



# INVESTOR PRESENTATION

August 2022

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# HIGHLIGHTS

## H1 2022

(M US \$)

**Sales**  
**\$ 57.7M**

**+ 46.3% Sales growth**  
**+ 10.3% Organic growth**

**Enhanced and  
expanded global  
management to  
support global  
growth strategy**

**Gross profit**  
**\$ 22.4M**

**+41.7%**

**Solid balance sheet,  
funding availability and  
strong cash flow from  
operations facilitate  
growth and acquisitions  
strategy**

**Adjusted EBITDA**  
**\$ 13.3M**

**+35.0%**

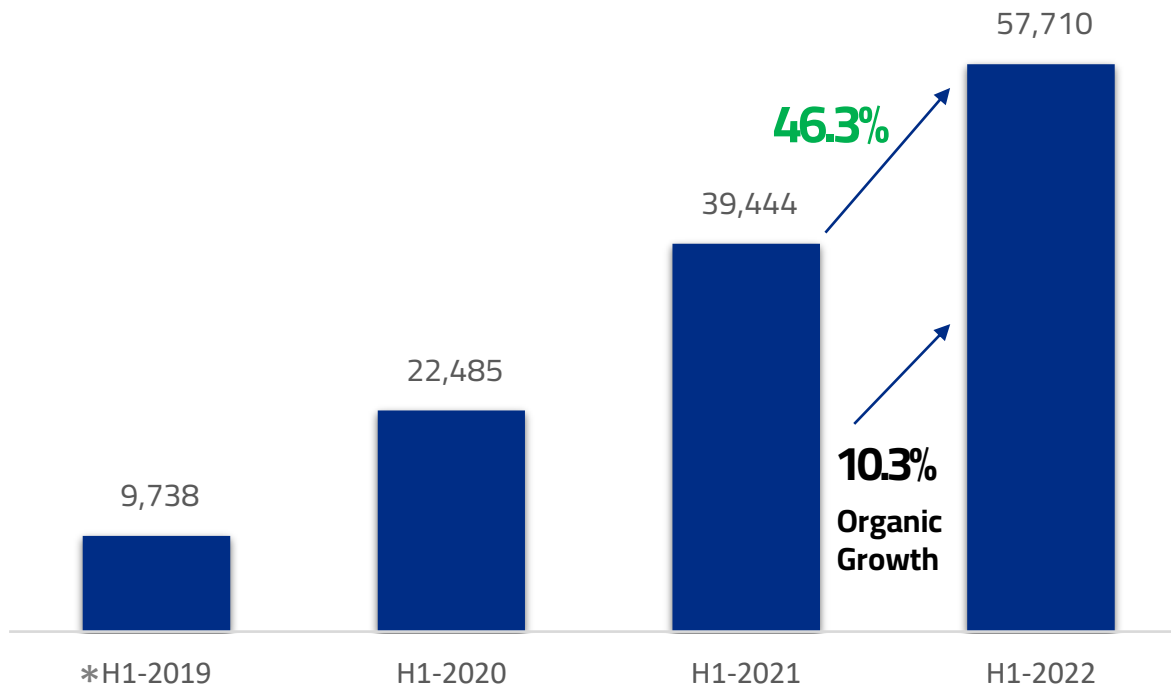
**Accomplished 6  
acquisitions from IPO  
(May 21) – 3 in 2022**

**Turpaz implemented a strategy of rapid double-digit growth,  
combining organic growth with synergistic and strategic acquisition  
while leveraging the synergies**

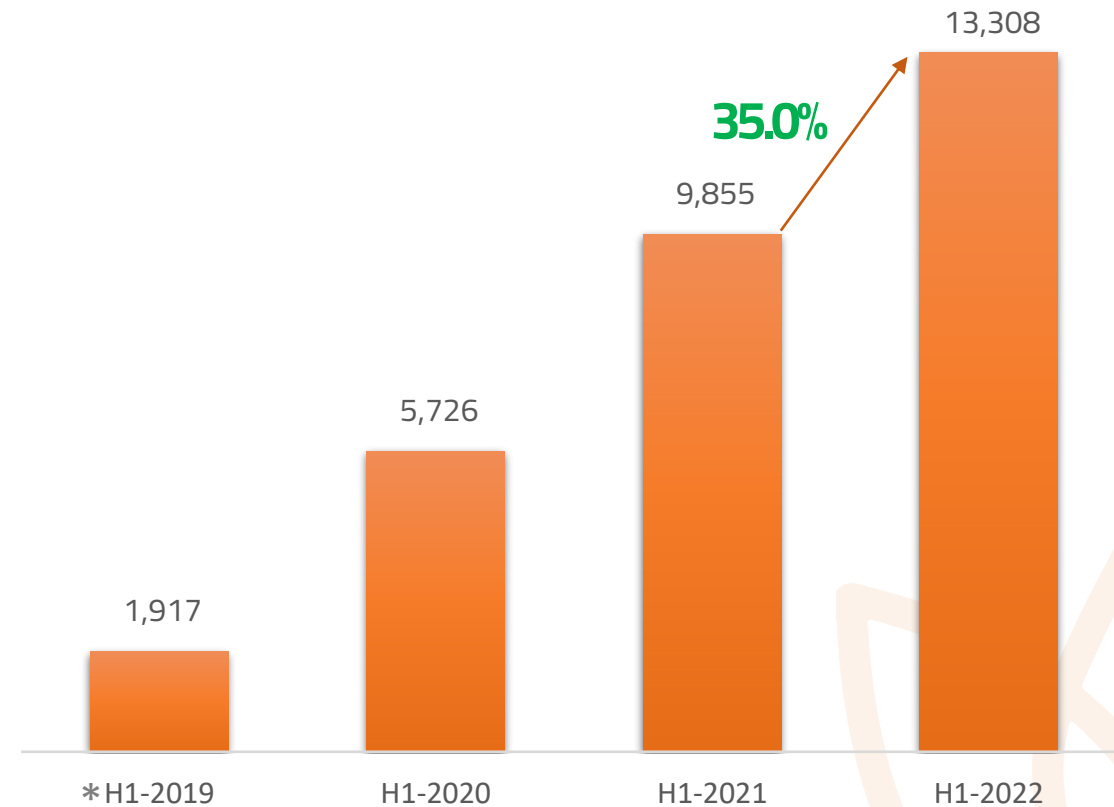
# DOUBLE DIGIT GROWTH – H1 2022



Sales (K US \$)



Adj. EBITDA\*\* (K US \$)



# SEGMENTS PERFORMANCE - H1 2022

## Net Sales (Organic growth)

## Operating Profit

In K US \$ / %	H1 2021	H1 2022	H1 2021	H1 2022
<b>FRAGRANCES</b>	9,573	12.3% 13,066	3,590 37.5%	3,936 30.1%
<b>TASTE</b>	13,245	18.4% 29,420	796 6.0%	4,400 15.0%
<b>P- INTERMEDIATES</b>	9,483	(22.3%) 7,055	2,953 31.1%	2,036 28.9%
<b>S - INTERMEDIATES</b>	7,143	20.6% 8,169	1,985 27.8%	2,172 26.6%

# SALES BREAKDOWN BY TERRITORY (H1 2022)

In K US \$

## North - America

H1 2022- 9,039  
H1 2021- 12,482

## Europe

H1 2022 – 27,096  
H1 2021 – 13,040

## Asia & ROW

H1 2022- 6,282  
H1 2021- 4,809

## Middle East

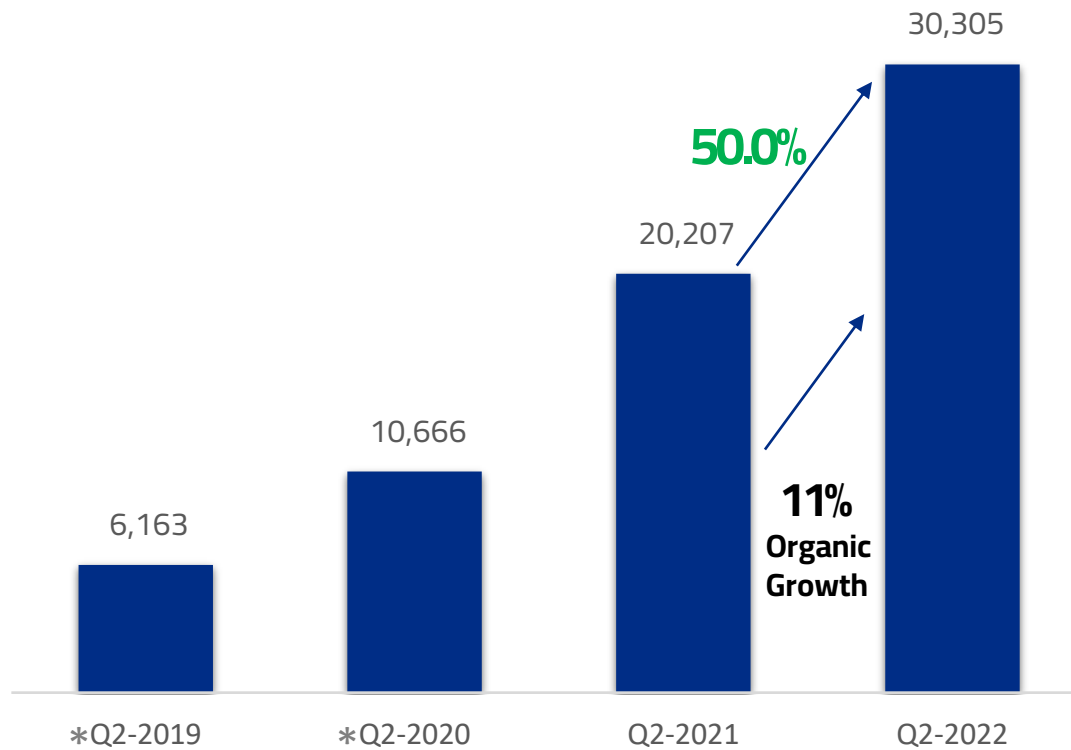
H1 2022- 15,293  
H1 2021- 9,113



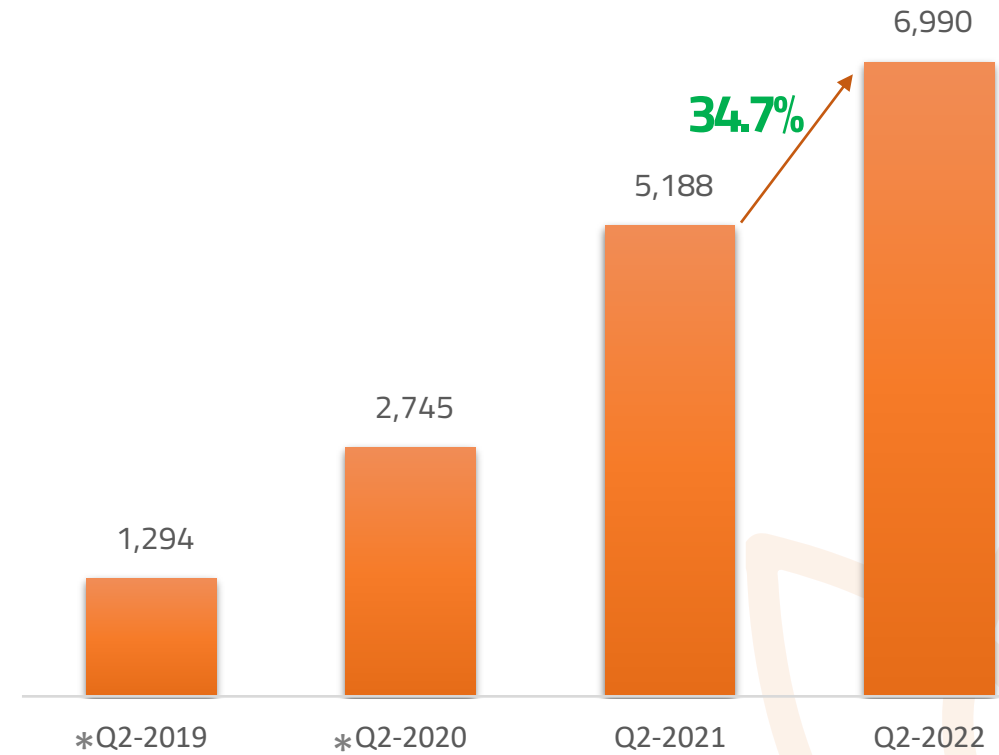
# DOUBLE DIGIT GROWTH – Q2 2022



Sales (K US \$)



Adj. EBITDA\*\* (K US \$)



# TURPAZ – CONSOLIDATED

## Q2 2022

In K US \$ / %	Q2 2021	Q2 2022
Sales	20,207	30,305
Gross profit	8,290 41.0%	11,660 38.5%
Operating profit	4,136 20.5%	4,954 16.3% (*)
Adj. EBITDA	5,188	6,990

(\*) Decrease in operating margin due to:

(1) +\$400K - amortization of intangible assets

(2) +\$490K - option share-based payment

(3) +\$300K - recruitment of management teams and strengthening of the company's managerial infrastructure







In K US \$ / %

Q2 2021

Q2 2022

Sales

5,251

7,074

Operating profit

2,057

2,143

39.2%

30.3%

Organic growth

**+11.3%**

Highlights

Strong organic growth  
LORI profitability is lower than segment profitably.  
LORI has begun a program to improve its operational efficiency. Improved profitability is expected within the following quarters.



In K US \$ / %

Q2 2021

Q2 2022

Sales

7,099

16,222

Operating profit

522

2,657

7.4%

16.4%

Organic growth

**+18.8%**

Highlights

Strong organic growth  
Profitably increased due to improvement of SDA's  
product lines & operational efficiency.

# P- INTERMEDIATES

P

In K US \$ / %

Q2 2021

Q2 2022

Sales

4,196

3,770

Operating profit

1,341

1,113

32.0%

29.5%

Organic growth

**-5.7%**

Highlights

Profitability mainly affected by Euro USD impacts.

## S - INTERMEDIATES

S

In K US \$ / %

Q2 2021

Q2 2022

Sales

3,661

3,239

Operating profit

975

897

26.6%

27.7%

Organic growth

**-1.6%**

Highlights

Profitability mainly affected by change in the product sales mix.

# P&L – SIGNIFICANT GROWTH



K US \$	2021	Q2 2021	Q2 2022	H1 2021	H1 2022
Revenues	85,334	20,207	30,305	39,444	57,710
<b>Gross Profit</b>	<b>34,728</b>	<b>8,290</b>	<b>11,660</b>	<b>15,780</b>	<b>22,364</b>
<b>GP%</b>	<b>40.7%</b>	<b>41.0%</b>	<b>38.5%</b>	<b>40.0%</b>	<b>38.6%</b>
R&D Expenses	1,949	502	717	889	1,502
Sales & Marketing expenses	6,274	1,488	2,171	2,688	4,514
Management & General expenses	10,257	2,050	3,837	4,032	6,864
Other Expense (Income)	208	114	(19)	167	(27)
<b>Operating Profit</b>	<b>16,040</b>	<b>4,136</b>	<b>4,954</b>	<b>8,004</b>	<b>9,511</b>
<b>OP%</b>	<b>18.8%</b>	<b>20.5%</b>	<b>16.3%</b>	<b>20.3%</b>	<b>16.5%</b>
<b>Net Profit</b>	<b>12,812</b>	<b>3,195</b>	<b>4,239</b>	<b>6,317</b>	<b>8,199</b>
<b>EBIDTA</b>	<b>20,021</b>	<b>4,993</b>	<b>6,879</b>	<b>9,660</b>	<b>13,092</b>
<b>Adj. EBIDTA (*)</b>	<b>20,475</b>	<b>5,188</b>	<b>6,990</b>	<b>9,885</b>	<b>13,308</b>
<b>% Adj. EBIDTA</b>	<b>24.0%</b>	<b>25.7%</b>	<b>23.1%</b>	<b>25.1%</b>	<b>23.1%</b>

# BALANCE SHEET

K US \$	31/12/2021	30/6/2021	30/6/2022
<b>Assets</b>			
Current Assets	106,082	99,368	91,769
Non-Current Assets	66,587	34,790	79,913
<b>Total Assets</b>	<b>172,669</b>	<b>134,158</b>	<b>171,682</b>
<b>Liabilities &amp; Equity</b>			
Current Liabilities	37,032	26,594	35,437
Non-Current Liabilities	42,521	26,582	47,096
<b>Equity</b>	<b>93,116</b>	<b>80,982</b>	<b>89,149</b>
<b>Total Liabilities and Equity</b>	<b>172,669</b>	<b>134,158</b>	<b>171,682</b>

Shekel rates strengthened against the dollar and euro after the balance sheet date.  
The capital fund from translation differences would have increased by approximately USD 5.3 million if the financial statements had been translated according to the exchange rate of NIS 3.282 per dollar as of August 22, 2022, resulting in approximately USD 94.5 million in equity.

<b>Ratio</b>			
Working capital to sales	24.2%	27.1%	25.8%
Net Cash	25,745	48,103	17,023
Net Cash (Net Debts)(*)	20,911	46,847	(1,898)
Equity to total balance sheet	54%	60%	52%

(\*) Debts = Short and long-term loans from banks and other and liabilities relating to acquisitions



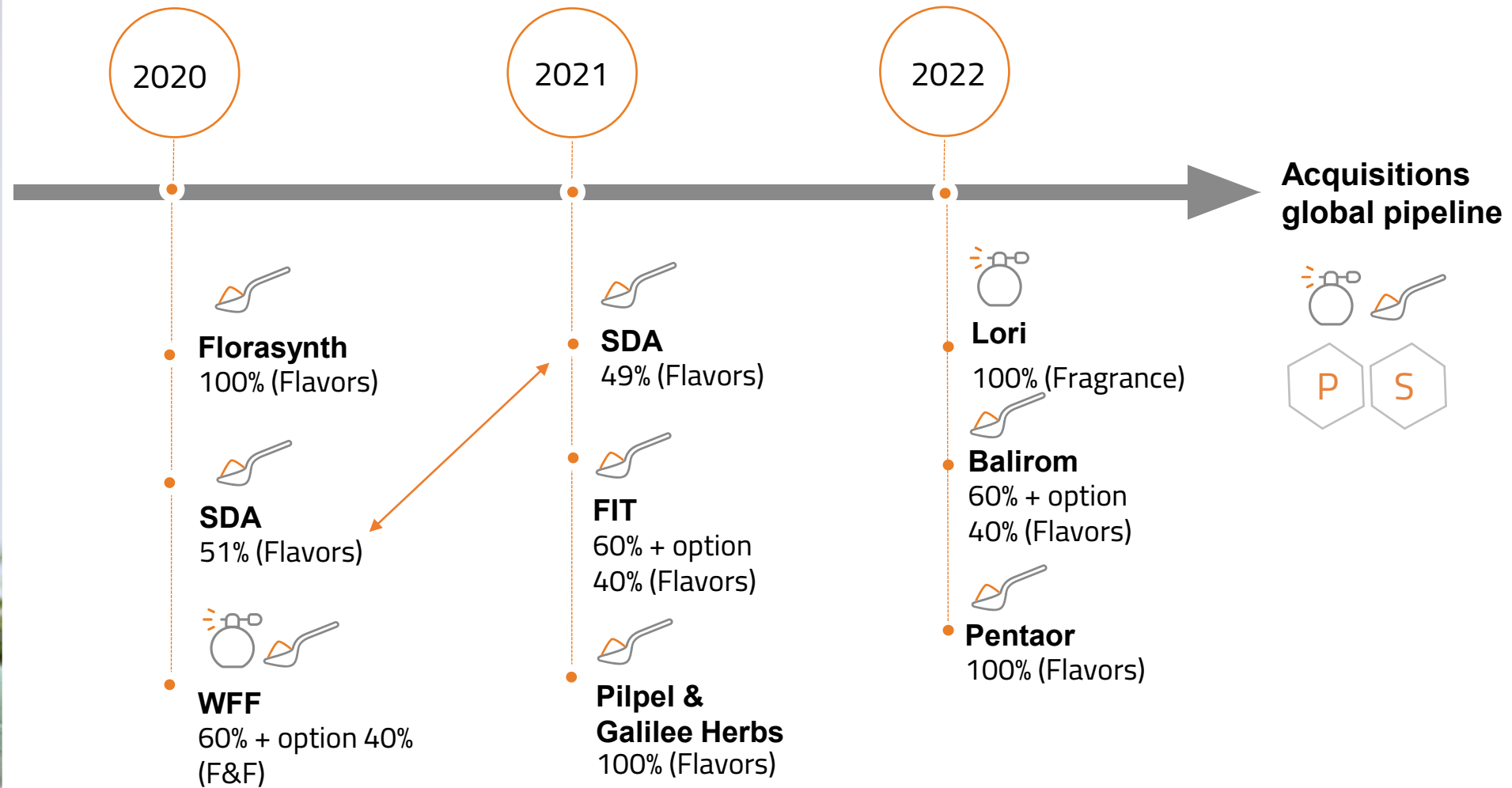
# CASH FLOW

K US \$		2021	Q2 2021	Q2 2022		H1 2021	H1 2022
<b>Cash flow from operation</b>		12,283	3,031	(4,260)		4,907	1,108
<b>Cash flow from investing activities</b>	Proceeds from purchase of property, plant & equipment, net	(2,826)	(515)	(914)		(1,240)	(2,664)
	Purchase of companies consolidated for the first time and activities	(3,647)	-	(3,070)		-	(11,517)
	Total	(6,473)	(515)	(3,985)		(1,240)	(14,181)
<b>Cash flow from financing activities</b>		45,572	60,347	(1,067)		59,408	(7,170)
<b>Exchange differences in respect of cash and cash equivalents</b>		1,716	55	(3,171)		(23)	(4,182)
<b>Total change in cash and cash equivalents</b>		<b>53,098</b>	<b>62,918</b>	<b>(12,483)</b>		<b>63,052</b>	<b>(24,425)</b>

The decrease in the Cash flow from operation is mainly due to:

- (1) Purchase of inventories that burned in the fire incident at SDA
- (2) An increase in working capital due to increased group activity
- (3) Timing of receiving the insurance receipts

# PROVEN TRACK RECORD OF ACQUISITIONS



# 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



THANK  
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