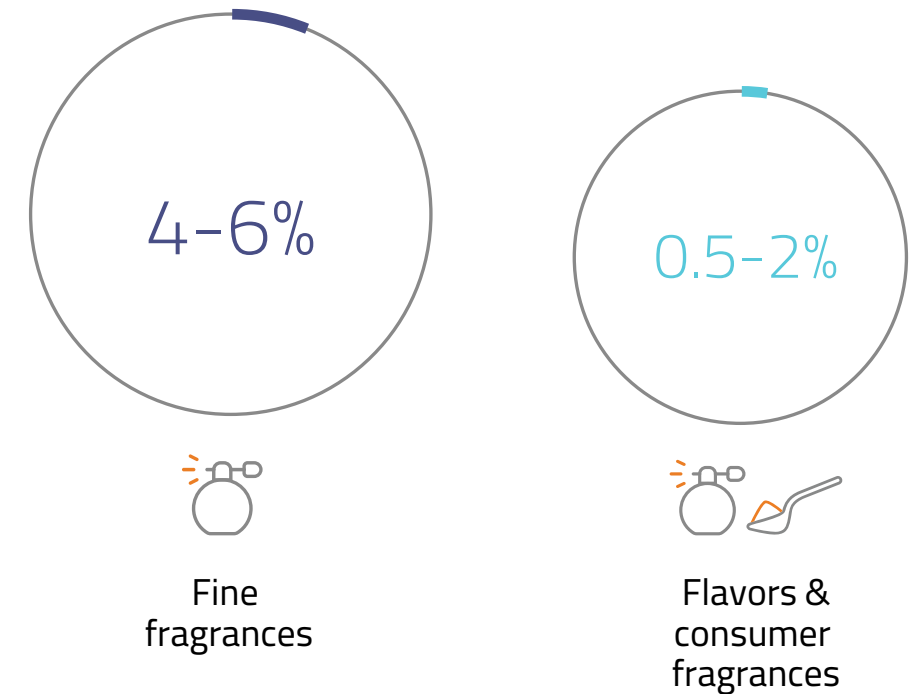
# F&F: THE KEY DRIVER OF CONSUMER REPURCHASE DECISIONS

Scent & taste determine customer decisions ...



... and represent only a minor fraction of costs

Share of F&F ingredients in customer's COGS



# TRENDS DRIVING GROWTH

## TREND

Consumer base  
is growing



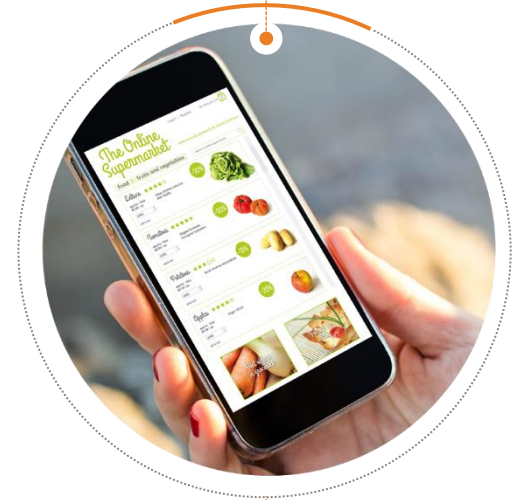
Living longer and  
more consciously



Sustainability is  
of high concern



COVID-19: E-commerce,  
self-care and localization  
gain importance



## IMPACT

- More opportunities in high growth markets
- Fully leverage expanded offering

- Demand for naturals, well being, transparency and clean label products

- Innovation (eg. biotech and upcycling)
- Operations (eg. low carbon footprint factories)

- Accelerated digital enablement
- Increased demand for immunity & wellbeing
- Local and agile supply chain

# F&F INDUSTRY TRENDS



Vegan &  
Vegetarian



Natural  
Ingredients



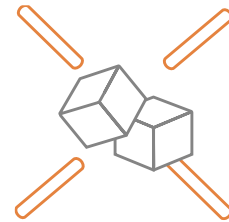
Plant Based



Clean Label



Allergen Free



Sugar, fat and Salt  
Reduction



Micro-Capsulation



# FINANCIALS

# P&L – SIGNIFICANT GROWTH



K US \$	2019	2020	2021
Revenues	32,187	52,730	85,334
<b>Gross Profit</b>	<b>11,737</b>	<b>21,824</b>	<b>34,728</b>
<b>GP%</b>	<b>36.5%%</b>	<b>41.4%</b>	<b>40.7%</b>
R&D costs / Expenses	550	862	1,949
Sales & Marketing expenses	2,968	3,848	6,274
Management & General expenses	6,820	6,625	10,257
Other	(4,130)	304	208
<b>Operating Profit</b>	<b>5,529</b>	<b>10,185</b>	<b>16,040</b>
<b>OP%</b>	<b>17.1%</b>	<b>19.3%</b>	<b>18.8%</b>
<b>Net Profit</b>	<b>3,969</b>	<b>8,131</b>	<b>12,812</b>
<b>Adj. EBIDTA</b>	<b>5,903</b>	<b>14,025</b>	<b>20,475</b>
<b>%</b>	<b>18.3%</b>	<b>26.6%</b>	<b>24.0%</b>
<b>Net Cash flow from operation</b>	<b>3,065</b>	<b>11,151</b>	<b>12,283</b>



# BALANCE SHEET

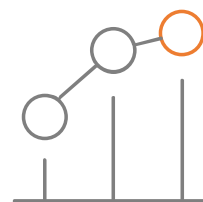
K US \$	31.12.2020	31.12.2021
<b>Assets</b>		
Current Assets	35,258	106,082
Non-Current Assets	35,132	66,587
<b>Total Assets</b>	<b>70,390</b>	<b>172,669</b>
<b>Liabilities &amp; Equity</b>		
Current Liabilities	29,121	37,032
Non-Current Liabilities	28,491	42,521
<b>Total Equity</b>	<b>12,778</b>	<b>93,116</b>
<b>Total Liabilities and Equity</b>	<b>70,390</b>	<b>172,669</b>

**Solid balance sheet supporting growth and acquisitions strategy**

# SUMMARY



Global F&F company  
with high profitability



Double digit growth  
based on organic  
growth and M&A



Management  
with vast  
experience



Operating in a growing  
industry that benefits  
from positive drivers that  
support continued growth



Supplying to all  
customers (SMB) -  
ONE STOP SHOP  
solutions, via  
customer intimacy



Cash and bank funds  
growth and  
acquisitions strategy



Dividend  
distribution -  
US\$ 3.86 M

THANK  
YOU

