



## CONVENIENCE TRANSLATION

### The Hebrew version is the binding version

#### **Três Corações Group acquires Mitsui Alimentos' roast and ground coffee business in Brazil, strengthening its leadership position of the coffee market in the country**

**Tres Coracoes (3C) is a joint venture equally held by Strauss Coffee and the Sao Miguel FIP, owned by the Lima family.**

**Strauss Group CEO, Giora Bardea: "The coffee company is one of Strauss's four major pillars and will continue to be one of the Group's key growth drivers in the future both organic and nonorganic."**

**Strauss Coffee CEO, Zion Balas: "The acquisition of Mitsui Alimentos' roast and ground coffee business in Brazil follows acquisitions made in Brazil in recent years and establishes our position as the leading coffee company in the country."**

Strauss Group today reported to the Tel Aviv Stock Exchange that the 3C joint venture in Brazil has signed a transaction for the acquisition of 100% of the quotas of Mitsui Alimentos Ltda. in Brazil from Mitsui & Co., Ltd. in Japan and Mitsui & Co. (Brasil) S.A. According to the agreement, 3C is to pay BRL 210 million reais (approximately US\$ 50 million) for Mitsui Alimentos's domestic coffee business in Brazil. The 3C joint venture is equally held by Strauss Coffee and the Sao Miguel FIP, owned by the Lima family.

Mitsui Alimentos's roast and ground (R&G) coffee business in Brazil has operated as part the company Mitsui Alimentos since 1974. It holds a 3.8% share of the Brazilian coffee market and is the fifth largest coffee company in the country. Based on the data disclosed to the Company, the 2019 revenue of Mitsui Alimentos totaled 270 million BRL.

Following the acquisition, 3C joint venture will further consolidate its position as leader of the coffee market in Brazil. The Brazilian coffee market boasts the highest volumes in the world. Mitsui Alimentos's coffee green beans export business will remain under the umbrella of Mitsui & Co.,Ltd.

The main brand Café Brasileiro in R&G coffee products has a strong position in the interior of *São Paulo State and in the Midwest region of Brazil*. As a result, the acquisition will strengthen 3C joint venture's business in these regions. The transaction follows a series of



other transactions executed by 3C joint venture in recent years as the leading consolidator in the coffee market in Brazil, which include the acquisition of the brands Fino Grão in 2012, Itamaraty in 2014, Cia *Iguaçu* in 2016 and Manaus in 2019.

The transaction is subject to approval by the Administrative Council for Economic Defense (CADE) (the Brazilian antitrust authority).

**Strauss Group CEO, Mr. Giora Bardea:** “The coffee company is one of Strauss’s four major pillars and will continue to be one of the Group’s key growth drivers in the future. Our excellent partnership with the Lima family is today solidifying 3C joint venture’s leadership in the coffee business in Brazil and is a strategic anchor for the coffee company.”

**Strauss Coffee CEO, Zion Balas:** “The acquisition of Mitsui Alimento’s R&G coffee business in Brazil follows acquisitions made in the country in the past few years and establishes our position as the leading coffee company in Brazil. Strauss Group and its local partners, the Lima family, will continue to develop and grow the 3C joint venture organically as well as through further acquisitions that are relevant and complementary to our core business.”

#### About Grupo 3corações

Grupo 3corações is a national leader in the roasted and ground coffee and cappuccino segments, leader in the North and Northeast regions with Café Santa Clara and national vice-leader in soluble coffee. Founded in 1959, in the interior of Rio Grande do Norte, and celebrating 60 years in 2019, the company industrializes and markets more than 25 product brands, including: Café 3 Corações, Santa Clara, Pimpinela, Kimimo, Letícia, Fino Grão, Itamaraty, Iguaçu, Amigo and Cruzeiro. It also produces filter, filter holder, instant coffee, Frisco and Tornado powdered soft drink, Chocolatto chocolate, spices, Claramil, Dona Clara and Kimimo corn derivatives, and Pronto cappuccino. In 2013, the Group launched TRES®, an espresso and multi-drink solution with more than 20 flavors of hot drinks. With 27 Distribution Sales Centers (CDs), seven Manufacturing Plants, 10 Industrial Units, two Green Coffee Purchase and Processing Units (Warehouses), a Corporate Unit - Integrator (CE, SP and MG) - and the School of Services and Flavors, the company is present in more than 400 thousand points of sale in the country, with its own logistical and commercial structure. 3corações also exports coffee from some of its brands to the main markets in Latin America and the United States.



## About Mitsui Alimentos's roasted and ground coffee operation

Café Brasileiro was launched in 1959, in Dracena (State of São Paulo), by a family of Japanese immigrants, owner of the company Yoshioka & Cia. In 1974 Yoshioka became an affiliate of a Japanese company Mitsui & Co.,Ltd., creating Mitsui Alimentos, which since then has been working to solidify the Café Brasileiro brand, characterized by its refined flavor and high quality standard.

For further information please contact:

**Daniella Finn**  
Director of Investor Relations | Strauss Group

49 Hasivim St., Petach Tikva | 49517  
Phone: + 972-3-675-2545  
[Daniella.finn@strauss-group.com](mailto:Daniella.finn@strauss-group.com)  
[www.strauss-group.com](http://www.strauss-group.com)

