



Strauss Group Financial Results

Q3 and YTD 2020 Earnings Presentation

November 18th, 2020



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GAAP to Non-GAAP Reconciliations

In addition to reporting financial results in accordance with generally accepted accounting principles (GAAP), the Company provides non-GAAP operating results which include the results of jointly controlled entities as if they were proportionately consolidated. Strauss Group has a number of jointly controlled companies: the Três Corações joint venture (3C) - Brazil (a company jointly held by Strauss Group (50%) and by the São Miguel Group (50%) in Brazil), Sabra Dipping Company (a 50%/50% JV with PepsiCo in the U.S. and Canada), Strauss Frito-Lay Ltd. (a 50%/50% JV with PepsiCo Frito-Lay in Israel) and PepsiCo Strauss Fresh Dips & Spreads International (a 50%/50% JV with PepsiCo outside the U.S. and Canada)(1).

In addition, non-GAAP figures exclude any share-based payments, mark to market of commodity hedging transactions as at end-of-period, other expenses or income and taxes referring to these adjustments.

Company Management believes that these measures provide investors with transparency by helping to illustrate the underlying financial and business trends relating to the Company's results of operations and financial position and comparability between current and prior periods. Management uses these measures to establish and monitor budgets and operational goals and to evaluate the performance of the Company. Please see the GAAP to non-GAAP reconciliation tables in the Company's MD&A Report for a full reconciliation of the Company's GAAP to non-GAAP results.

Coronavirus Update

General

- Group Management is vigilantly managing the event and continues to assess and manage the risks on an ongoing basis in all countries of operations, since due to its nature this is an unfolding event that is evolving and changing constantly, sometimes on a daily basis.
- At the date of this report and throughout the quarter in general, the Group's manufacturing facilities have continued to operate normally. The Group is cooperating closely with its suppliers and customers to ensure that the supply chain is able to meet the continuing high demand that continued during the third quarter, and is taking steps to increase production capacity and maximize the availability of products and services.
- During the quarter the Group continued to take action to preserve financial stability and flexibility and ensure adequate liquidity in all geographies. The Company has also continued to invest in developing its brands and to strengthen its partnerships, while exploring various business opportunities and making advance preparations for the challenges that lie ahead as the year progresses.

Coronavirus Update - continued

Impacts of COVID-19 crisis on the Group's business

- Consumer behavior – Trends include increased in-home consumption of food and beverages and a decline in away-from-home (AFH) consumption due to social distancing and lockdowns imposed on consumers in some countries of operations; continued growth in online shopping; a drop in purchases of impulse products, leading brands grew stronger than private labels, however during the third quarter consumers exercised mindful spending, a trend which could continue
- Geographies – Above average sales growth in Israel continued, due to increased in-home food consumption following the second lockdown in September and ongoing social distancing which manifested itself in the continued closure of AFH entertainment and dining venues (albeit growth has slowed compared to the first quarter during the outbreak and lockdown phase). In the US sales have improved in comparison to the second quarter as supply chain issues were partially resolved; in Brazil, Eastern Europe and China sales increased in comparison to Q3 2019
- Product categories – Growth in demand for the Group's products was evident, such as dairy products, salads, dips, chocolate tablets, jams, sauces and honey. By contrast, sales of confectionery, single serve snacks and small packs that mainly serve for AFH consumption as well as portability products (particularly in Israel and the US) remained weak.
- Sales channels – Group's sales to the retail chains increased, offset by a drop in sales in the institutional and AFH market, such as hotels, offices, cafés (including the Elite Coffee To Go chain), restaurants and open-air markets, and impulse (on-the-go (OTG)) sales.

Coronavirus Update - continued

Impacts on the Group's business units

- Strauss Israel – Increased demand for dairy products, salads and confectionery, offset by lower demand for single serve snacks; consumer preference for larger pack sizes. Online grocery shopping continues to support increased sales to retailers offset by a drop in sales to the institutional and AFH channel. Demand for the Group's products remains high, but has slowed in relation to initial pandemic outbreak and lockdown phase. Most of the manufacturing sites and the accompanying supply chain facilities remained open. Supply chain and manufacturing costs continued to rise due to the costs of personal hygiene, separation of shifts, support of production-line and front-line employees, and contribution to the community.
- Strauss Coffee – Impact on the coffee business was mixed. Modern trade sales (sales to the large retail chains) rose moderately as consumers had stocked up on basic coffee brands, coffee beans and capsules for home consumption in preparation for the lockdowns in most countries of operations. Growth was also observed in online sales. These were offset by sales to the traditional trade channel, which includes stores, groceries and open-air markets, which suffered due to restrictions on opening hours and a drop in customer traffic following further lockdowns. Sales to the institutional and AFH channel dropped significantly as a result of the discontinuation of the activities of hotels, cafés, restaurants, offices and the points of sale of the Elite Coffee To Go chain in Israel (which accounted for c10% of coffee sales in 2019). The coffee business was impacted by rising green coffee prices and the strengthening of the USD. The coffee company's supply and distribution chain was operational throughout the quarter.

Coronavirus Update - continued

Impacts on the Group's business units

- Strauss Water – Israel – the third quarter was a very strong one particularly for S. Water Israel where strong demand for new water bars throughout the hot summer months increased the number of new machines sold and the installed base. UK sales showed a significant rise as well. IT and other costs remain high as employees shifted to working from home, as well as costs related to hygiene and personal protective equipment.
- Strauss Water - China - a significant improvement in sales as China continues to emerge from the pandemic, sales grew in local currency as online sales in China continue to gain momentum.
- The International Dips & Spreads business – During the quarter Company's sales improved on the previous quarter (Q2) but were still lower than the corresponding quarter (Q3 2019), mainly due to lower sales of portability products and the continued drop in sales to the AFH segment. Supply chain challenges were partially resolved. Wage costs continued to rise due to incentives and support for production, operations and sales employees. Obela experienced steady demand for its dip products, and high supply chain costs due to the impacts of the lockdown in Australia.



Giora Bardea

Group CEO





It's a new WORLD

9 months of on-going
opportunities & insights





These are the main
SHIFTS
that form our reality

Consumers



F&B Industry

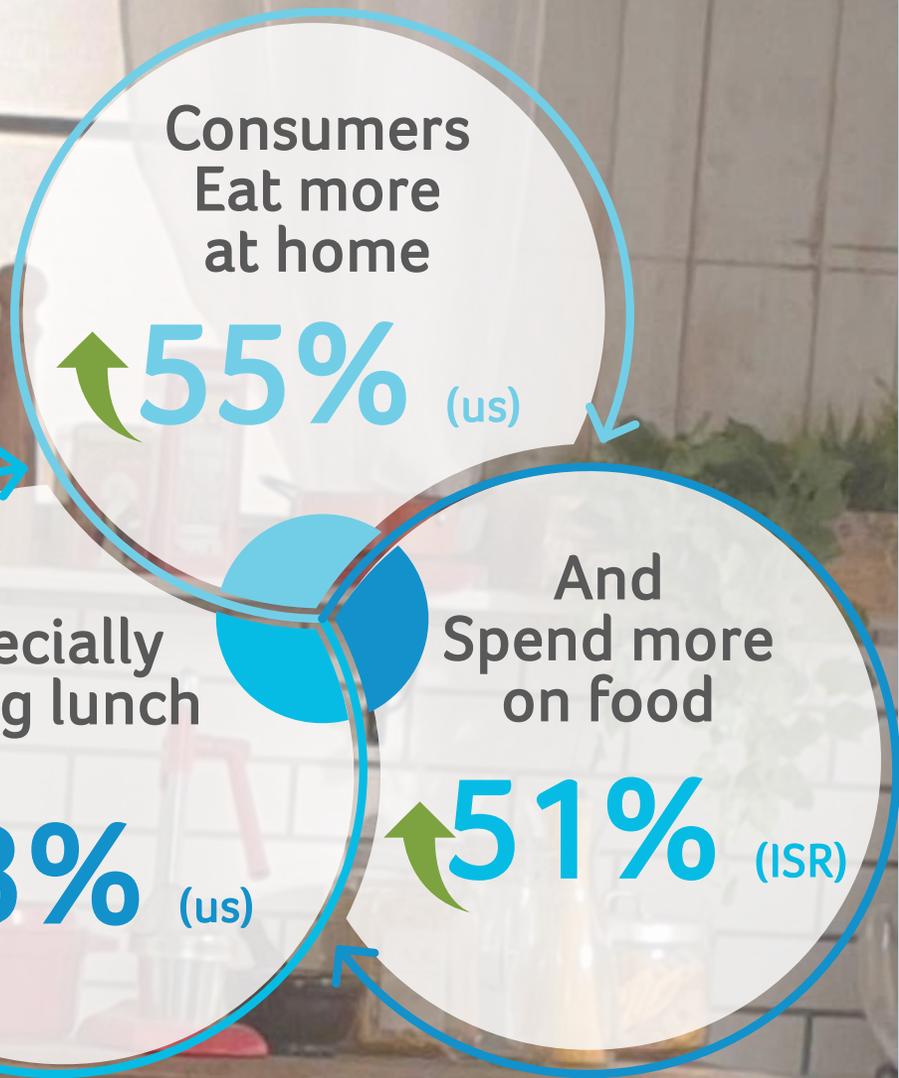


Companies





Effects of Mobility on food





People are adjusting to the new lifestyle

Some people developed a new passion for cooking

↑ 35%

Others are tired of cooking

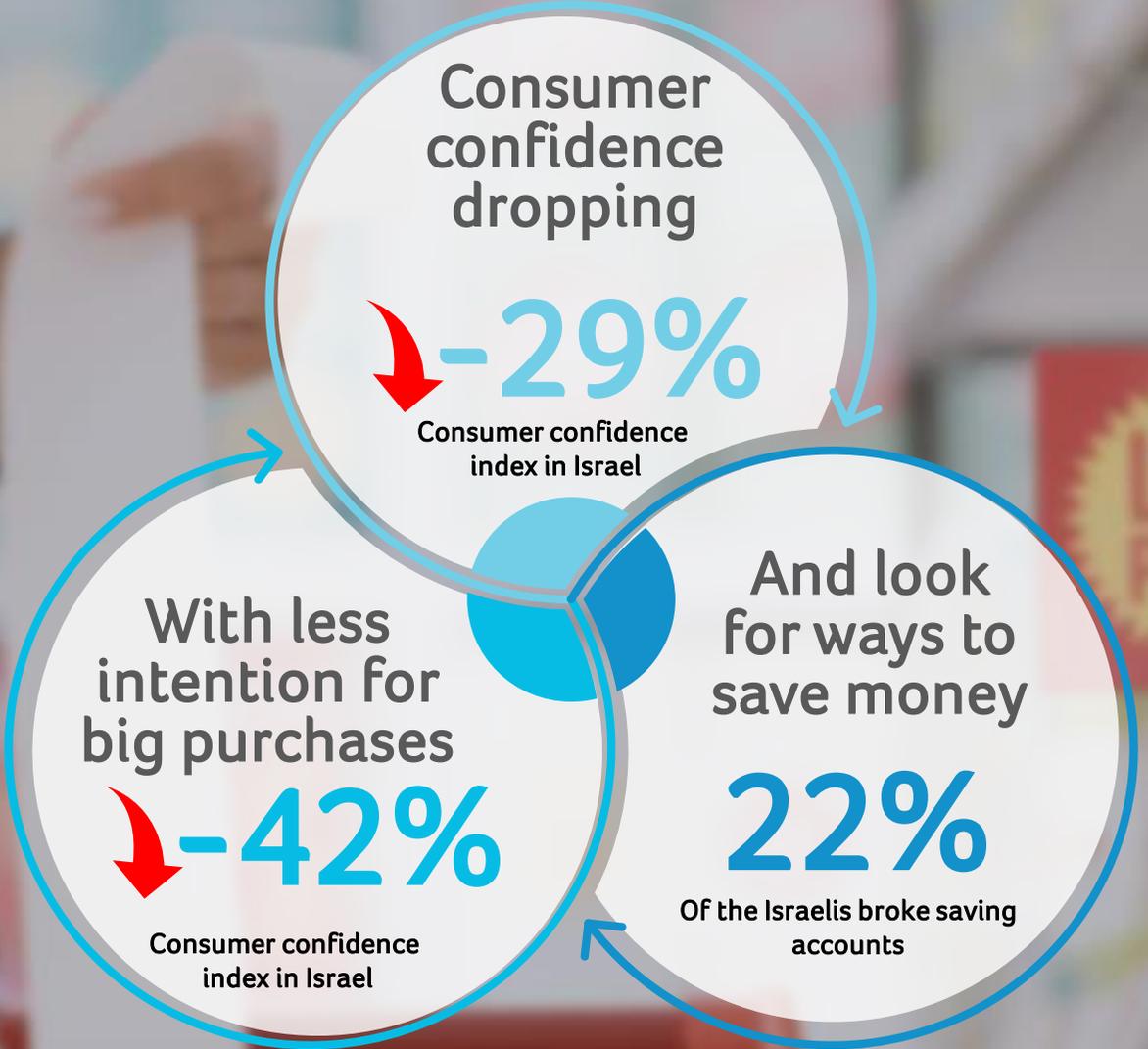
↓ 25%

And overall there is less panic buying

← vs →
+8.7% (September) vs 40.3% (March)
Israel – Growth vs YA



Consumers are saving money





Home food consumption still elevated

Retail food sales Q3 vs last year

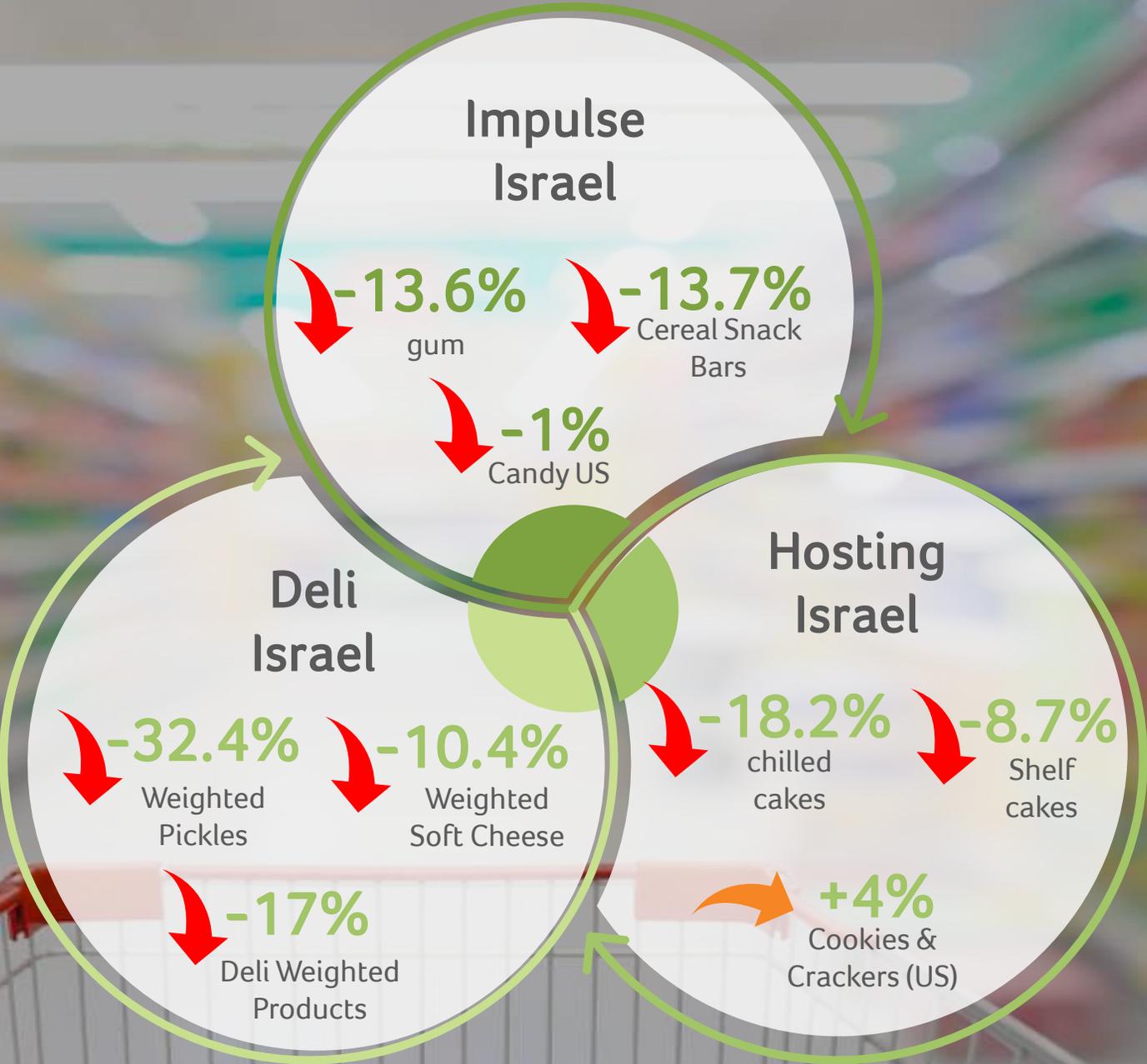


Source: Store next – Q3 2020 vs Q3 2019, Nielsen





And others are struggling



Source: Store next – Q3 2020 vs Q3 2019, Nielsen– growth accounts for 4wk growth – Oct 4th



Portfolio Diversity Enables Strauss to Win – Executive Summary

Strauss continues to deliver solid financial results despite global uncertainties

Stellar consumer consumption at home more than offsets decline in AFH channels

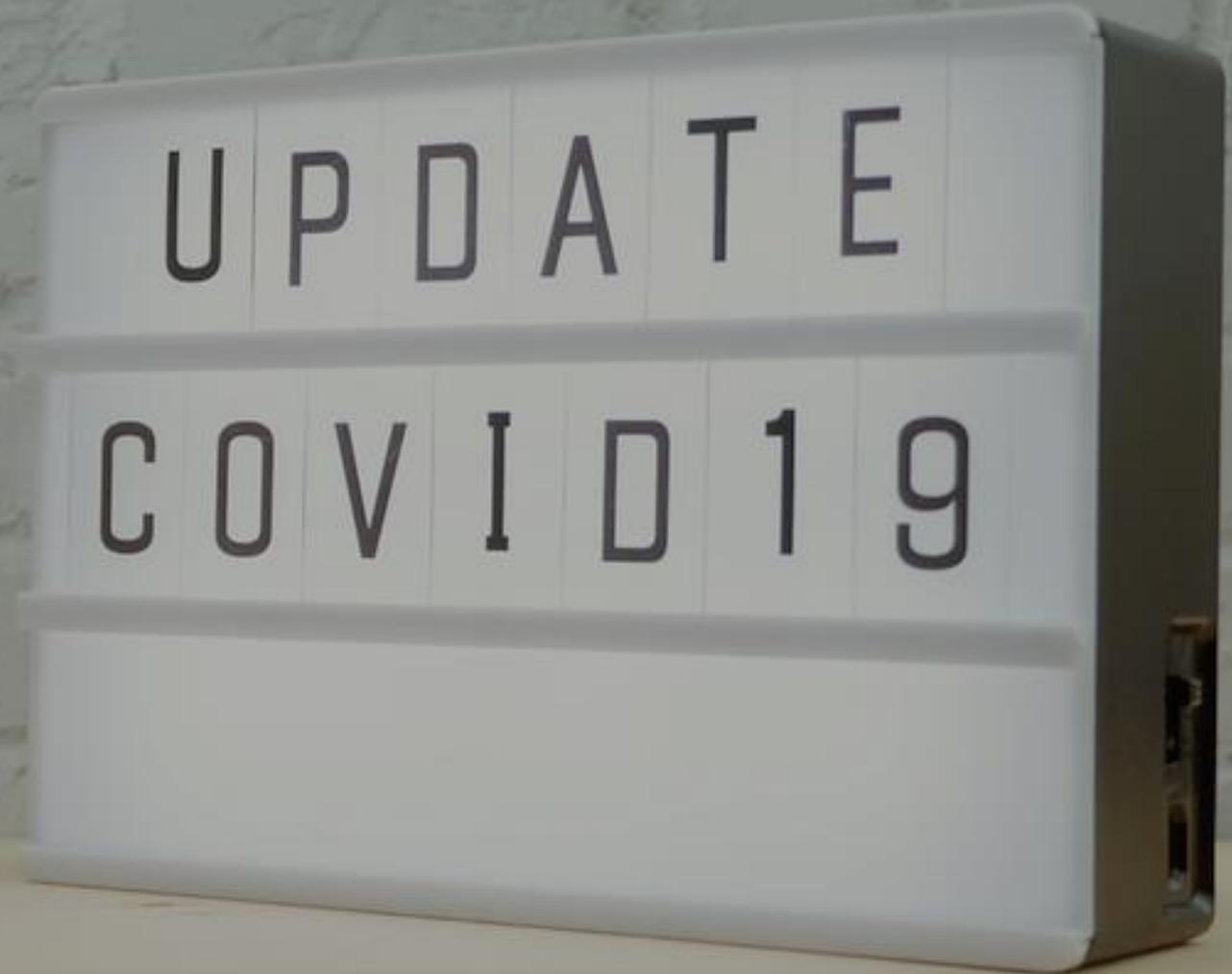
Operational stability, a solid financial position

Breadth of product offering over multiple geographies enable the group to post impressive organic sales and profit growth excluding FX

The company continues to invest in its core businesses (Capex, Opex, M&A)

Caring for our employees' health and safety first and foremost

Support for community continues in all geographies



Taking the necessary steps to emerge stronger from the crisis

Mitigation plan & Financial Stability

Product Category Adjustments

Investments in core businesses

Channels & Online



Operationally Resilient; Financially Solid; Investments Continue



Significant savings company wide due to productivity and efficiency methods

Looking forward – Investment & Innovation continue in full force



Our Solid Financials Enable us to Achieve our Goals



Ariel Chetrit

Group CFO

Financial Highlights

Q3 2020

Q3'20 Sales: NIS 2174mm; growth: -3.1%

Q3'20 Organic growth excluding FX: 3.9%

Q3'20 gross margins: 37.9% (down 170 bps vs. Q3'19)

EBIT and EBIT margins: NIS 250mm (down 2.3%); 11.5% (up 10 bps vs. Q3'19)

Net income and net margins: NIS 158mm (up 4.2%); 7.3% (up 50 bps vs. Q3'19)

EPS: 1.37 (up 4% VS. Q3'19)

YTD 2020

YTD 2020 Sales: NIS 6280mm; growth: -2.2%

YTD 2020 Organic growth excluding FX: 4.5%

YTD 2020 Gross margins: 38.9% (down -90 bps vs. YTD 2019)

EBIT and EBIT margins: NIS 741mm (down 1.5%); 11.8% (up 10 bps vs. YTD 2019)

Net income and net margins: NIS 464mm (up 4.1%); 7.4% (up 50 bps vs. YTD 2019)

EPS: 4.01 (up 3.7% VS. YTD 2019)

Quarter and Full Year Highlights

Strauss Israel

- Strong performance in retail continues to fuel Strauss Israel stellar growth of 6.1% during Q3 2020, and an even stronger 8.1% YTD once again led by dairy, salads, sauces and honey (Yad Mordechai)
- F&I categories, confectionary and salty snacks, continue to come under pressure as social distancing affects on consumer behavior continue and impact channel mix; the AFH channel still largely closed and virtually no impulse sales led to a decline of 3.2%
- Overall EBIT and EBIT margins expanded during the quarter and YTD despite the negative impact from the F&I categories
- Market share ticked up to 12.1% from 12.0%, in the relevant categories for Strauss, market share grew an impressive 1%
- Strauss continues to focus on expanding its alternative dairy offering as the Alpro distribution gains momentum



(1) Source: Storennext

Strauss Coffee

- Strauss Coffee volumes grew across geographies except for Israel due to the decline in the AFH and the closure of the Elite Coffee To Go stands (ECTG)
- Profit margins were eroded by higher green coffee prices
- Headline sales impacted mainly by currency devaluation vs. the strong Israeli Shekel, namely the BRL which is down -c30% and the RUB -15% on average vs last quarter
- Sales in 3C ⁽¹⁾ were up 10% in local currency during the quarter on the back of higher volume and the Mitzui acquisition that were offset by the AFH channel
- Sales in Eastern Europe were up across the board except for Serbia where sales were flat; CIS up 5.5%
- Sales in Israel declined 10% during the quarter due to channel mix, the sharp declines in the AFH segment and at ECTG
- 3C ⁽¹⁾ market share in Brazil R&G value was 31.0% ⁽²⁾ for 2020, compared to 28.9% in 9M 2019 due to the addition of Mitzui Coffee which added 2.2%; excluding the Mitzui acquisition market share declined 0.1%



- (1) Note: Três Corações joint venture (Brazil): a company jointly held by the Group (50%) and by the São Miguel Group (50%) (3C)
- (2) Source: Nielsen

Quarter and Full Year Highlights

International Dips & Spreads

- The Int'l D&S business declined 1.1% in local currency as a result of lower sales at the AFH channels, convenience stores and of portability products in all channels
- Currency headwinds had a negative impact on results as the USD weakened against the NIS
- Challenges in the supply chain improved during the quarter, however, supply chain costs remain elevated due to higher inventories and ongoing uncertainties associated with COVID-19
- An increase in costs associated with support of production line employees had a negative impact on profit margins
- Sabra sales declined 2.4% in local currency whilst sales at Obela were up 10.4% in local currency but costs were higher mainly due to lockdown in Australia;
- Sabra EBIT was up sharply due to a shift in marketing expenses this year, associated with the large expense of Superbowl advertising in Q1
- Hummus category in North America was up 4.1% during the quarter and 4.5% YTD
- Hummus market share in North America was slightly down to 61.9% YTD from 62.2%



Strauss Water

- Strauss water posted very strong results this quarter with sales up 10.5% and operating income up 24.2%
- The strong performance is attributed to seasonality – the very hot summer months in Israel are typically strong and due to the lockdowns; people spending more time at home requiring better quality drinking water
- Growth in sales was led by the increased sale of new water bars and by increasing the company's installed base
- Sales in the UK, albeit still a very small part of the business improved significantly
- Sales at Haier Strauss Water (HSW), the JV in China, were up during the quarter by 6.8% in local currency and net income was up by 27.8% in local currency as the economic activity in China returns to growth after the slowdown during the peak of the Corona virus pandemic earlier this year
- The building of the production site in China is advancing as planned and is expected to be completed by Q1 2021



Note: HSW revenues are not included in Strauss water results; net income is added to Strauss water EBIT in Non GAAP management reports

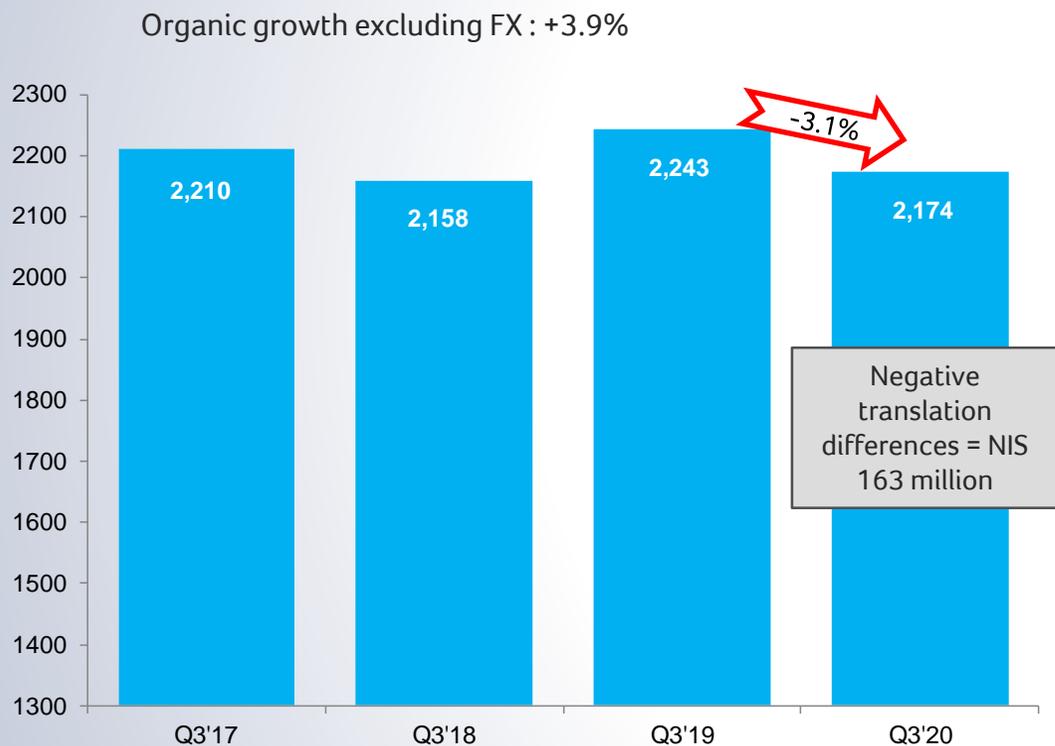


Q3 2020



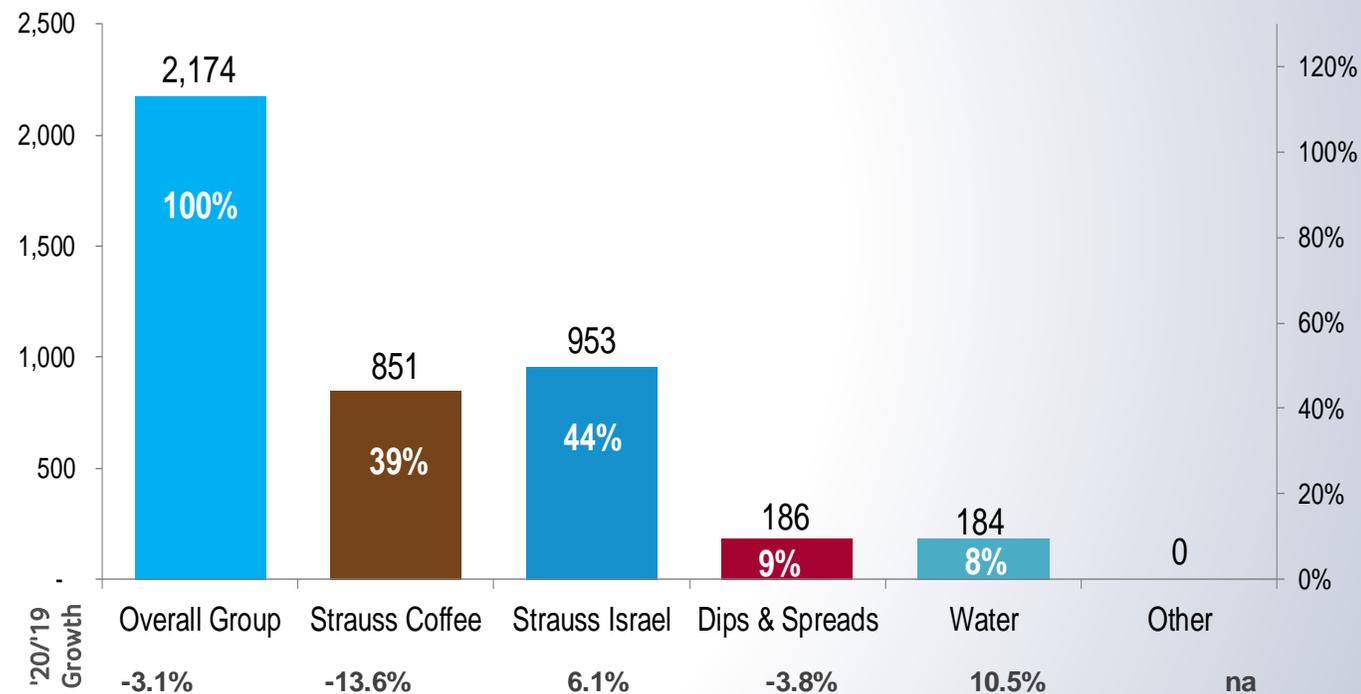
Sales

Q3 2020 Consolidated Sales NIS mm Non-GAAP



Q3 2020 Sales by Segment

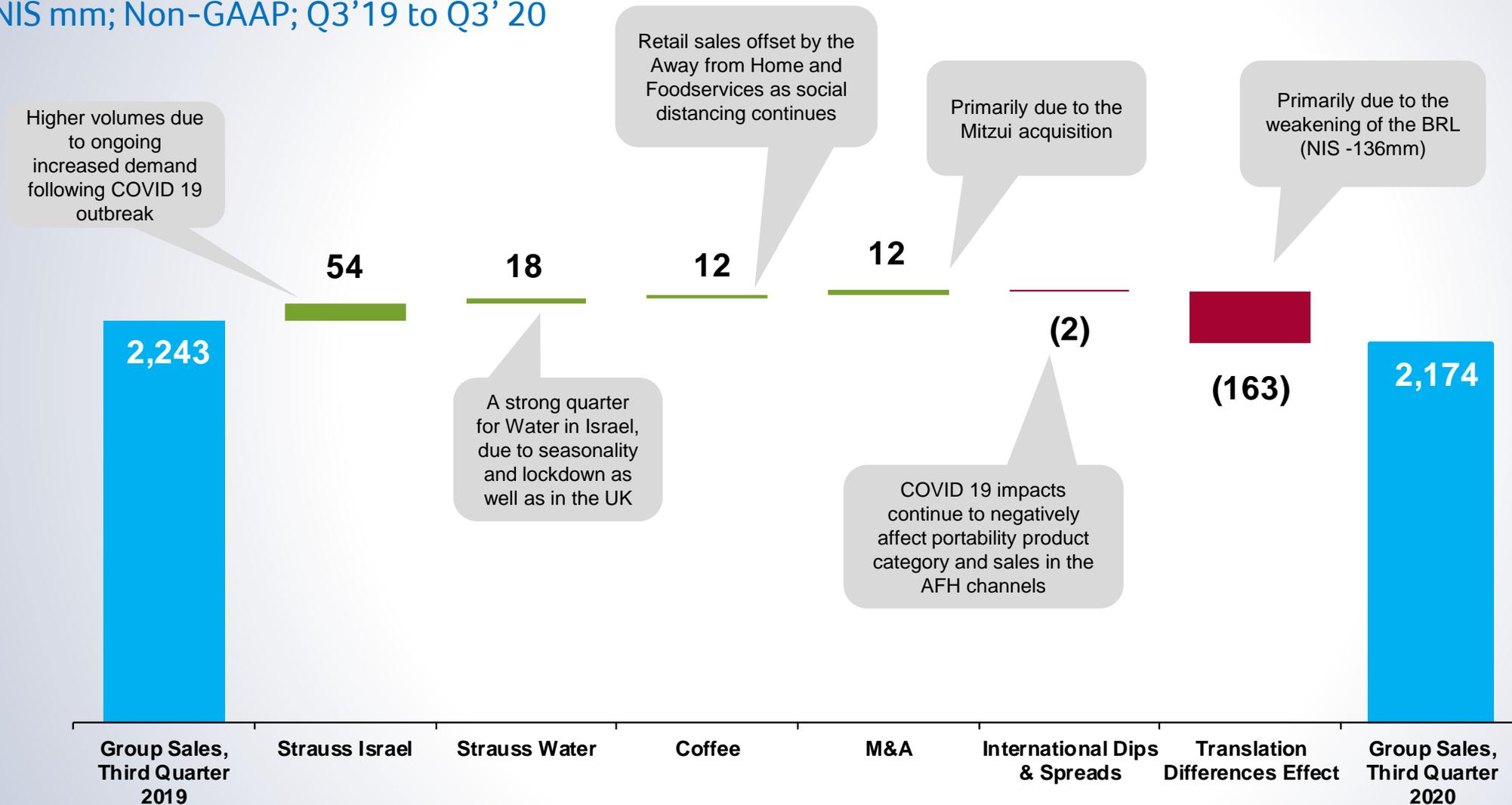
NIS mm; Non-GAAP; % sales contribution



'20/'19 Growth	-3.1%	-13.6%	6.1%	-3.8%	10.5%	na
'20/'19 Organic growth excl. FX	3.9%	1.4%	6.1%	-1.1%	10.5%	na

Q3 Sales Bridge

NIS mm; Non-GAAP; Q3'19 to Q3' 20



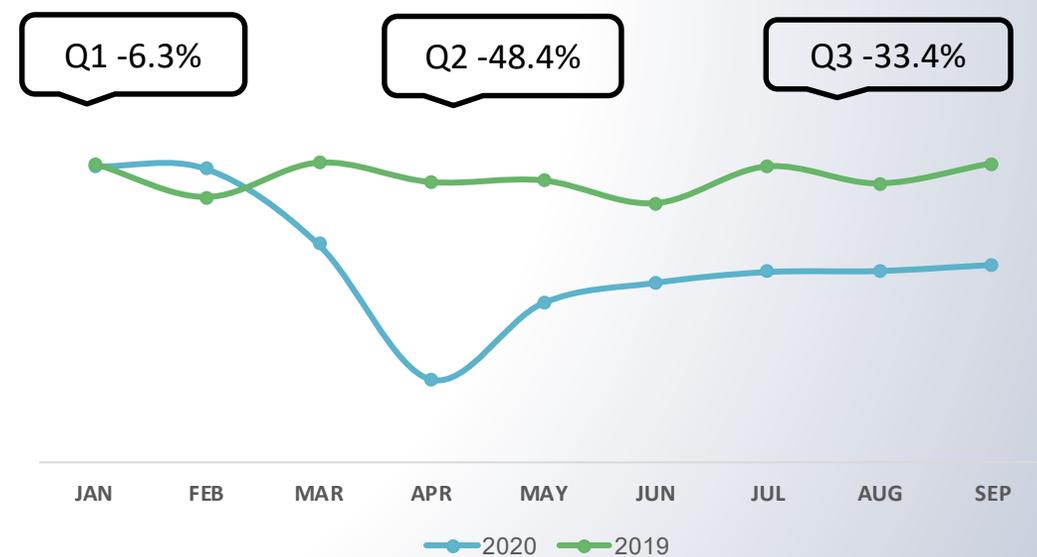
Group Monthly Sales Development during Pandemic

- Sales growth is evident since April, flattening in September due to high holiday timing in Israel and newly imposed lockdown as well as milk supply shortages
- AFH, impulse and portability sales continue to suffer globally

Retail Sales

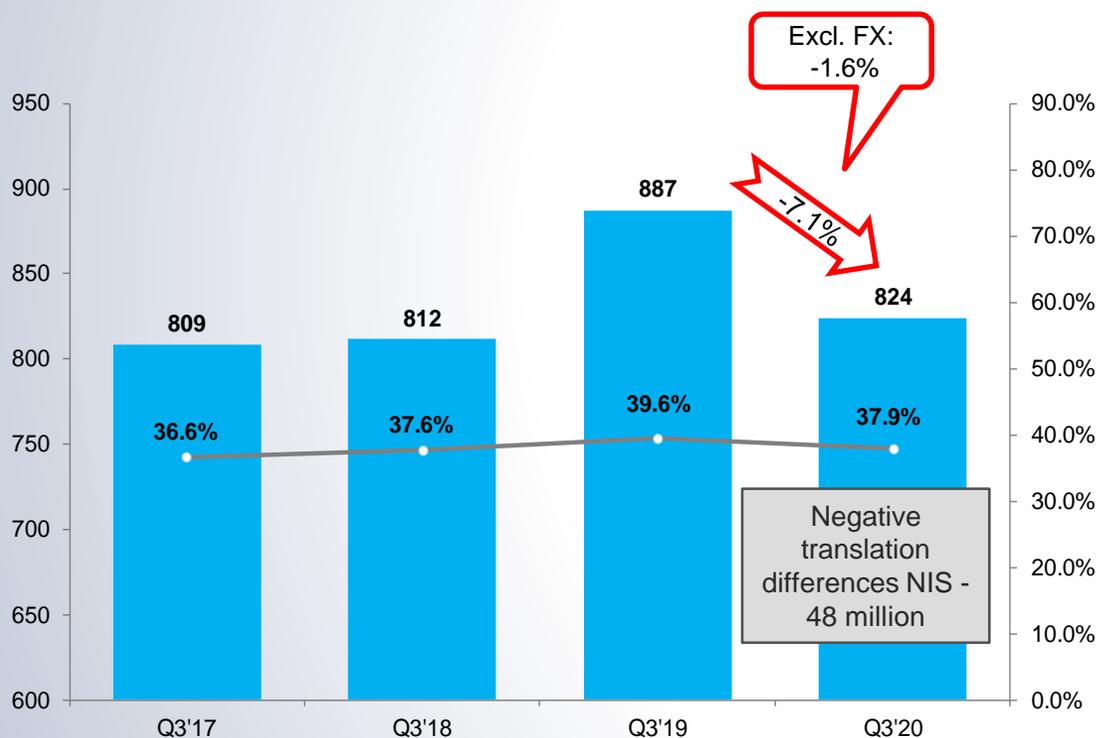


Away From Home Sales

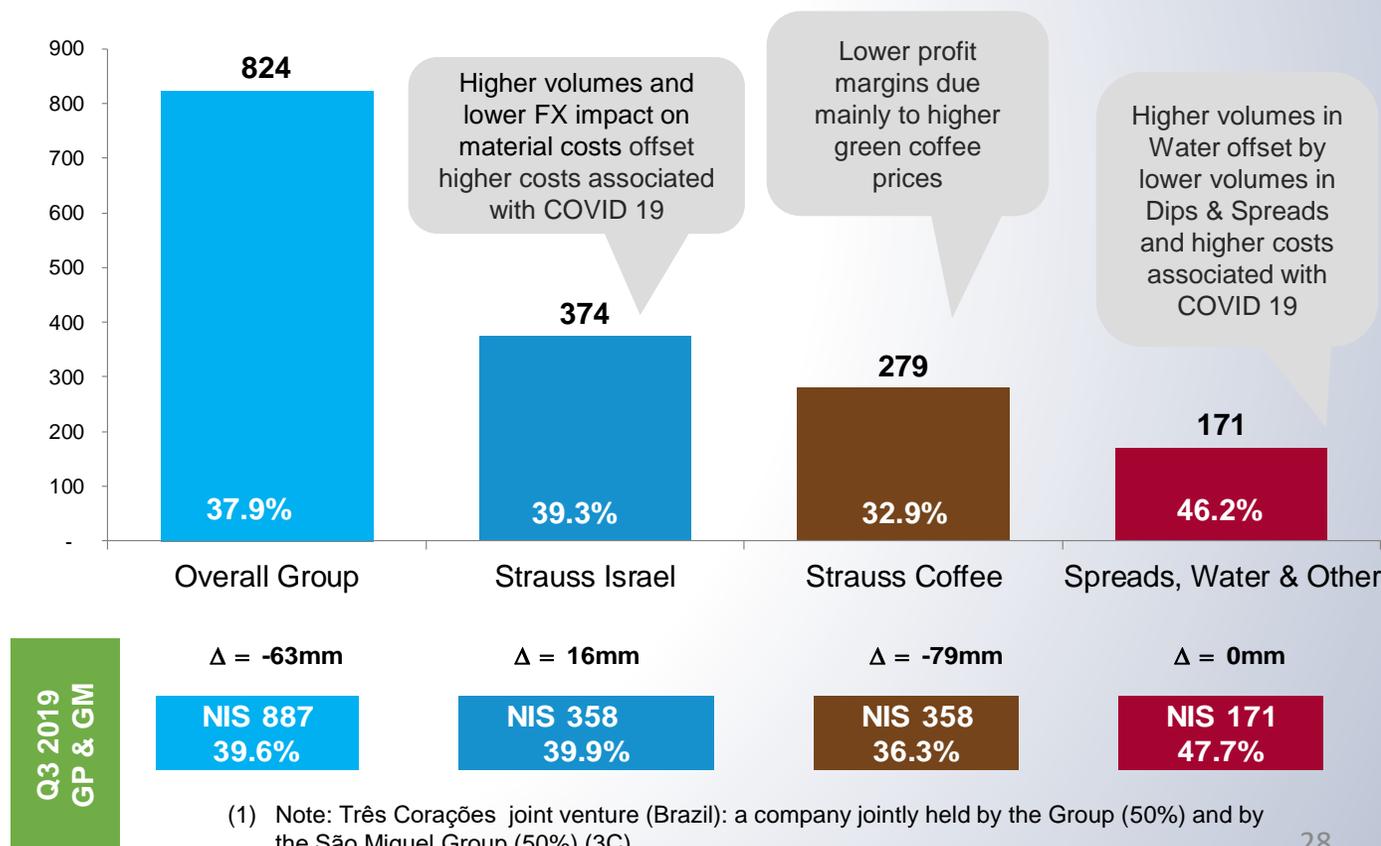


Gross Profit

Q3 Consolidated Gross Profit and Gross Margins
NIS mm; Non-GAAP

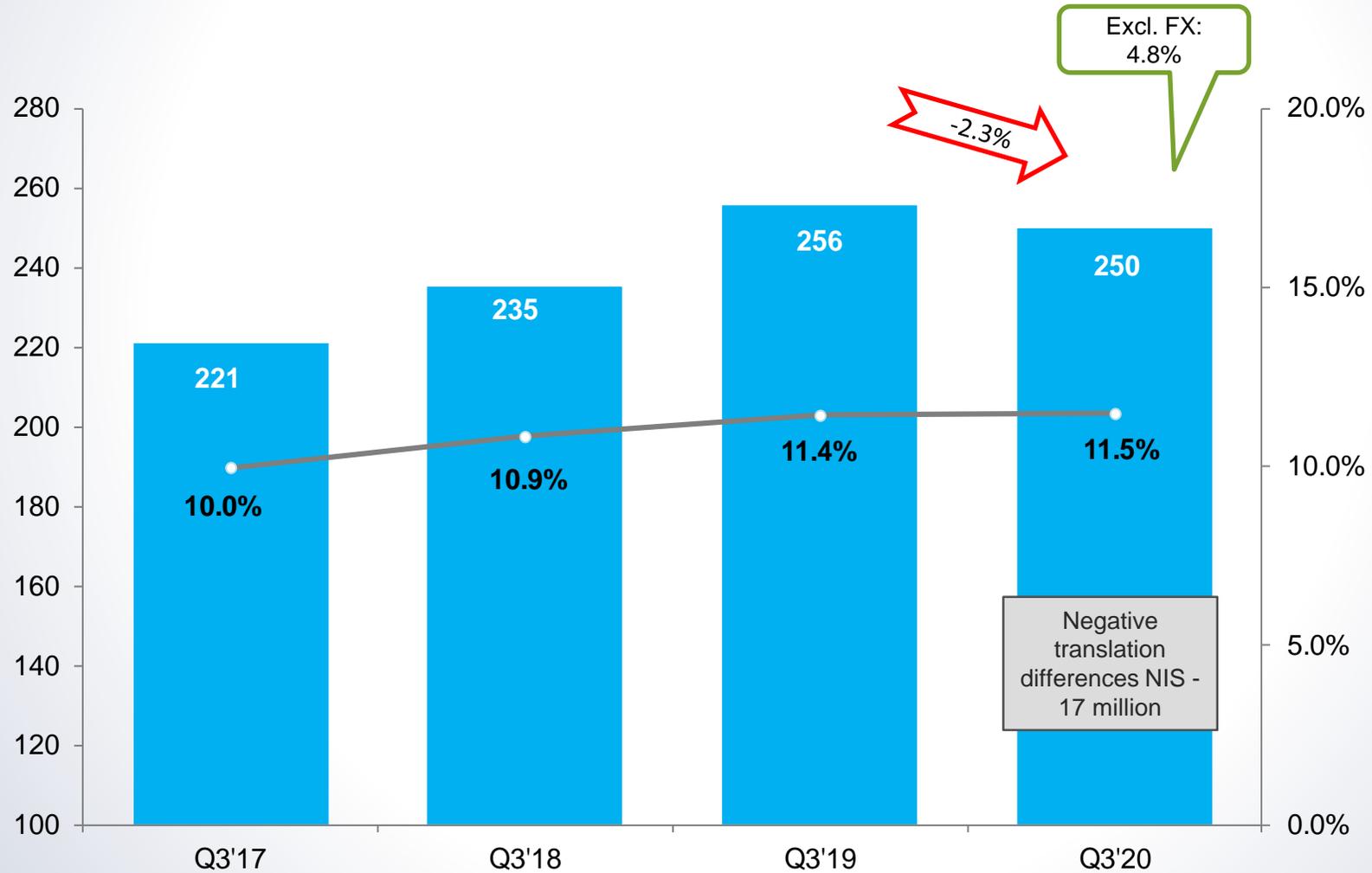


Q3 2020 Gross Profit and Gross Margins NIS mm;
Non-GAAP; % Margin

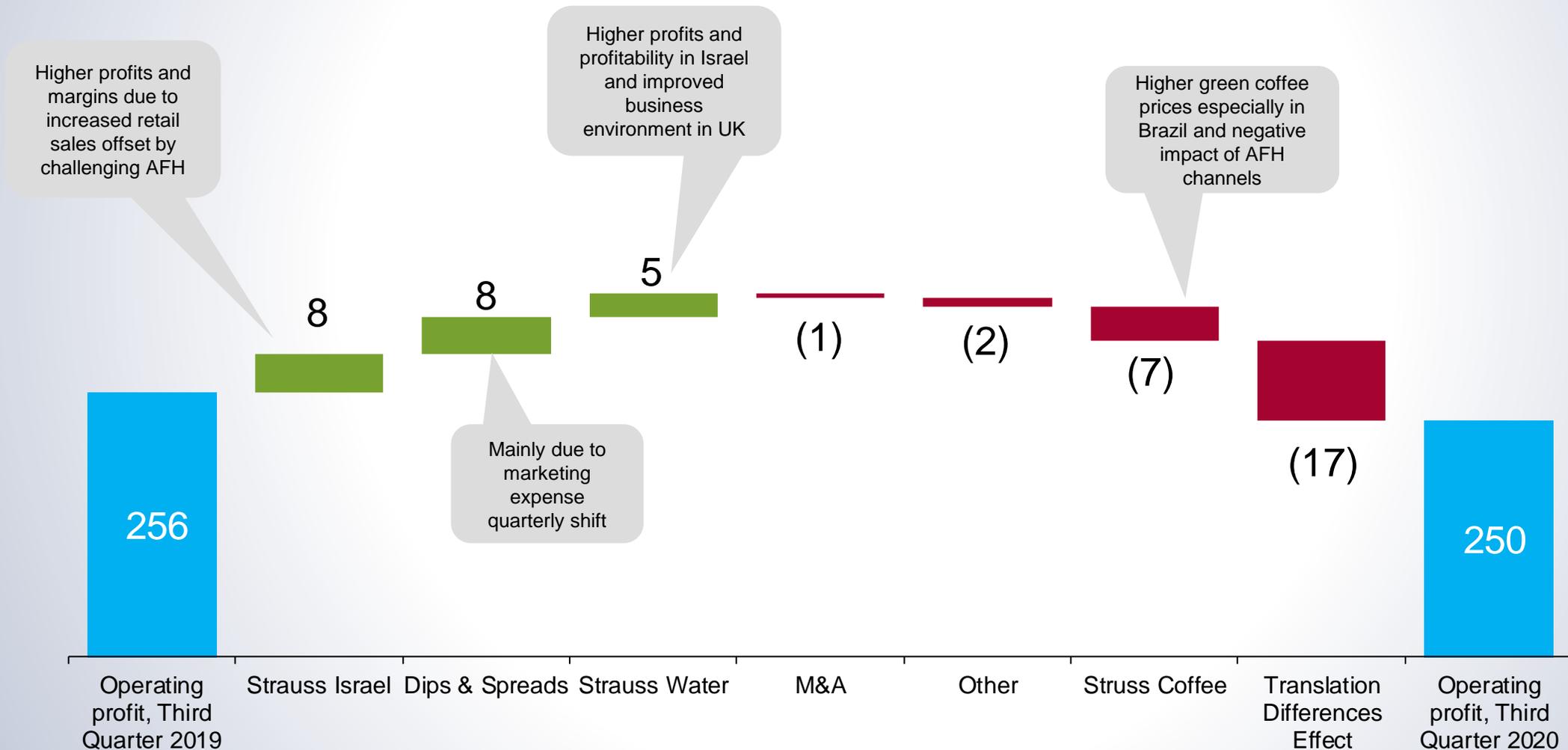


EBIT

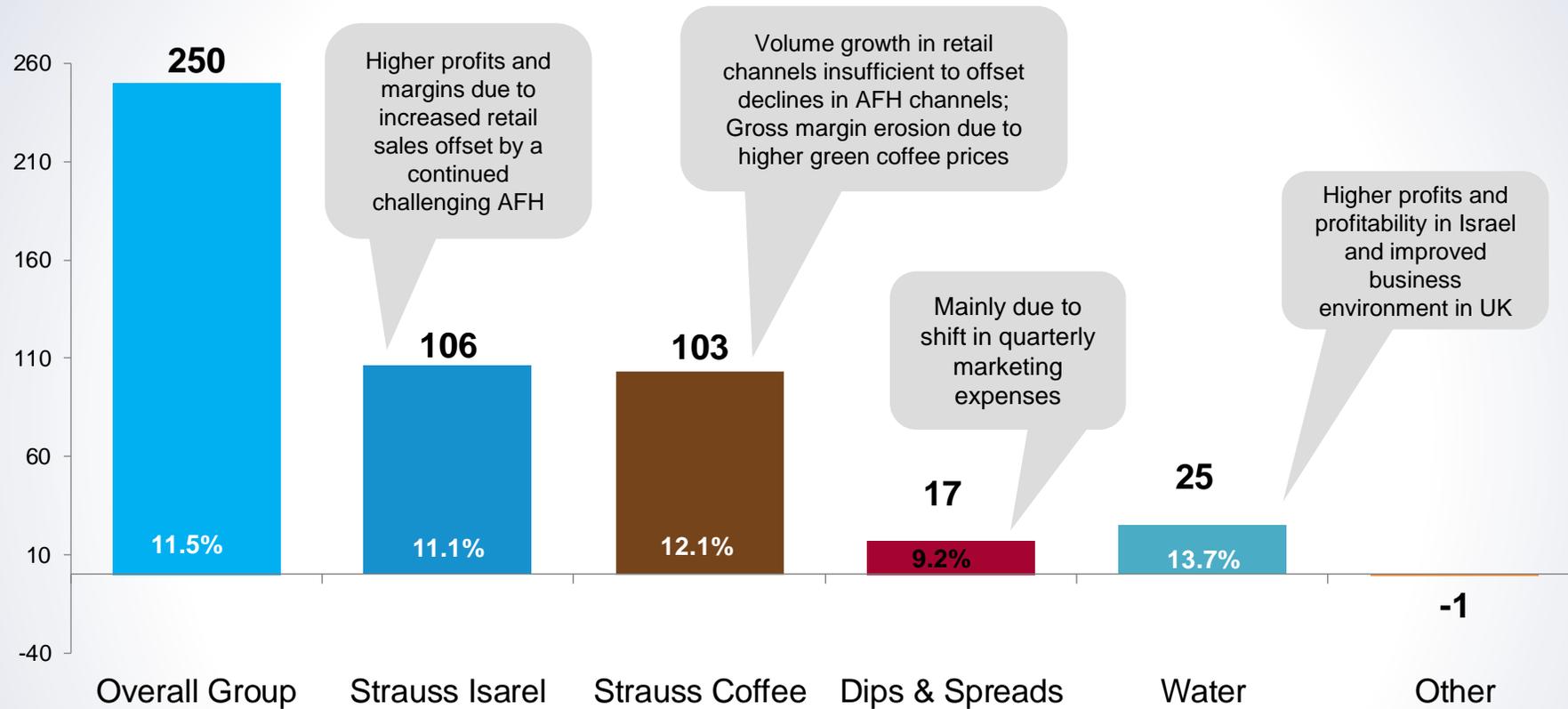
Q3 Consolidated EBIT and EBIT Margins
NIS mm; Non-GAAP



Q3 EBIT Bridge NIS mm; Non-GAAP; Q3'19 to Q3'20



Q3 2020 EBIT and EBIT Margins | NIS mm; Non-GAAP; % Margin



Q3'19
EBIT & EBIT %

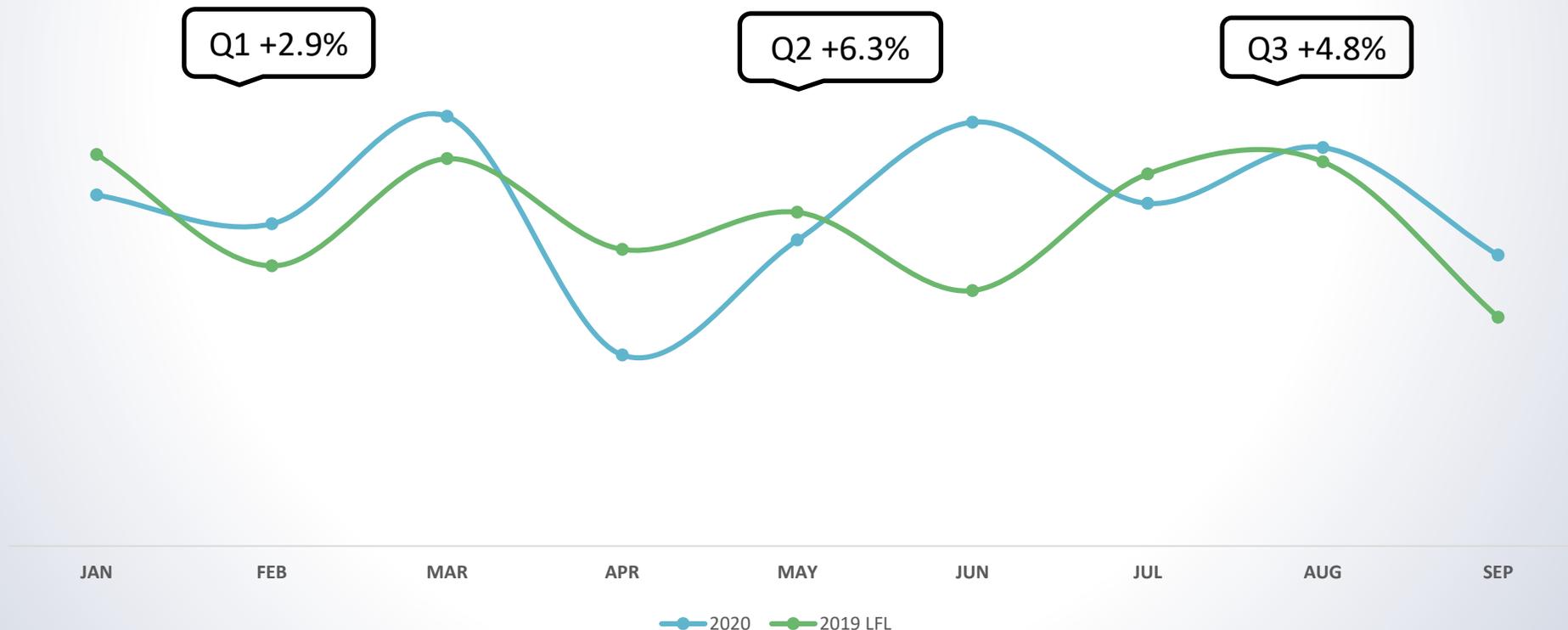
$\Delta = -6\text{mm}$	$\Delta = 8\text{mm}$	$\Delta = -24\text{mm}$	$\Delta = 7\text{mm}$	$\Delta = 5\text{mm}$	$\Delta = -2\text{mm}$
NIS 256 11.4%	NIS 98 10.9%	NIS 127 12.9%	NIS 10 5.4%	NIS 20 12.2%	NIS 1 NA

Notes:

- (1) Três Corações joint venture (Brazil): a company jointly held by the Group (50%) and by the São Miguel Group (50%) (3C)
- (2) Water EBIT includes net profits from HSW
- (3) Excluding FX Strauss Coffee EBIT was down 7m NIS on Q3 2019

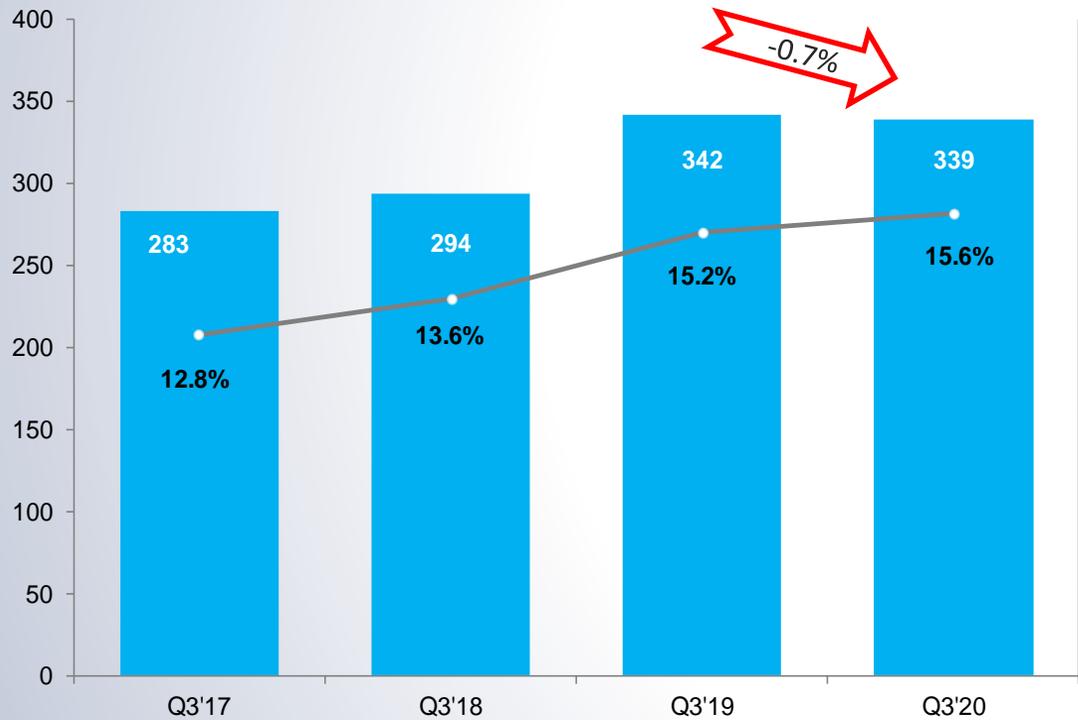
Q3 EBIT Monthly Trend (LFL NIS million)

Continuous momentum in Q3 with lower profitability in September mainly driven by high holiday timing and second lockdown in Homebase and Green Coffee price increase in Brazil



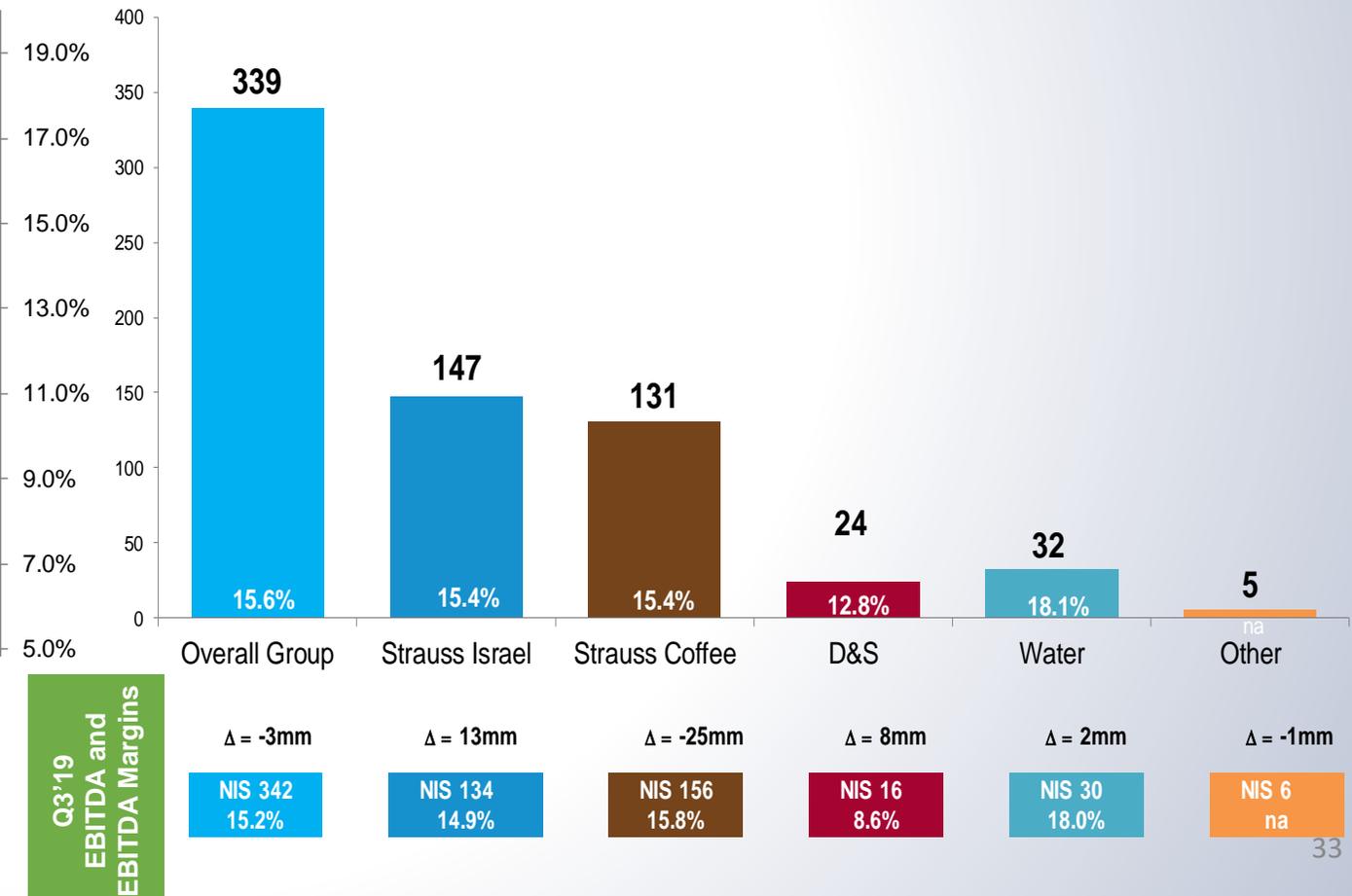
EBITDA

Q3 2020 Consolidated EBITDA and EBITDA Margins
NIS mm; Non-GAAP



* Note change in EBITDA due to new IFRS16 rules as of 2019

Q3 2020 EBITDA and EBITDA Margins NIS mm; Non-GAAP; % Margin



Três Corações Alimentos S.A. (Três Corações J.V.)

Q3 Snapshot | BRL mm for 100% ownership and including inter-company sales



Note: Três Corações joint venture (Brazil): a company jointly held by the Group (50%) and by the São Miguel Group (50%) (3C).

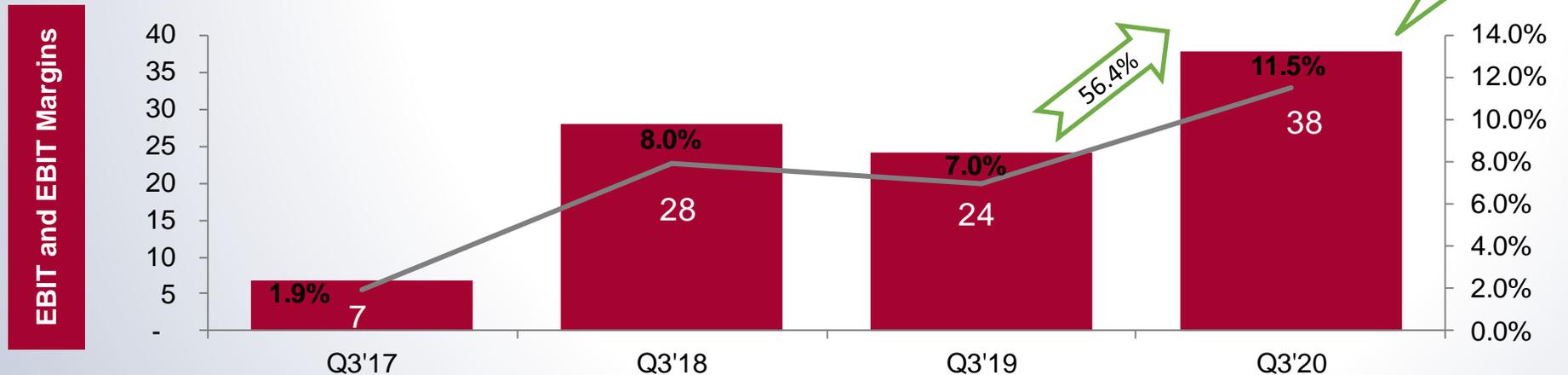
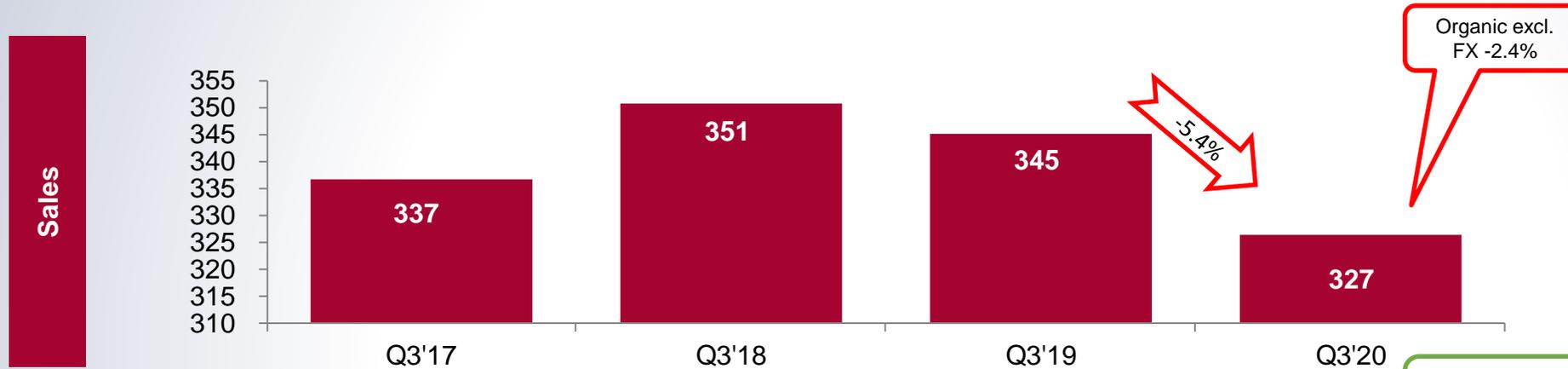
Note: Q3 2020 figures include 2 months of Mitzui revenues

Source: Três Corações Alimentos S.A. Consolidated Interim Financial Statements as of September 30th, 2020.

(*) EBIT before Other Expenses/ Income.

Sabra Q3 Snapshot

NIS mm; Non-GAAP; for 100% share

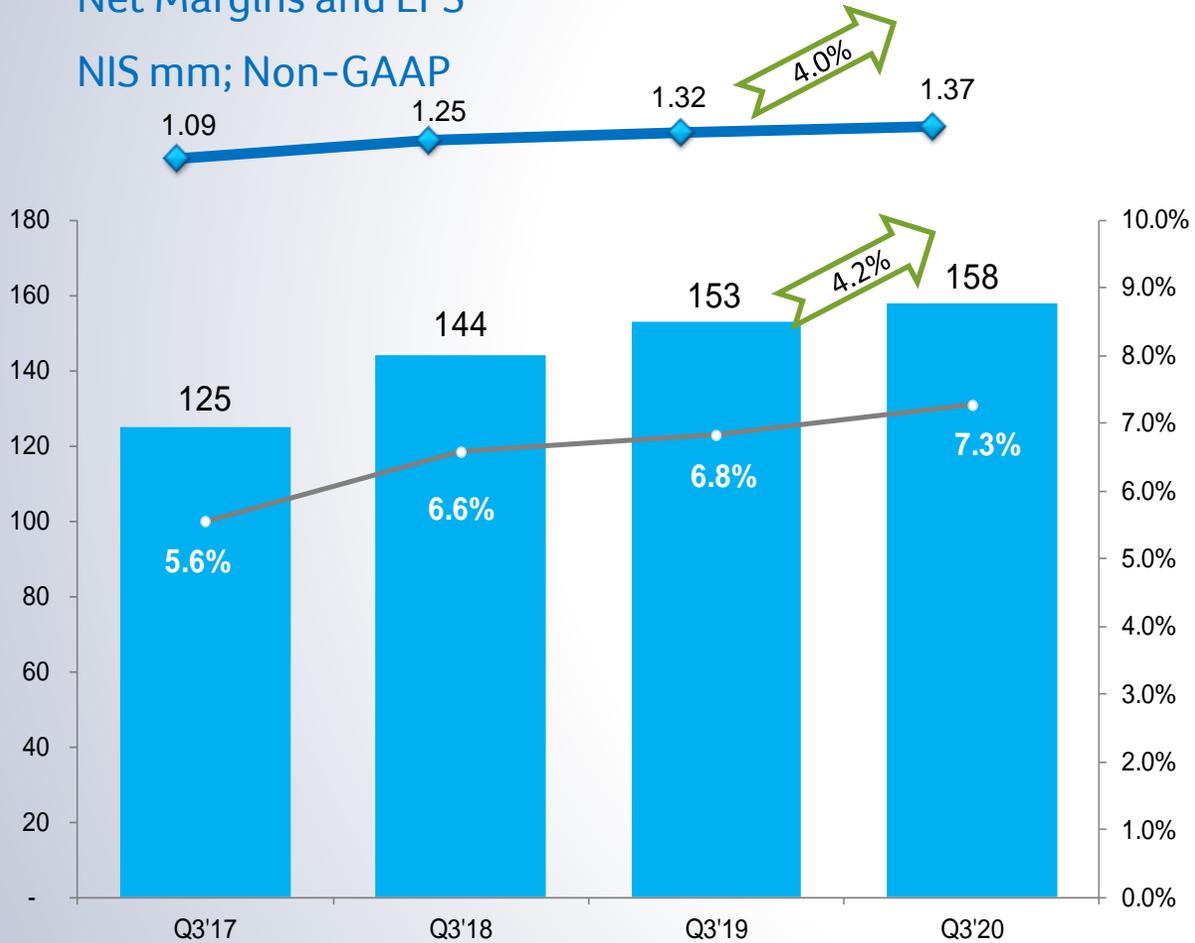


Note: Sabra Dipping Company ("Sabra") is a company jointly held by PepsiCo (50%) and Strauss Group (50%) .

Net Income

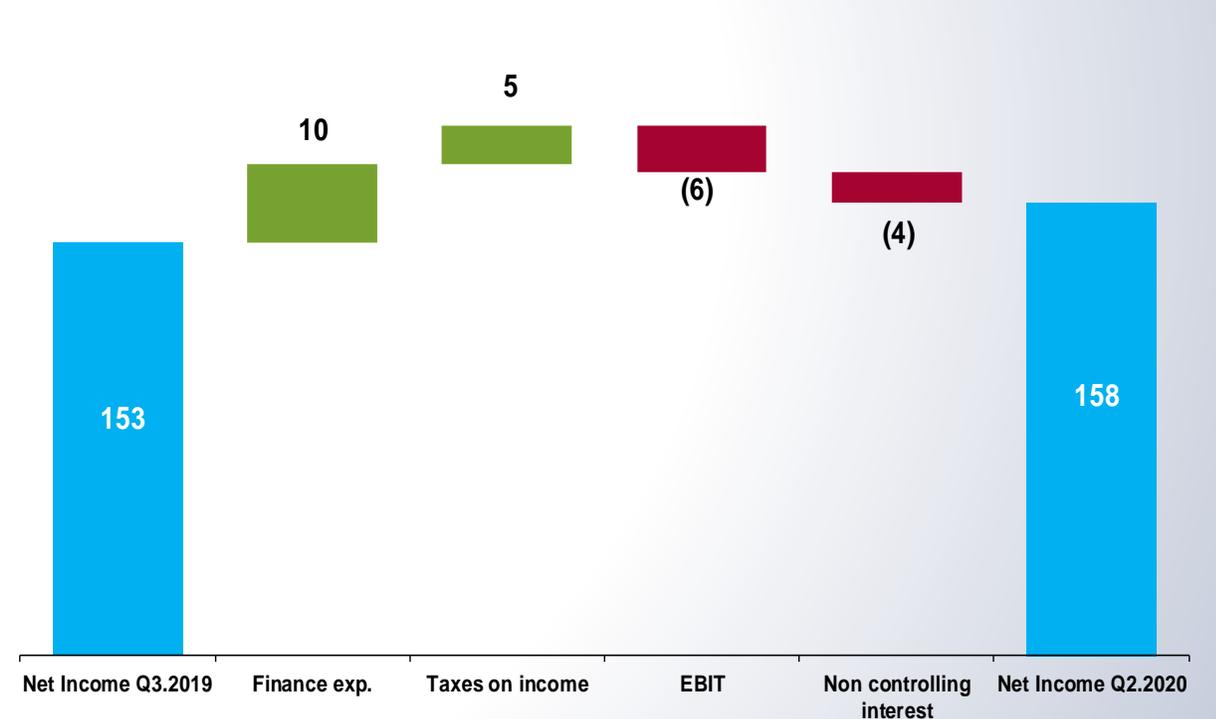
Q3 Net Profit (attributed to the Company's shareholders),
Net Margins and EPS

NIS mm; Non-GAAP



Q3 Net Profit (attributed to the Company's
shareholders) Bridge NIS mm;

Non-GAAP; Q3'19 to Q3'20



Currency headwinds intensify during Q3

- Currency devaluations in various geographies continue to negatively impact results:

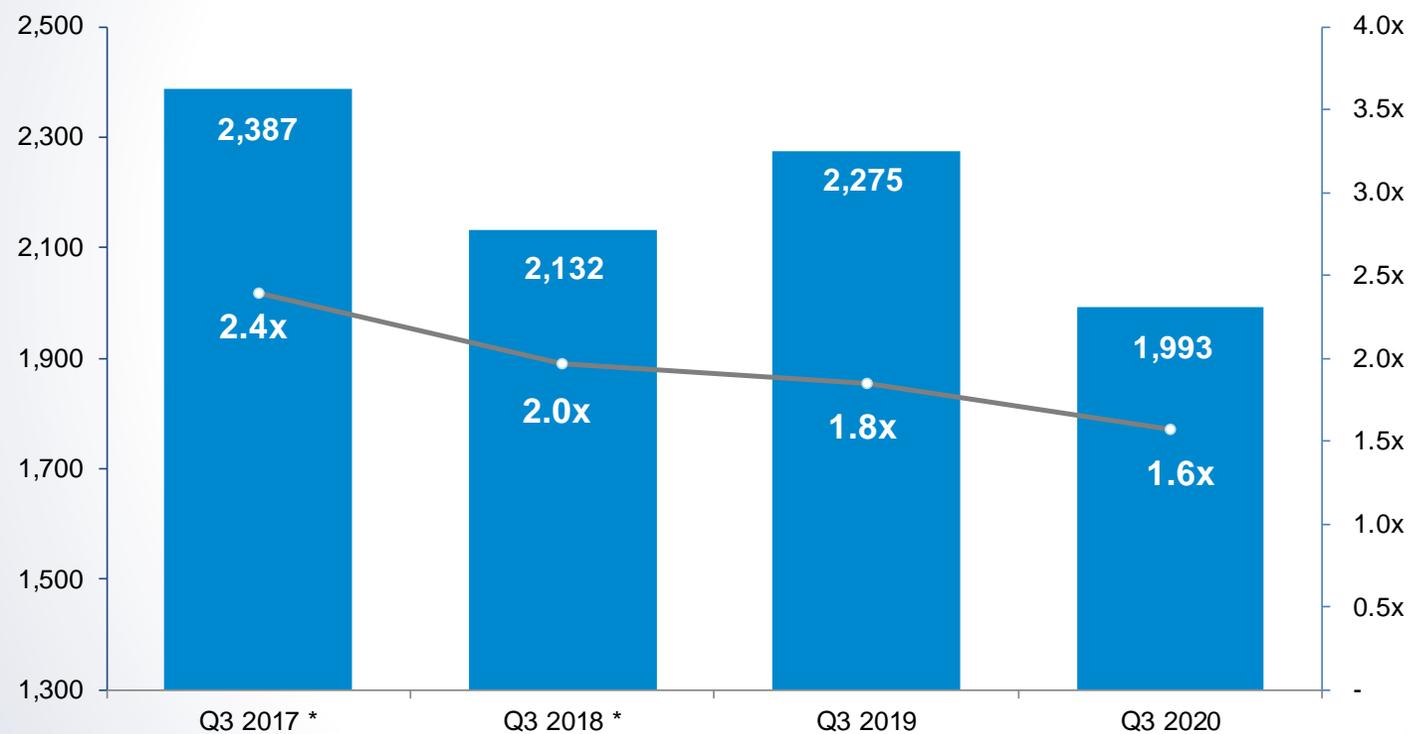
	YTD	Q3
Revenues	-429	-163
% of revenues	-6.8%	-7.5%
Gross Profit	-130	-48
% of GP	-5.3%	-5.9%
EBIT	-42	-17
% of EBIT	-5.7%	-7.0%



- Material cost tailwind on the back of strong NIS partially offset impact on P&L

Net Debt and Net Debt /EBITDA (LTM)

Non-GAAP EBITDA, net debt includes partnerships; NIS mm



* Net Debt figures for Q3 2017 and Q3 2018 were reclassified in 2018; see note 2.6 in 2018 annual report

Q3 GAAP and Non-GAAP | Financial Highlights

NIS mm

	GAAP			Adjusted Non-GAAP		
	Q3 2020	Q3 2019	% Chg.	Q3 2020	Q3 2019	% Chg.
Sales	1,541	1,504	2.4%	2,174	2,243	(3.1%)
Gross Profit	628	612	2.6%	824	887	(7.1%)
<i>GP Margin</i>	40.7%	40.7%		37.9%	39.6%	
Operating Profit	259	235	10.2%	250	256	(2.3%)
<i>EBIT Margin</i>	16.8%	15.6%		11.5%	11.4%	
Net Profit (to SH)	168	145	16.0%	158	153	4.2%
<i>NP Margin</i>	10.9%	9.6%		7.3%	6.8%	
Operating Cash Flow	163	120		188	192	
Capex ⁽¹⁾	(56)	(44)		(73)	(66)	
Net debt	1,747	2,175		1,993	2,275	
Change in WC (CF)	(32)	(68)		(77)	(82)	

(1) Capex includes acquisitions of fixed assets and investment in intangible assets



YTD 2020



YTD GAAP and Non-GAAP Financial Highlights

NIS mm

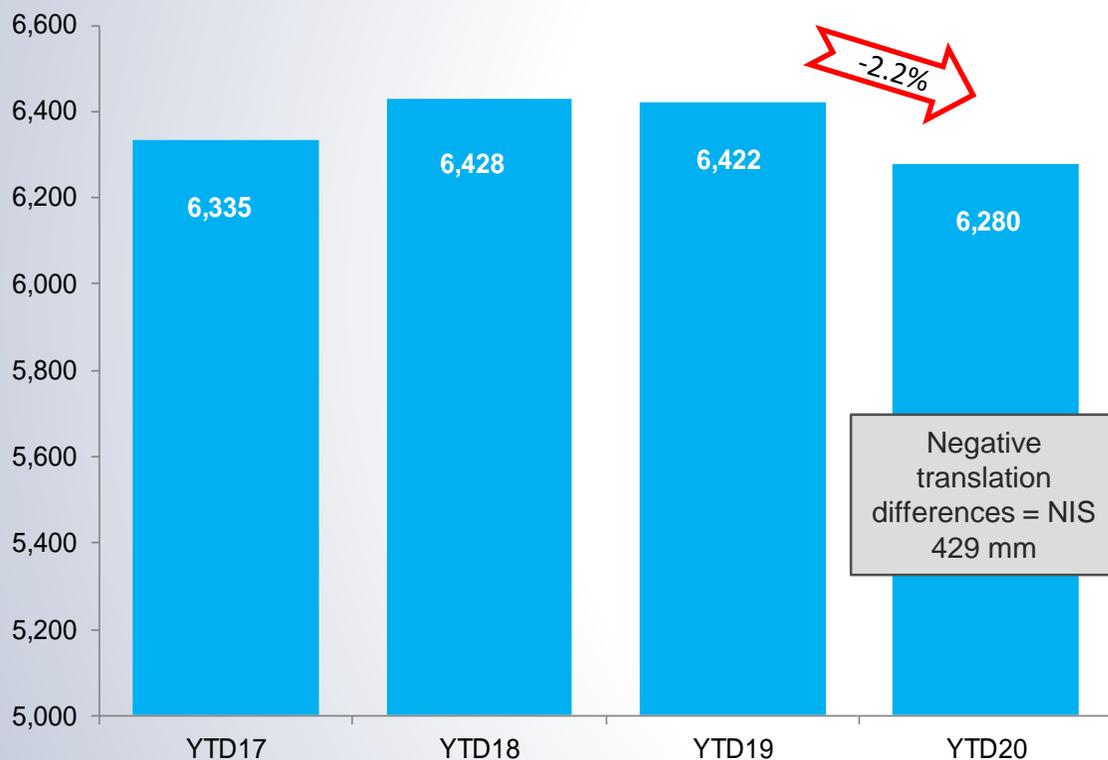
	GAAP			Adjusted Non-GAAP		
	YTD 2020	YTD 2019	% Chg.	YTD 2020	YTD 2019	% Chg.
Sales	4,419	4,272	3.4%	6,280	6,422	(2.2%)
Gross Profit	1,797	1,757	2.3%	2,445	2,554	(4.2%)
<i>GP Margin</i>	40.7%	41.1%		38.9%	39.8%	
Operating Profit	706	699	1.1%	741	752	(1.5%)
<i>EBIT Margin</i>	16.0%	16.4%		11.8%	11.7%	
Net Profit (to SH)	450	428	5.0%	464	446	4.1%
<i>NP Margin</i>	10.2%	10.0%		7.4%	6.9%	
Operating Cash Flow	532	431		541	546	
Capex ⁽¹⁾	(156)	(145)		(212)	(234)	
Net debt	1,747	2,175		1,993	2,275	
Change in WC (CF)	(25)	(160)		(223)	(315)	

(1) Capex includes acquisitions of fixed assets and investment in intangible assets

Sales

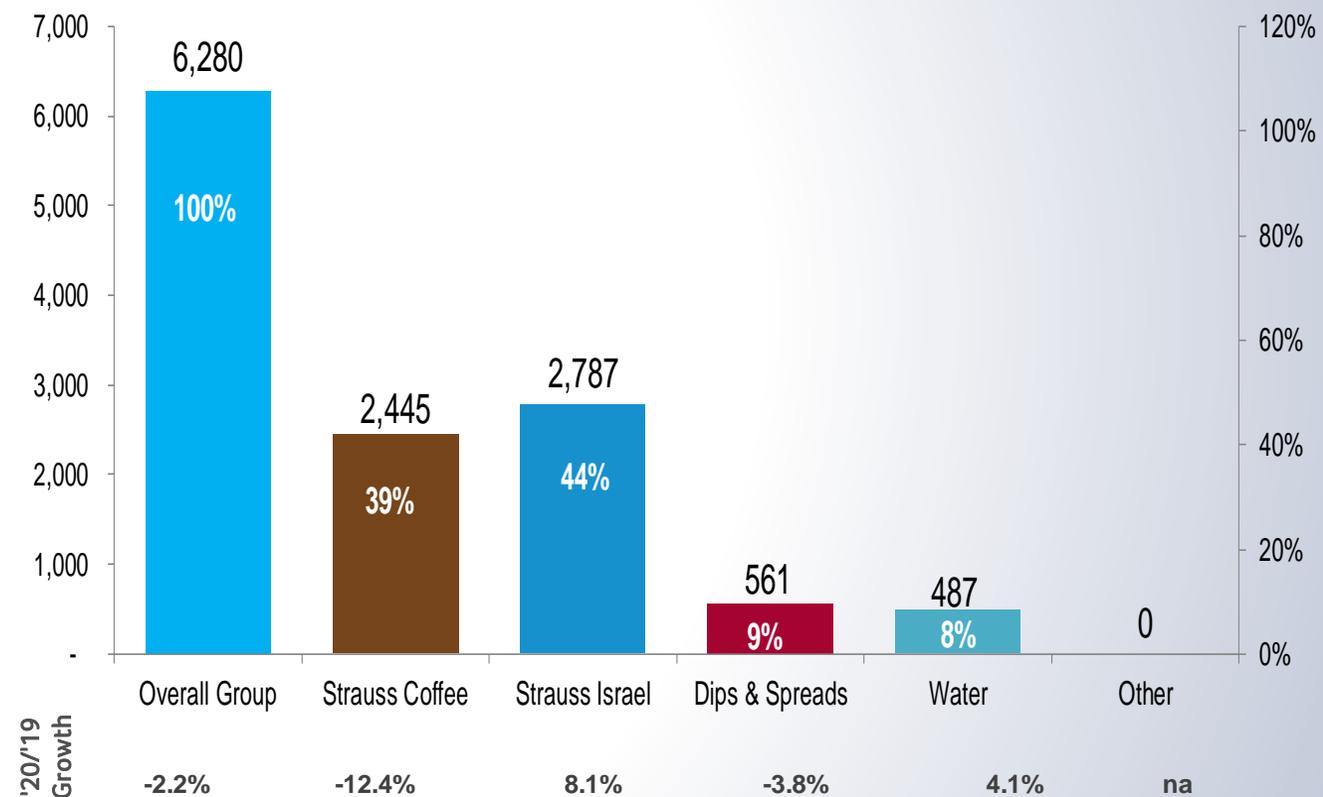
YTD 2020 Consolidated Sales NIS mm Non-GAAP

Organic growth excluding FX : +4.5%



YTD 2020 Sales by Segment

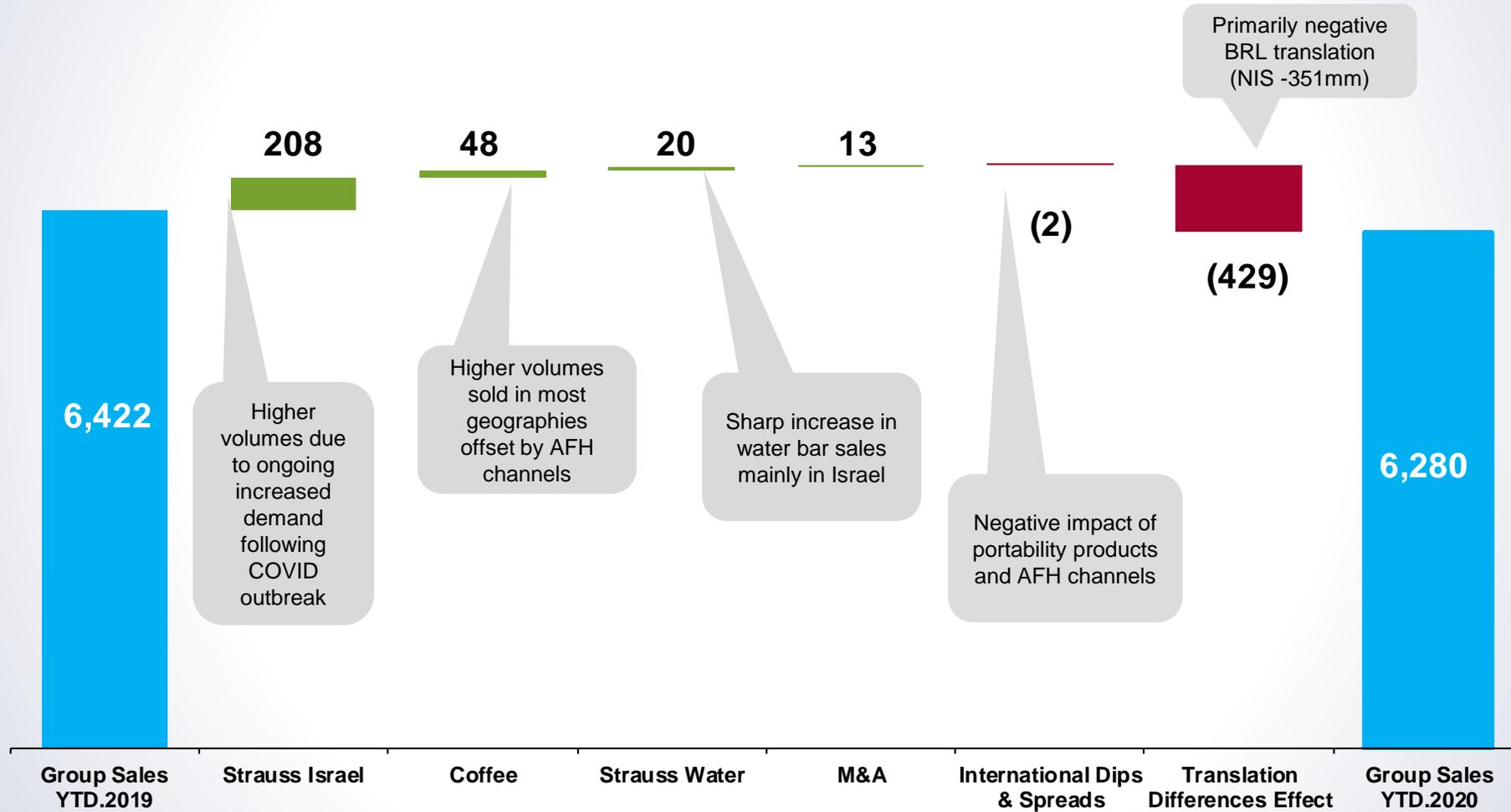
NIS mm; Non-GAAP; % sales contribution



Segment	'20/19 Organic growth excl. FX
Overall Group	4.5%
Strauss Coffee	2.0%
Strauss Israel	8.1%
Dips & Spreads	-0.4%
Water	4.1%
Other	na

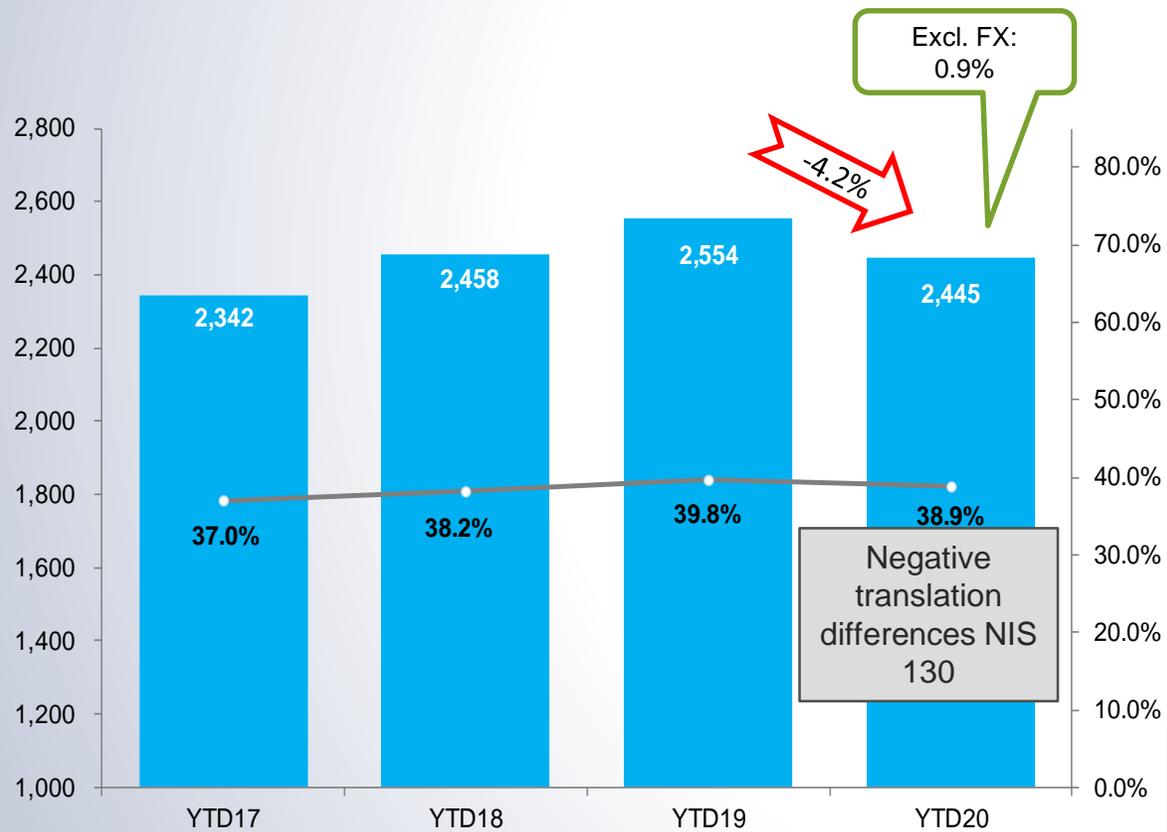
YTD Sales Bridge

NIS mm; Non-GAAP; YTD 2019 to YTD 2020

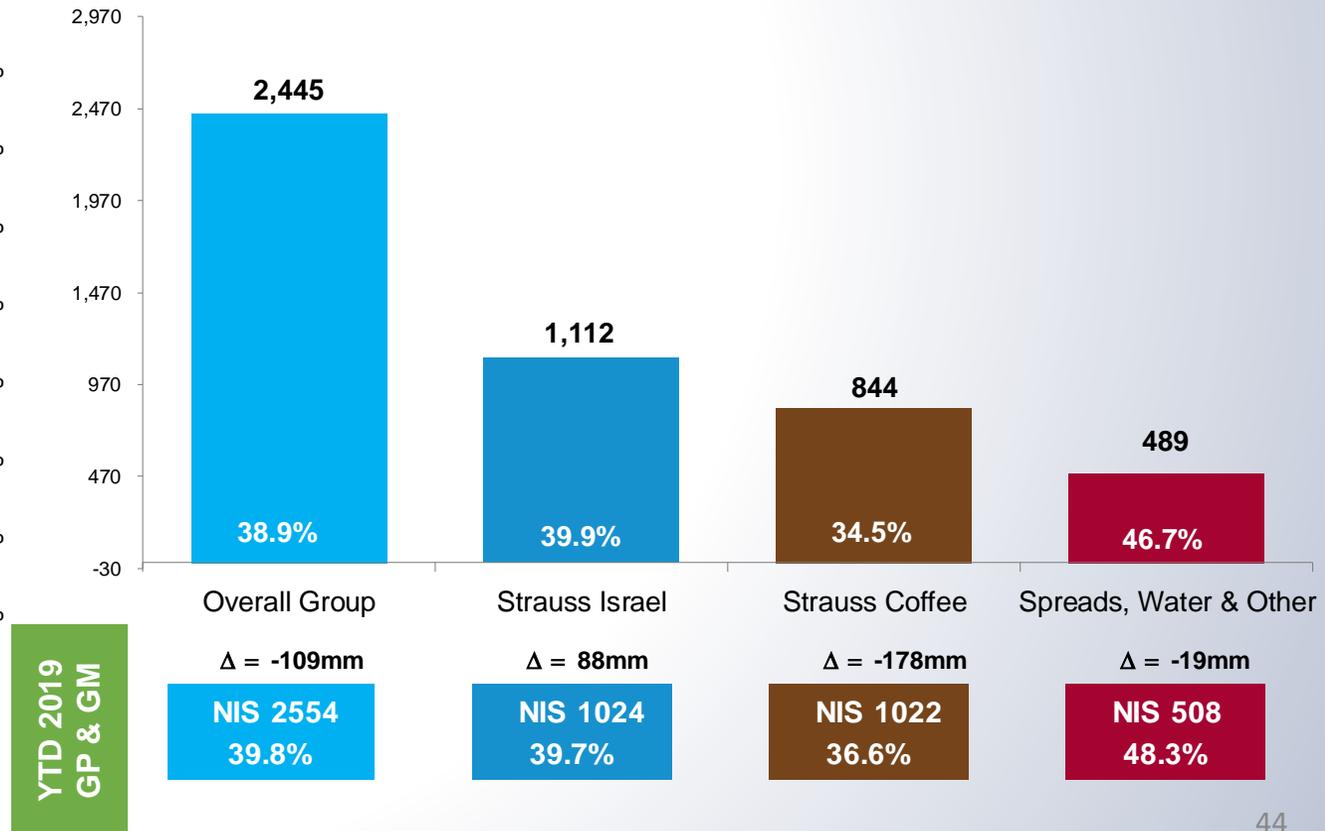


Gross Profit

YTD Consolidated Gross Profit and Gross Margins
NIS mm; Non-GAAP

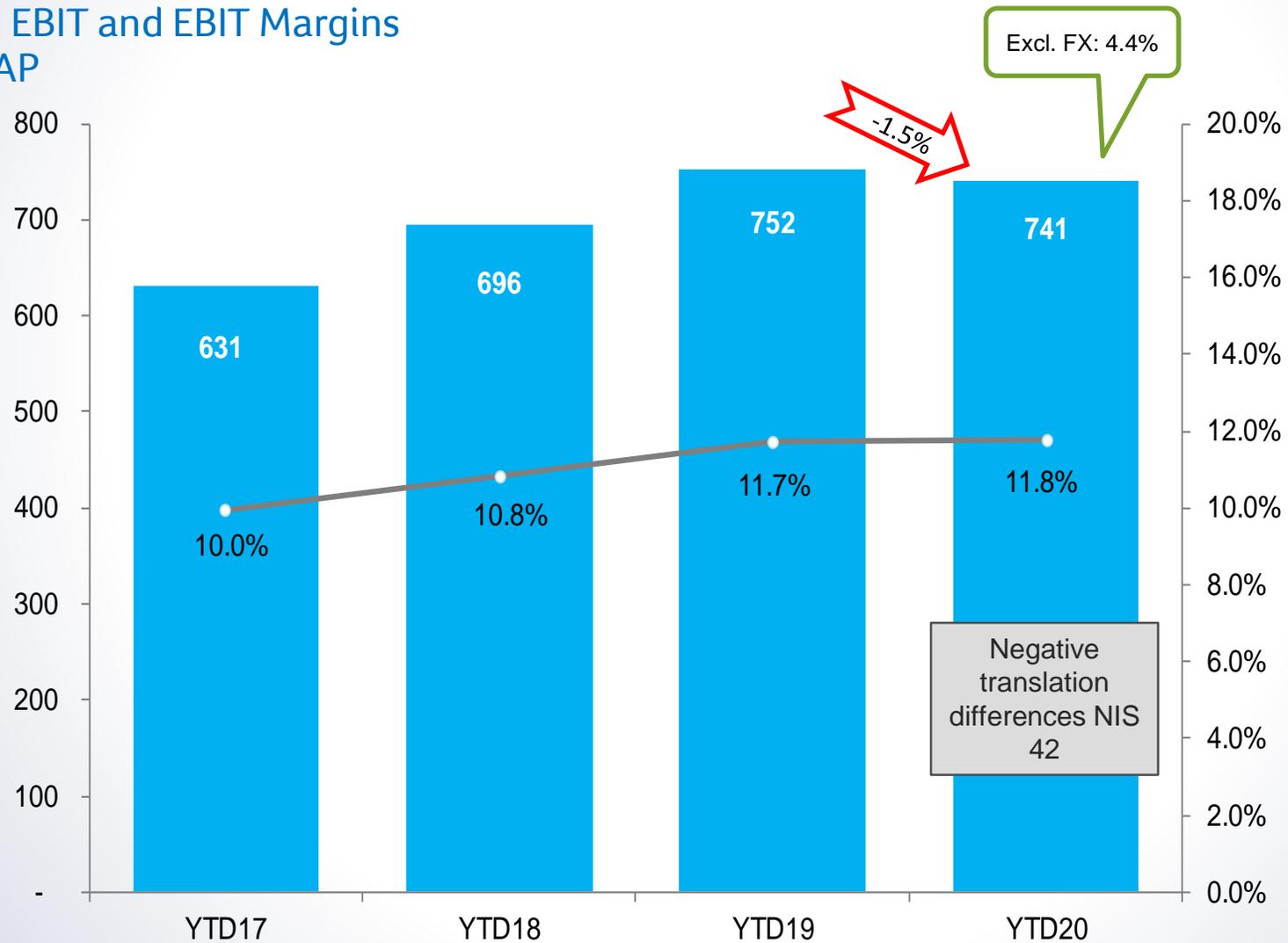


YTD 2020 Gross Profit and Gross Margins
NIS mm; Non-GAAP; % Margin

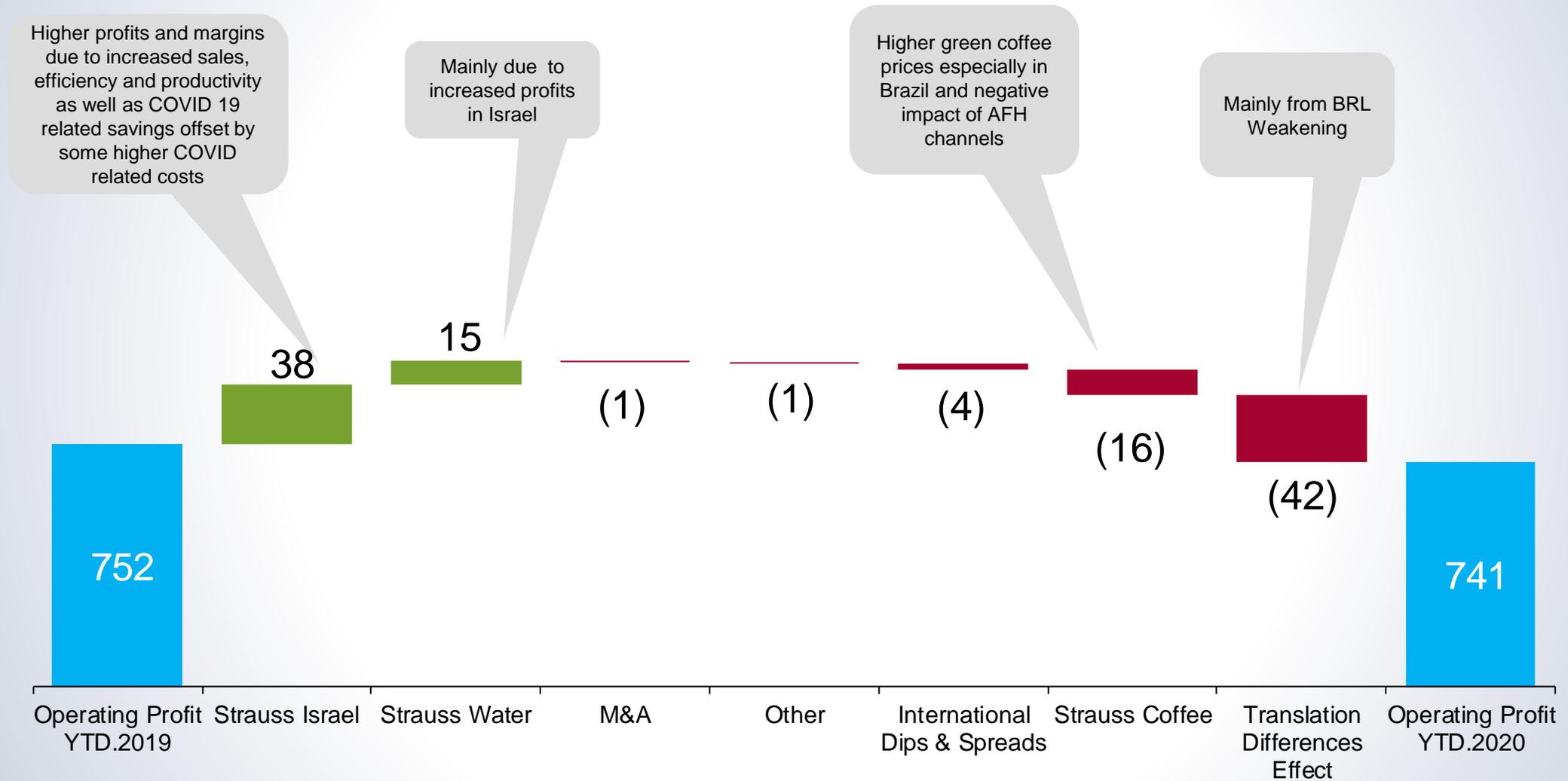


EBIT

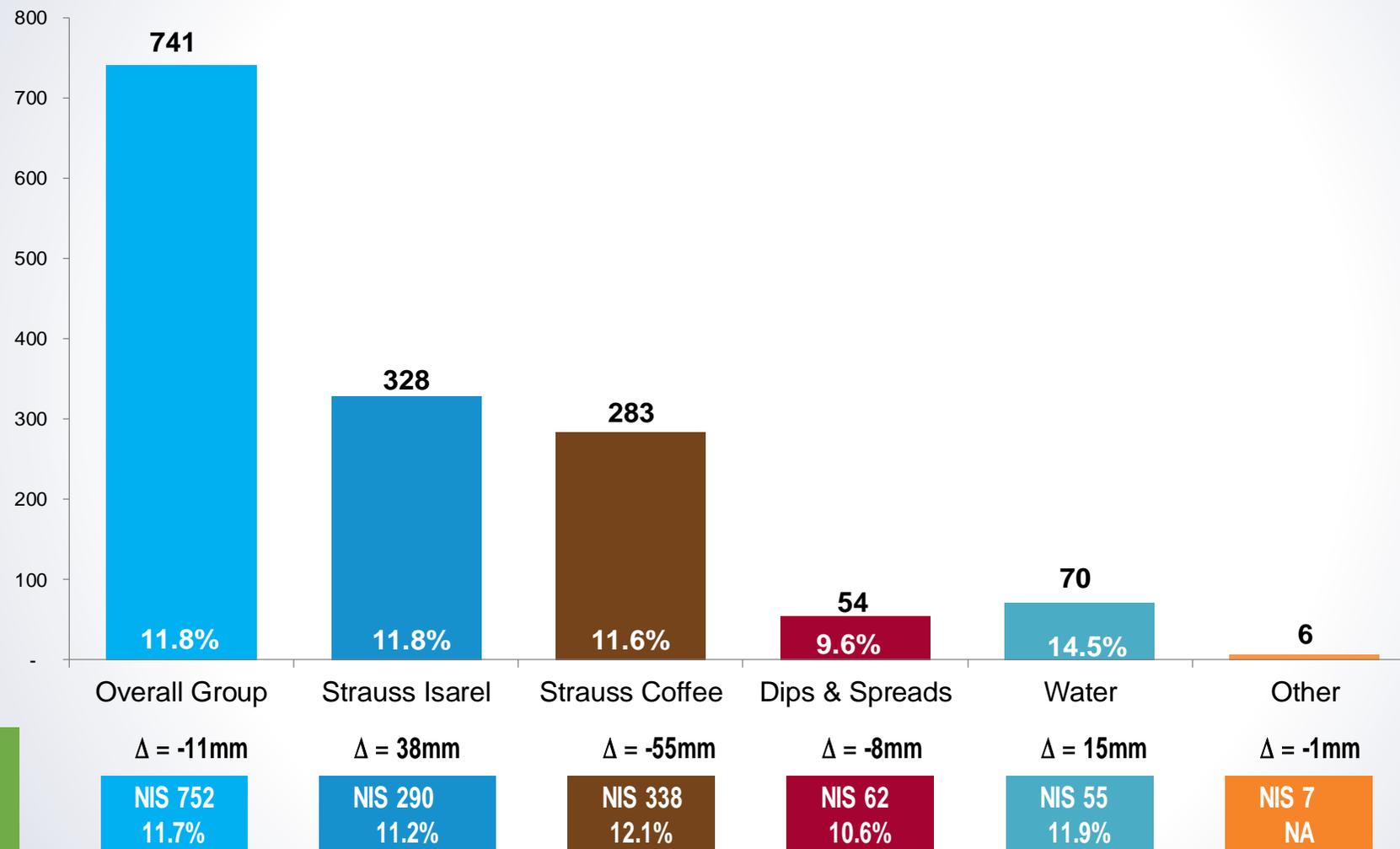
YTD Consolidated EBIT and EBIT Margins
NIS mm; Non-GAAP



YTD EBIT Bridge NIS mm; Non-GAAP; YTD 2019 to YTD 2020



YTD 2020 EBIT and EBIT Margins NIS mm; Non-GAAP; % Margin



YTD 2019
EBIT & EBIT %

Notes

- (1) Três Corações joint venture (Brazil): a company jointly held by the Group (50%) and by the São Miguel Group (50%) (3C)
- (2) Water EBIT includes net profits from HSW
- (3) Excluding FX Strauss Coffee EBIT was down 17m NIS on 9M 2019

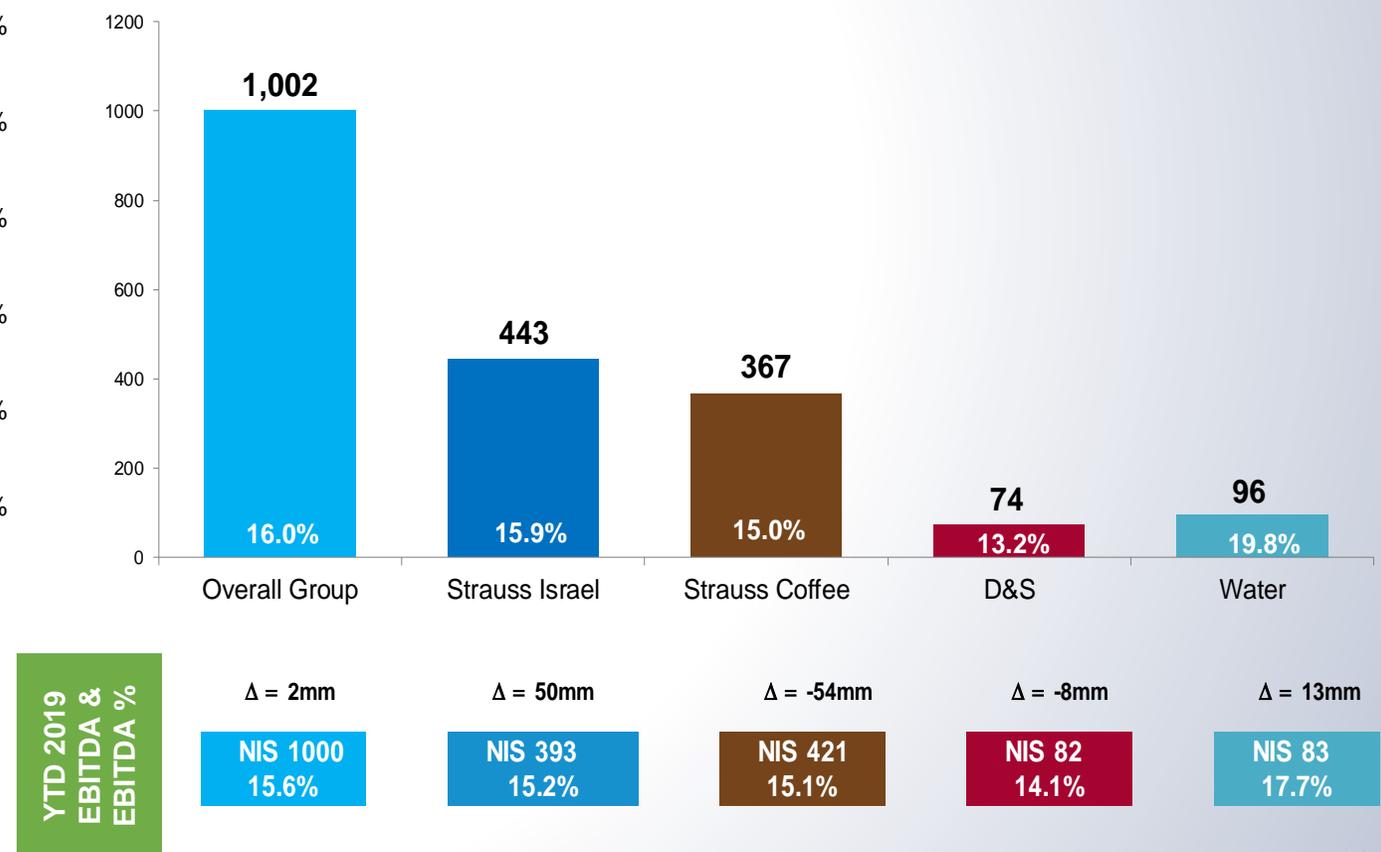
EBITDA

YTD 2020 Consolidated EBITDA and EBITDA Margins
NIS mm; Non-GAAP



* Note change in EBITDA due to new IFRS16 rules as of 2019

YTD 2020 EBITDA and EBITDA Margins NIS mm;
Non-GAAP; % Margin



Três Corações Alimentos S.A. (Três Corações J.V.)

YTD Snapshot | BRL mm for 100% ownership and including inter-company sales



Note: Três Corações joint venture (Brazil): a company jointly held by the Group (50%) and by the São Miguel Group (50%) (3C).

Note: Q3 2020 figures include 2 months of Mizumi revenues

Source: Três Corações Alimentos S.A. Consolidated Interim Financial Statements as of June 30th, 2020.

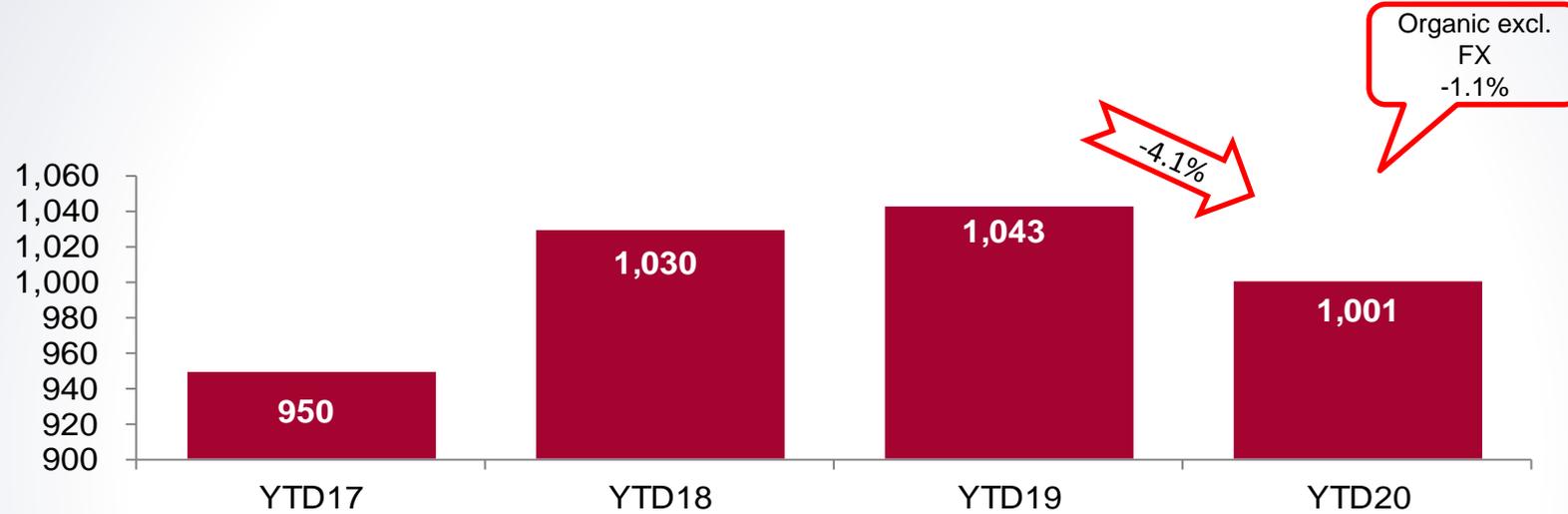
(1) EBIT before Other Expenses/ Income.

Sabra YTD Snapshot

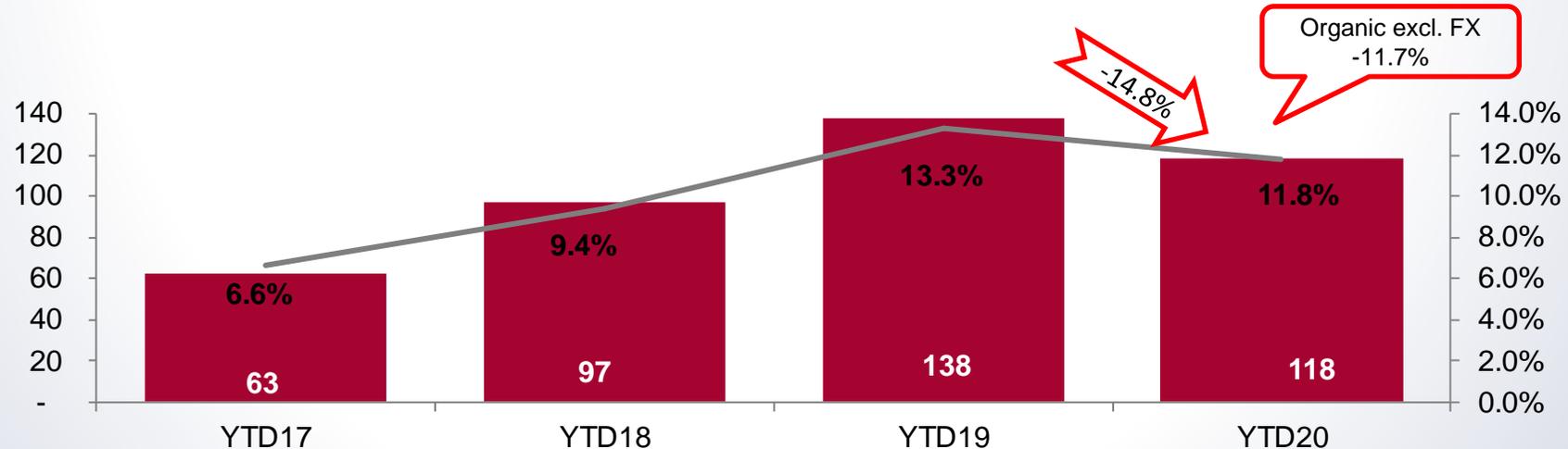
NIS mm; Non-GAAP; for 100% share



Sales



EBIT and EBIT Margins

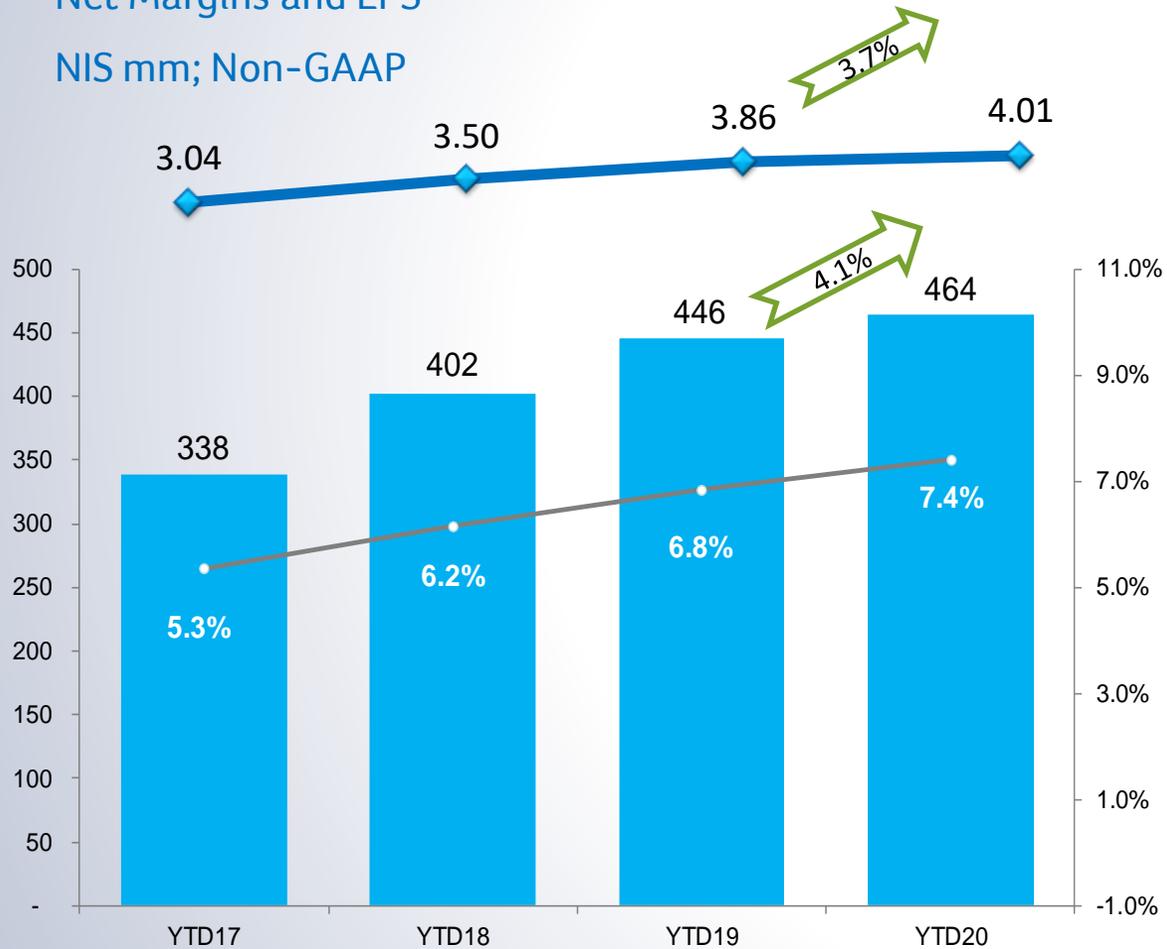


Note: Sabra Dipping Company ("Sabra") is a company jointly held by PepsiCo (50%) and Strauss Group (50%) .

Net Income

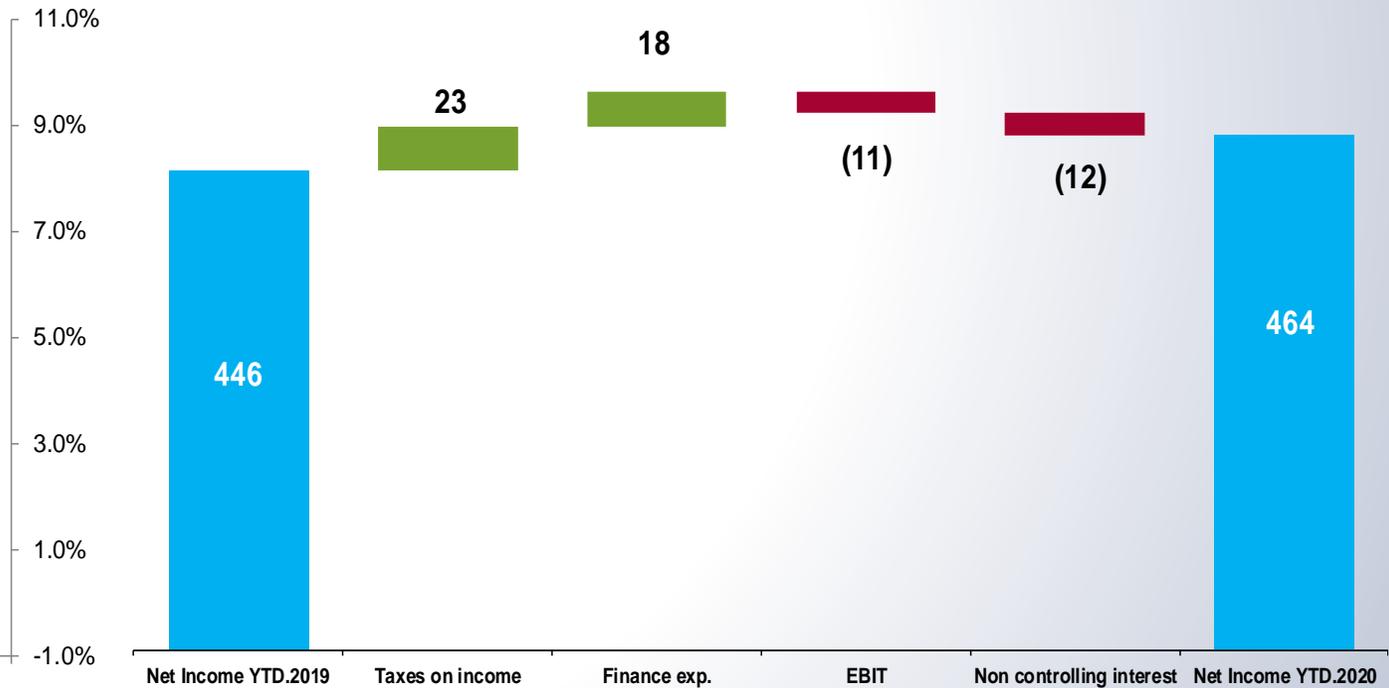
YTD Net Profit (attributed to the Company's shareholders),
Net Margins and EPS

NIS mm; Non-GAAP



YTD Net Profit (attributed to the Company's shareholders)
Bridge NIS mm;

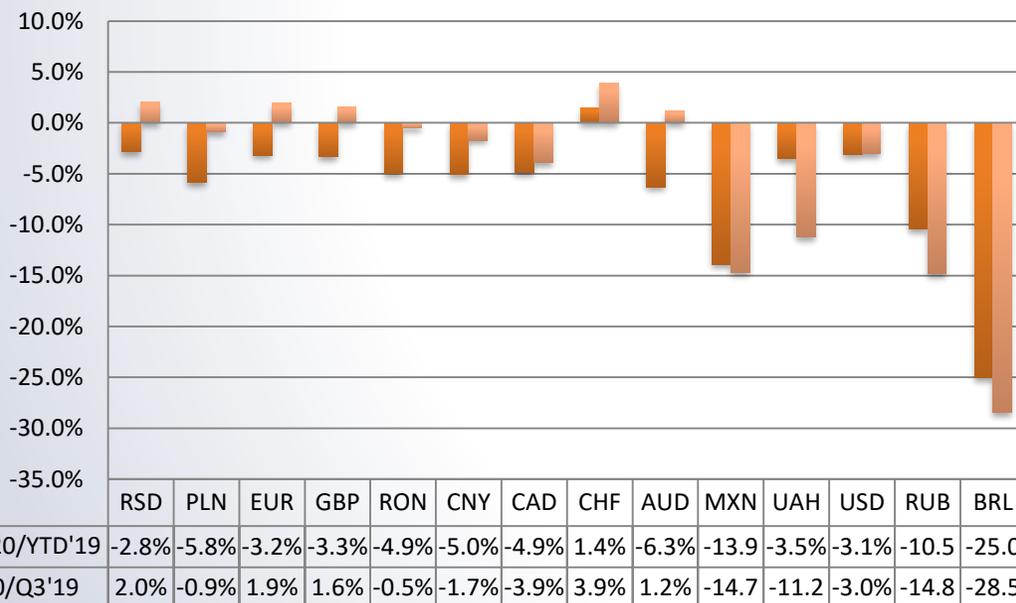
Non-GAAP; YTD 2019 to YTD 2020



Currencies

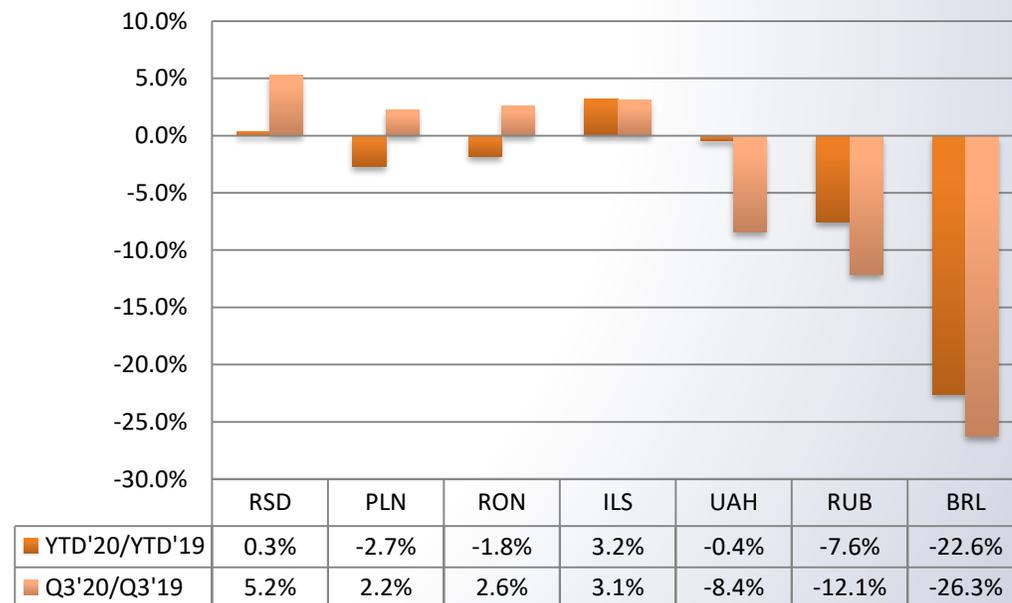
Local Currencies vs. the NIS

Change in average exchange rate (1 local currency = x NIS)



Local Currencies vs. the USD

Change in average exchange rate (1 local currency = x USD)



Strauss Israel

Strauss Israel Non-GAAP Financial Highlights Q3 and YTD 2020 NIS mm



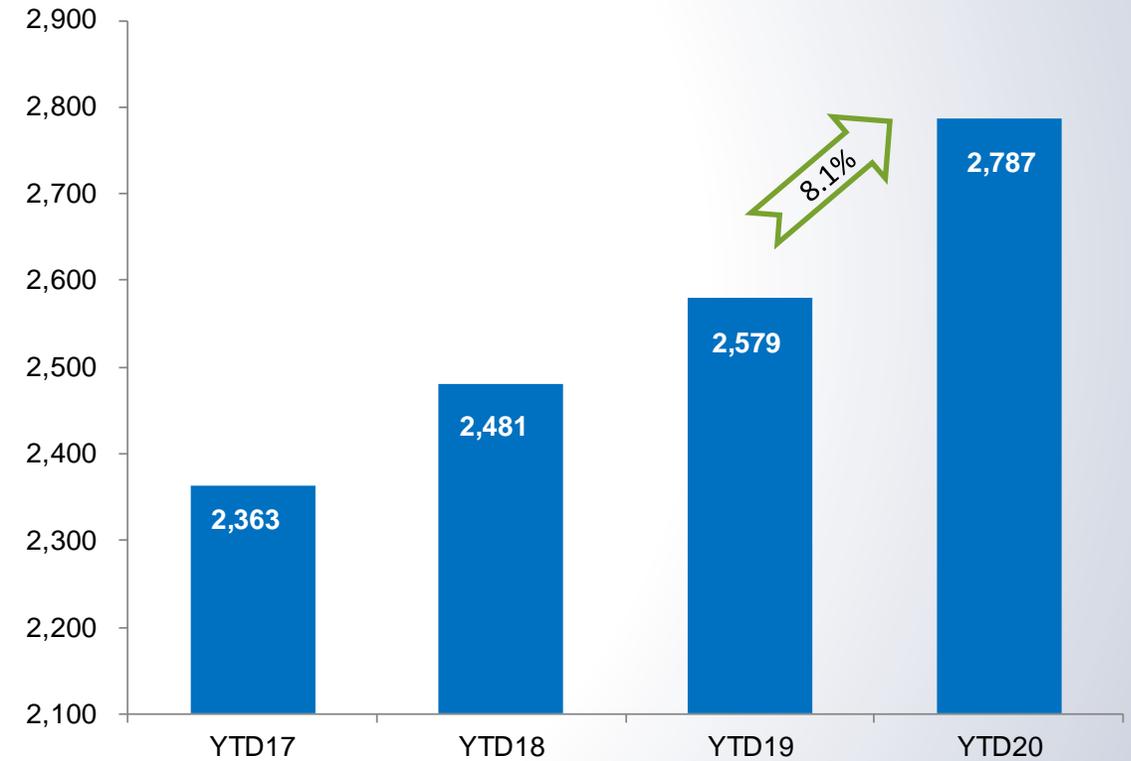
Strauss Israel (Non GAAP)						
	YTD 2020	YTD 2019	% Chg.	Q3 2020	Q3 2019	% Chg.
Revenue:						
H&W	1,911	1,712	11.6%	676	613	10.4%
F&I	876	867	1.0%	277	286	(3.2%)
Total Revenue	2,787	2,579	8.1%	953	899	6.1%
Total Gross Profit						
	1,112	1,024	8.6%	374	358	4.4%
<i>Gross Margins</i>	39.9%	39.7%	0.2%	39.3%	39.9%	(0.6%)
EBIT:						
H&W	235	189	24.9%	86	70	23.5%
<i>Margins</i>	12.3%	11.0%	1.3%	12.7%	11.4%	1.3%
F&I	93	101	(8.3%)	20	28	(28.6%)
<i>Margins</i>	10.6%	11.7%	(1.1%)	7.2%	9.8%	(2.6%)
Total EBIT	328	290	13.3%	106	98	8.6%
<i>Margins</i>	11.8%	11.2%	0.6%	11.1%	10.9%	0.2%
EBITDA:						
H&W	304	248	22.7%	111	91	21.7%
<i>Margins</i>	15.9%	14.5%	1.4%	16.4%	14.8%	1.5%
F&I	139	145	(4.2%)	36	43	(15.9%)
<i>Margins</i>	15.9%	16.7%	(0.9%)	13.0%	14.9%	(1.9%)
Total EBITDA	443	393	12.8%	147	134	9.7%
<i>Margins</i>	15.9%	15.2%	0.7%	15.4%	14.9%	0.5%

Strauss Israel

Q3 2020 Strauss Israel Sales
NIS mm; Non-GAAP



YTD 2020 Strauss Israel Sales
NIS mm; Non-GAAP

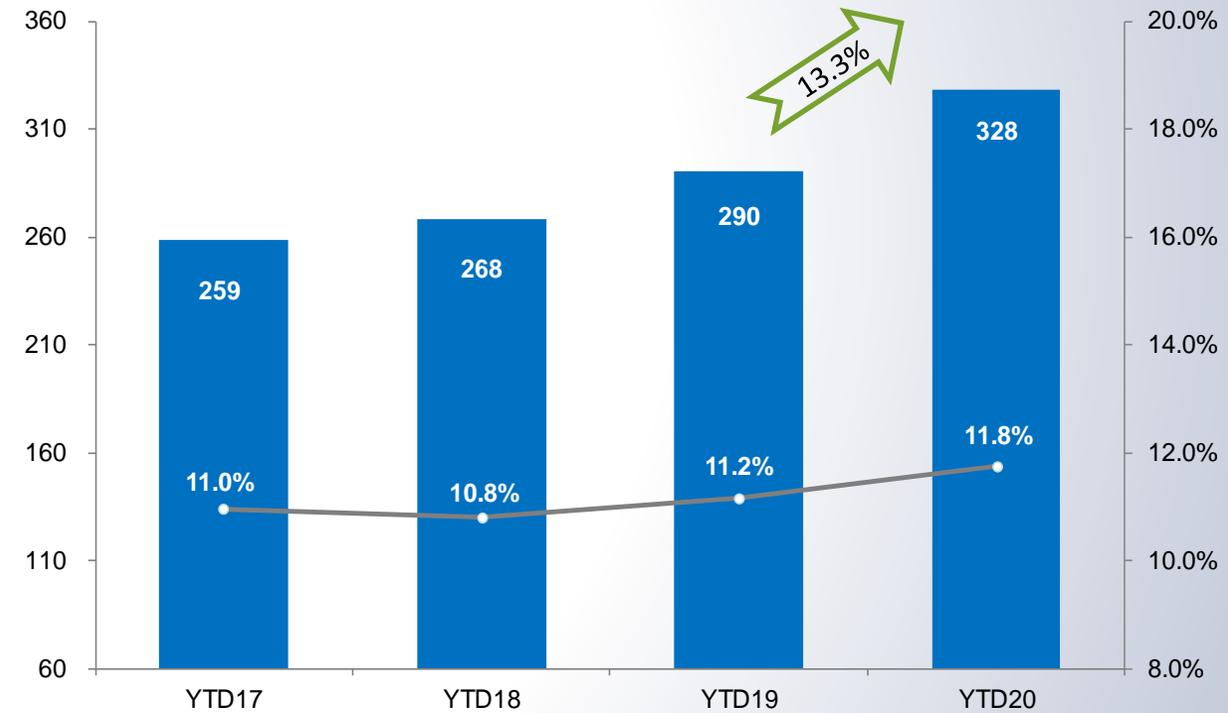


Strauss Israel

Q3 2020 Strauss Israel EBIT & EBIT Margins
NIS mm; Non-GAAP

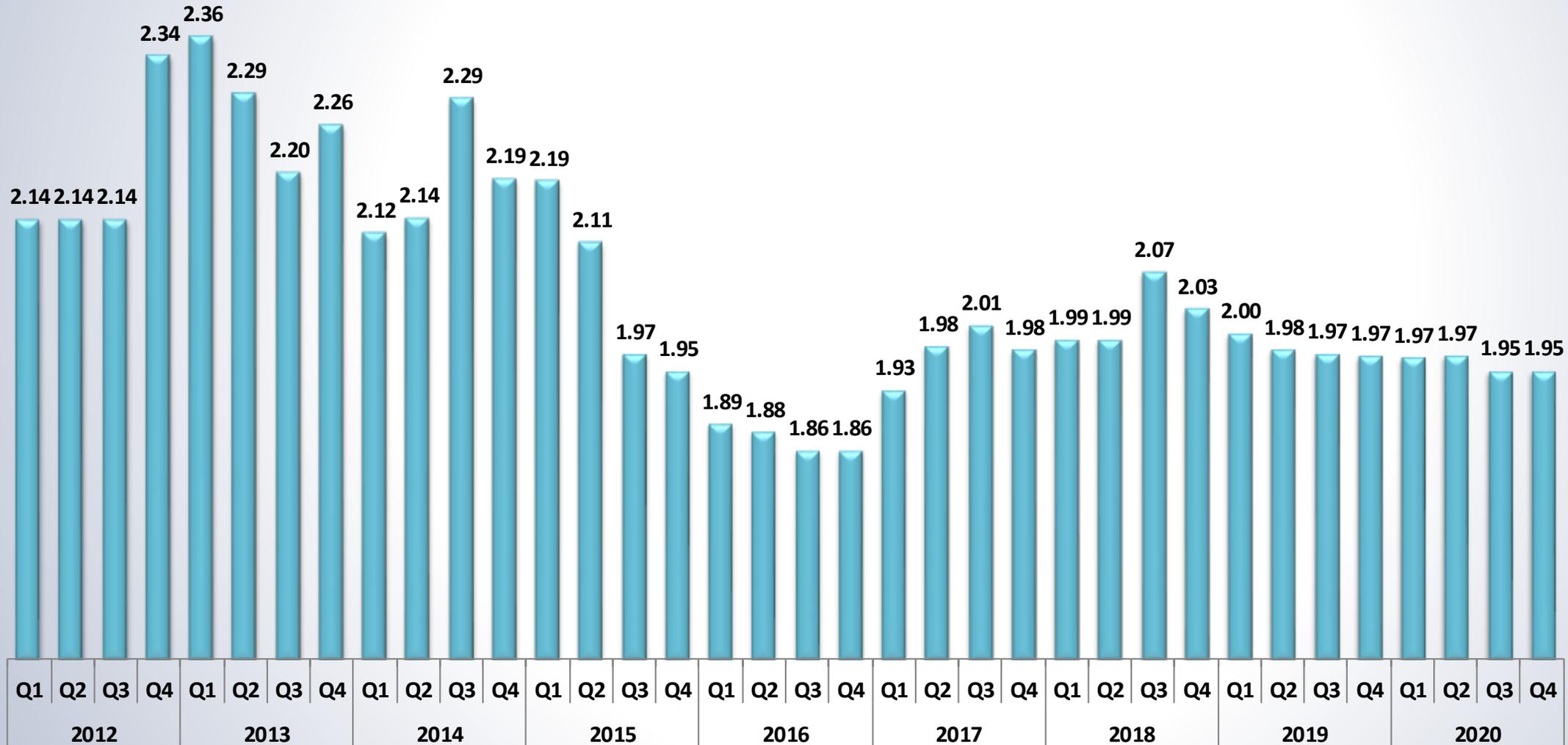


YTD 2020 Strauss Israel EBIT & EBIT Margins
NIS mm; Non-GAAP



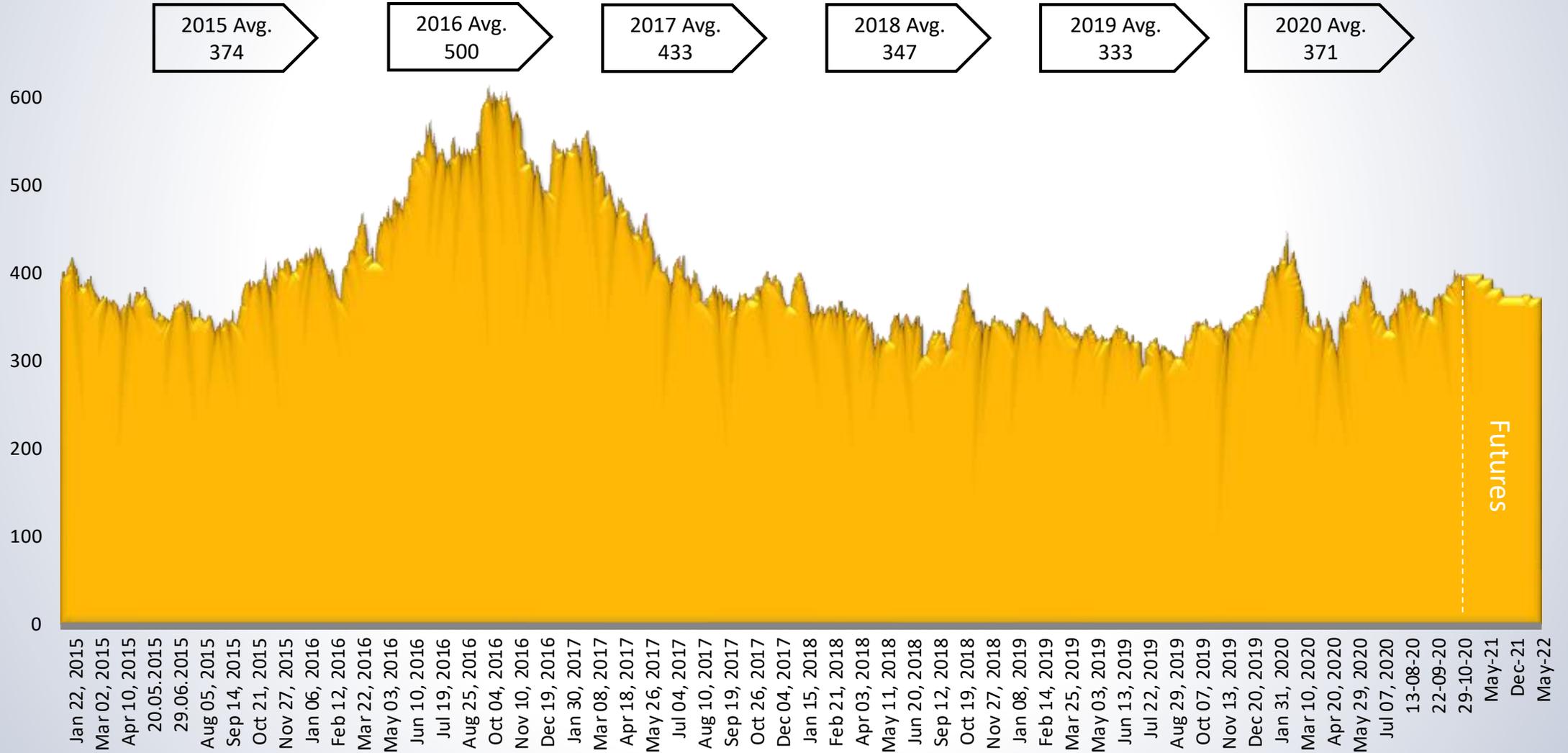
Target Milk Price (NIS per liter)

Prices exclude Strauss transportation costs



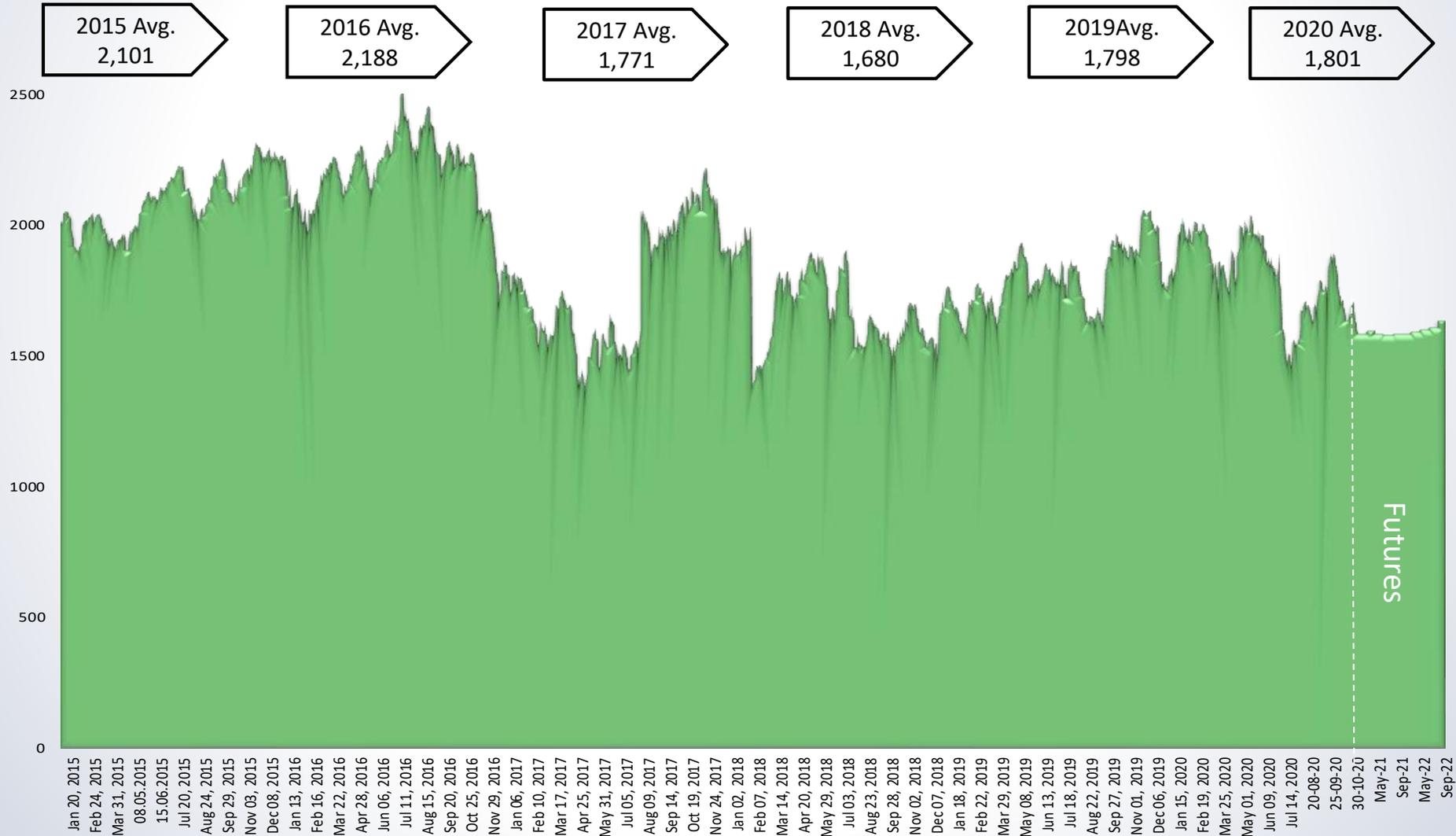
London Sugar Historical & Futures Prices 2015-2020

(\$\T)



London Cocoa Historical & Futures Prices 2015-2020

(GBP/T)



Strauss Coffee Non-GAAP Financial Highlights

Q3 and YTD 2020 NIS mm

Strauss Coffee (Non GAAP)						
	YTD 2020	YTD 2019	% Chg.	Q3 2020	Q3 2019	% Chg.
Revenue:						
Israel	543	583	(6.8%)	175	196	(10.4%)
International	1,902	2,210	(13.9%)	676	790	(14.4%)
Total Revenue	2,445	2,793	(12.4%)	851	986	(13.6%)
Total Gross Profit	844	1,022	(17.3%)	279	358	(21.7%)
<i>Gross Margins</i>	34.5%	36.6%	(2.1%)	32.9%	36.3%	(3.4%)
EBIT:						
Israel	126	128	(1.9%)	40	42	(6.5%)
<i>Margins</i>	23.1%	22.0%	1.1%	22.5%	21.5%	1.0%
International	157	210	(25.3%)	63	85	(25.7%)
<i>Margins</i>	8.3%	9.5%	(1.2%)	9.4%	10.8%	(1.4%)
Total EBIT	283	338	(16.4%)	103	127	(19.4%)
<i>Margins</i>	11.6%	12.1%	(0.5%)	12.1%	12.9%	(0.8%)
EBITDA:						
Israel	154	154	(0.2%)	49	51	(3.9%)
<i>Margins</i>	28.4%	26.5%	1.9%	28.0%	26.1%	1.9%
International	213	267	(20.2%)	82	105	(21.9%)
<i>Margins</i>	11.2%	12.1%	(0.9%)	12.1%	13.2%	(1.1%)
Total EBITDA	367	421	(12.9%)	131	156	(15.9%)
<i>Margins</i>	15.0%	15.1%	(0.1%)	15.4%	15.8%	(0.4%)

Note: (1) Três Corações joint venture (Brazil): a company jointly held by the Group (50%) and by the São Miguel Group (50%) (3C).
Source: Três Corações Alimentos S.A. Consolidated Interim Financial Statements as of September 30th, 2020.

Strauss Coffee Non-GAAP Sales by Geography

Q3 and YTD 2020 NIS mm

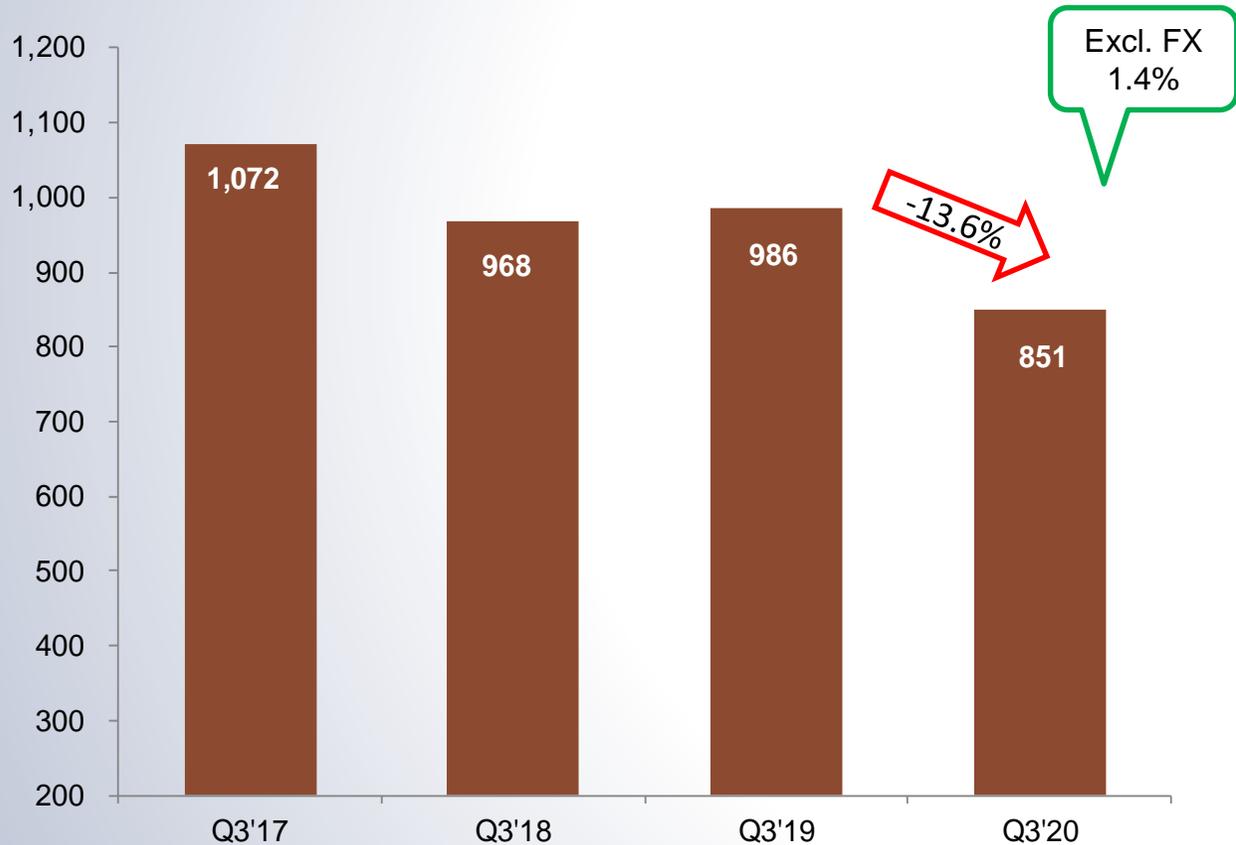
Strauss Coffee Sales								
	YTD 2020	YTD 2019	% Change		Q3 2020	Q3 2019	% Change	
			NIS	Local Currency			NIS	Local Currency
Israel	543	583	(6.8%)	(6.8%)	175	196	(10.4%)	(10.4%)
International:								
Três Corações Joint Venture (Brazil) (1)	1,084	1,356	(20.1%)	7.8%	375	476	(21.3%)	10.0%
CIS	408	414	(1.6%)	8.3%	148	162	(9.1%)	5.5%
Poland	207	207	0.3%	6.4%	71	72	(0.7%)	0.3%
Romania	120	135	(11.2%)	(7.0%)	49	47	3.8%	4.3%
Serbia	83	98	(15.0%)	(12.9%)	33	33	2.0%	(0.2%)
Total International	1,902	2,210	(13.9%)	5.6%	676	790	(14.4%)	6.9%
Total Coffee	2,445	2,793	(12.4%)	2.6%	851	986	(13.6%)	2.8%



Note: (1) Três Corações joint venture (Brazil): a company jointly held by the Group (50%) and by the São Miguel Group (50%) (3C).
Source: Três Corações Alimentos S.A. Consolidated Interim Financial Statements as of September 30th, 2020.

Strauss Coffee

Q3 2020 Strauss Coffee Sales
NIS mm; Non-GAAP



YTD 2020 Strauss Coffee Sales
NIS mm; Non-GAAP

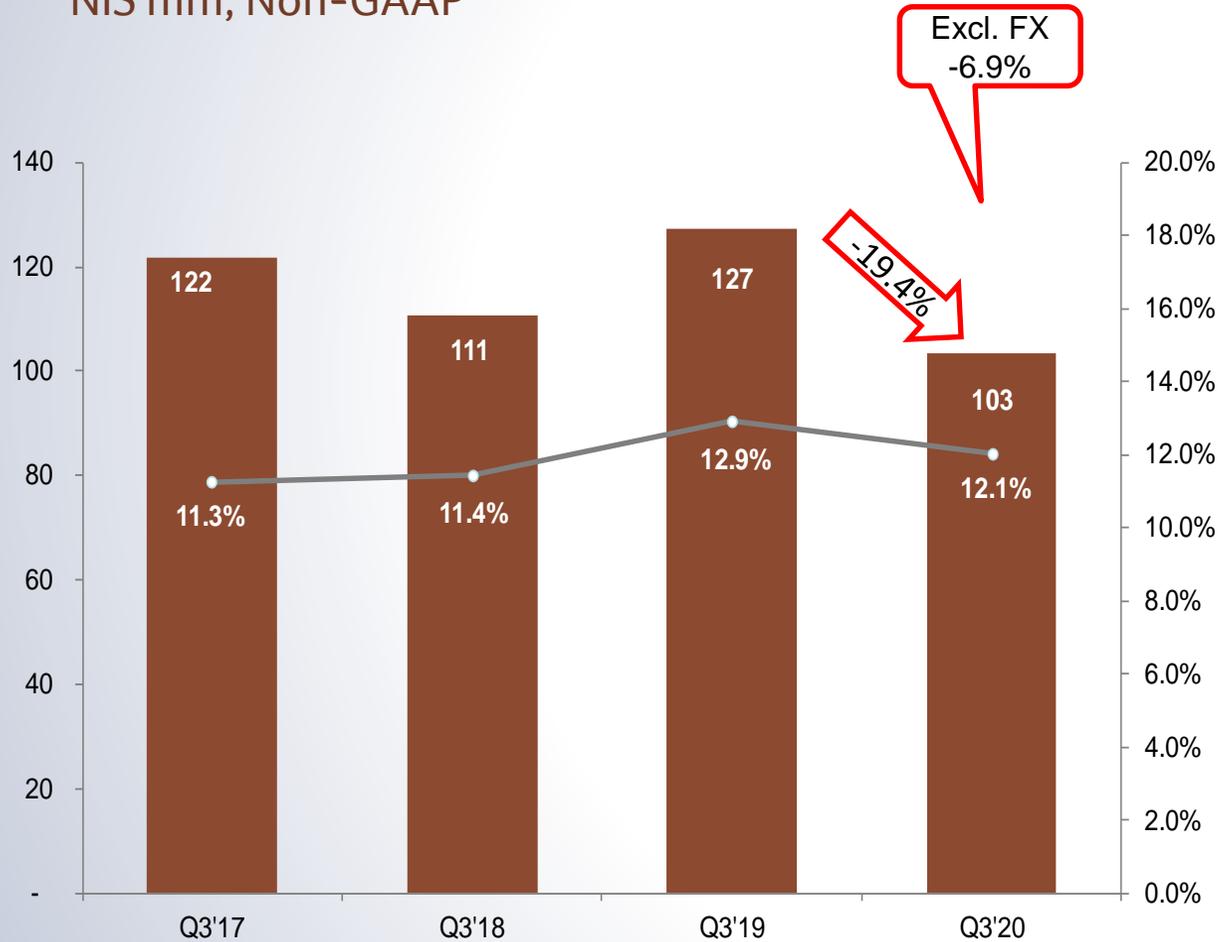


Note: Três Corações joint venture (Brazil): a company jointly held by the Group (50%) and by the São Miguel Group (50%) (3C).

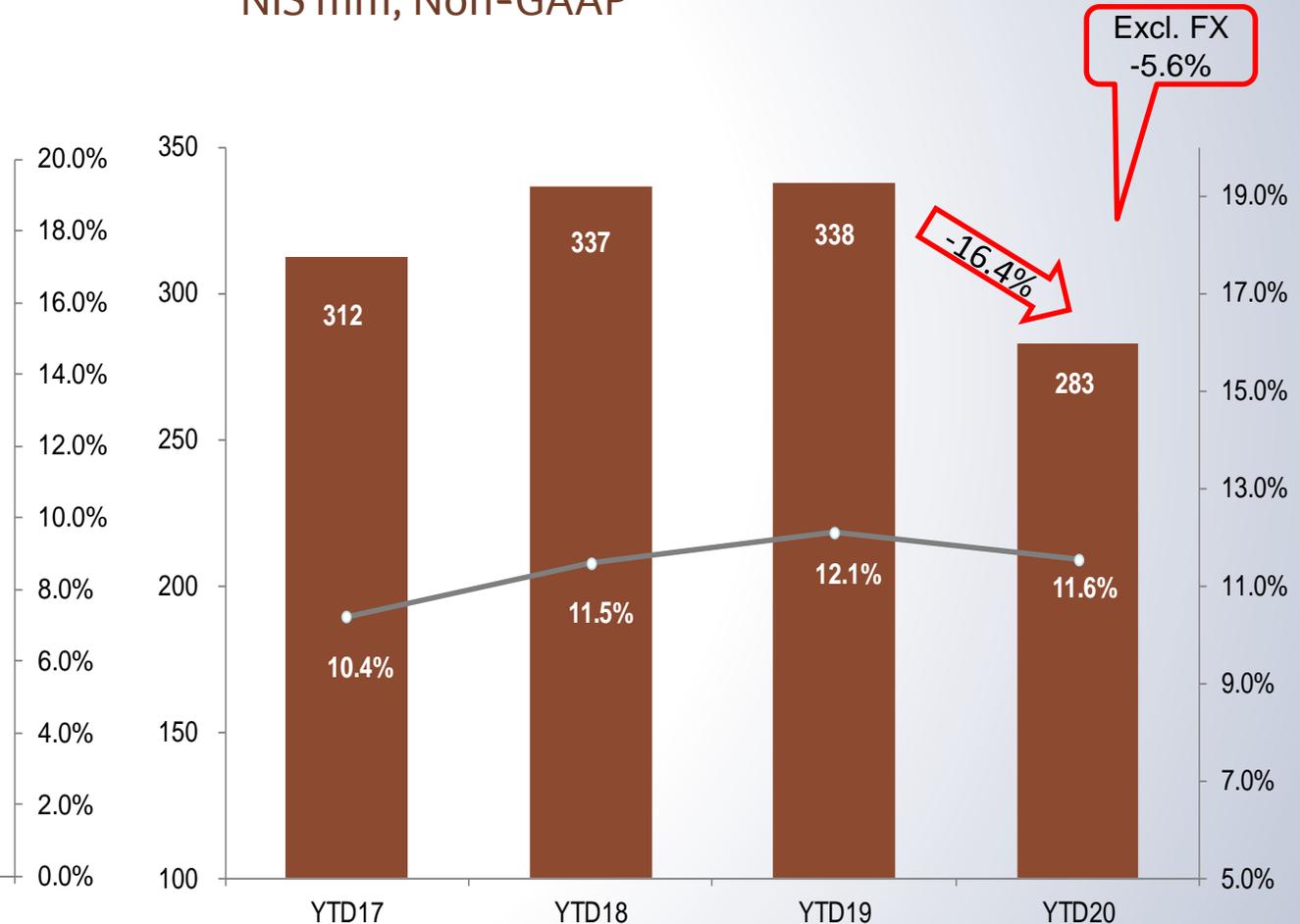


Strauss Coffee

Q3 2020 Strauss Coffee EBIT & EBIT Margins
NIS mm; Non-GAAP



YTD 2020 Strauss Coffee EBIT & EBIT Margins
NIS mm; Non-GAAP

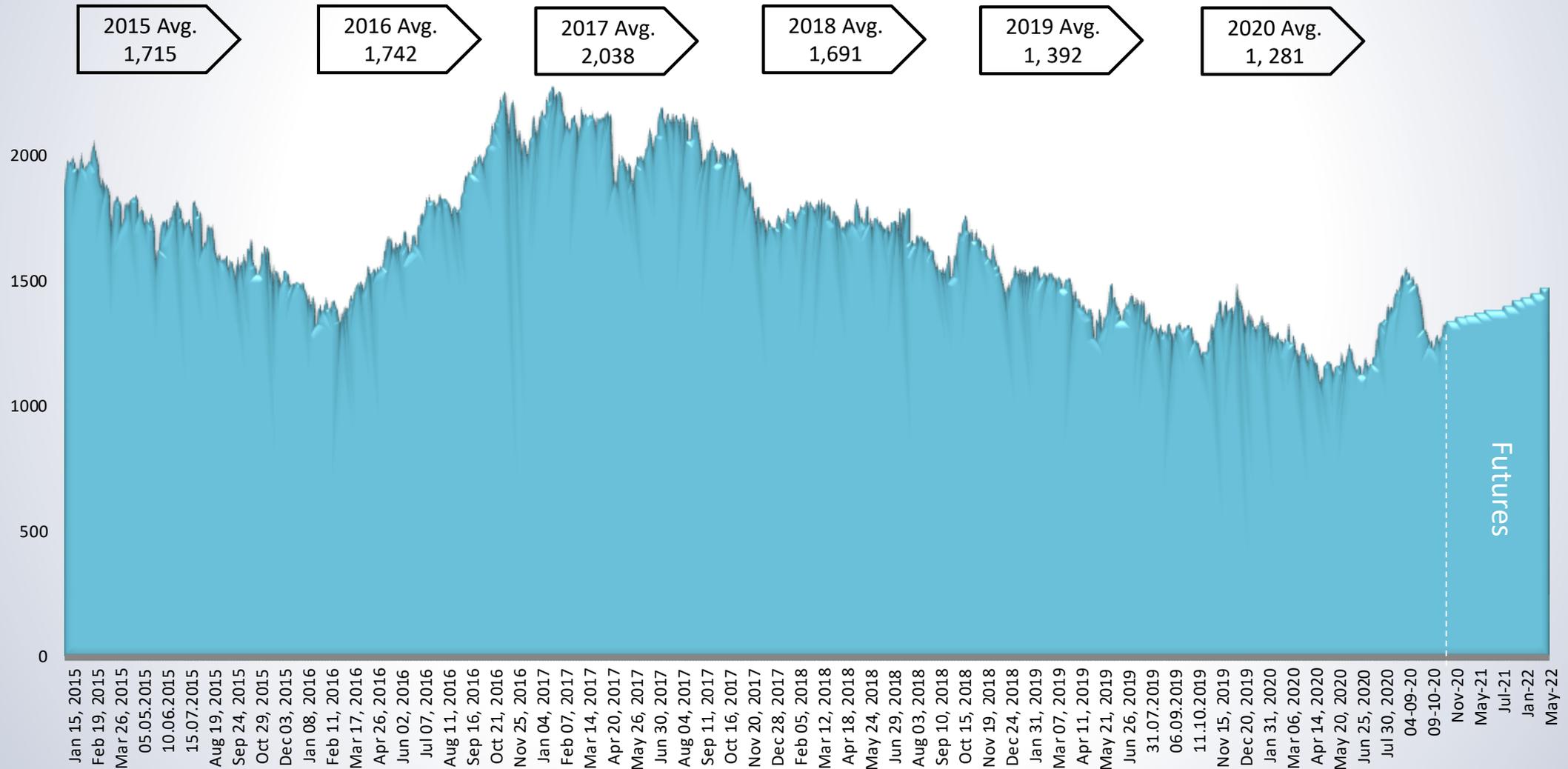


Note: Três Corações joint venture (Brazil): a company jointly held by the Group (50%) and by the São Miguel Group (50%) (3C).

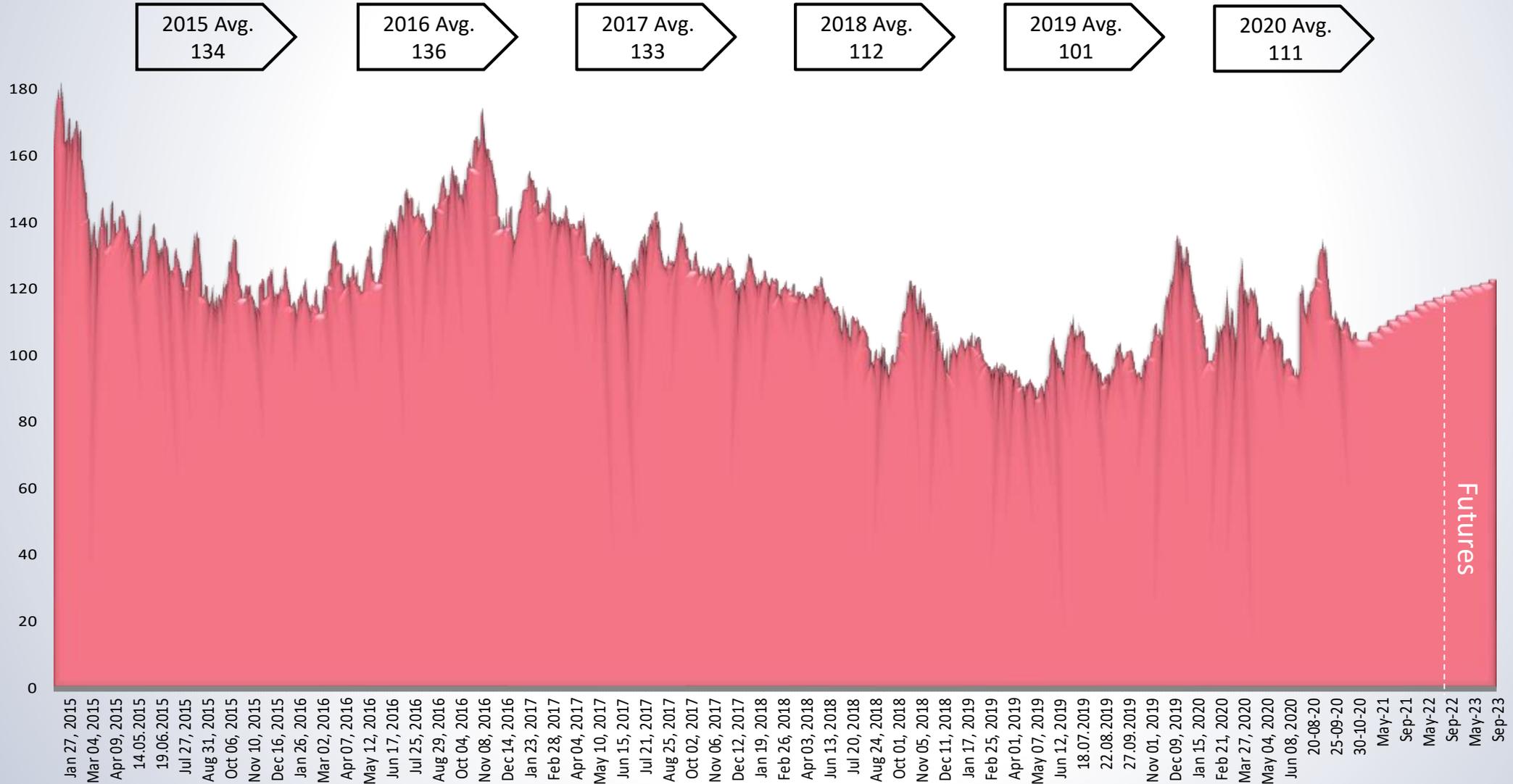


Robusta Historical & Futures Prices 2015-2020

(\$\T)



Arabica Historical & Futures Prices 2015-2020 (Cent\Lb)



INTERNATIONAL DIPS & SPREADS

Strauss D&S Non-GAAP Financial Highlights
YTD and Q3 2020 NIS mm; 50% share

Dips & Spreads (Non GAAP)						
	YTD 2020	YTD 2019	% Chg.	Q3 2020	Q3 2019	% Chg.
Revenue:						
Sabra (50%)	501	522	(4.1%)	163	173	(5.4%)
Obela (50%)	60	61	(1.4%)	22	20	10.5%
Total Revenue	561	583	(3.8%)	186	193	(3.8%)
EBIT:						
Sabra (50%)	59	69	(14.7%)	19	12	56.4%
<i>Margins</i>	11.8%	13.3%	(1.5%)	11.5%	7.0%	4.6%
Obela (50%)	(5)	(7)	NM	(2)	(2)	NM
<i>Margins</i>	NM	NM	NM	NM	NM	NM
Total EBIT	54	62	(13.3%)	17	10	65.2%
<i>Margins</i>	9.6%	10.6%	(1.0%)	9.2%	5.4%	3.8%
EBITDA:						
Total EBITDA	74	82	(9.9%)	24	16	43.2%
<i>Margins</i>	13.2%	14.1%	(1.1%)	12.8%	8.6%	4.2%

- Figures were rounded to NIS millions. Totals were calculated on the basis of the exact figures in NIS thousands.

HUMERA SESAME PRICES 2015-2020 (USD/METRIC TON)

2015 Avg.
1,324

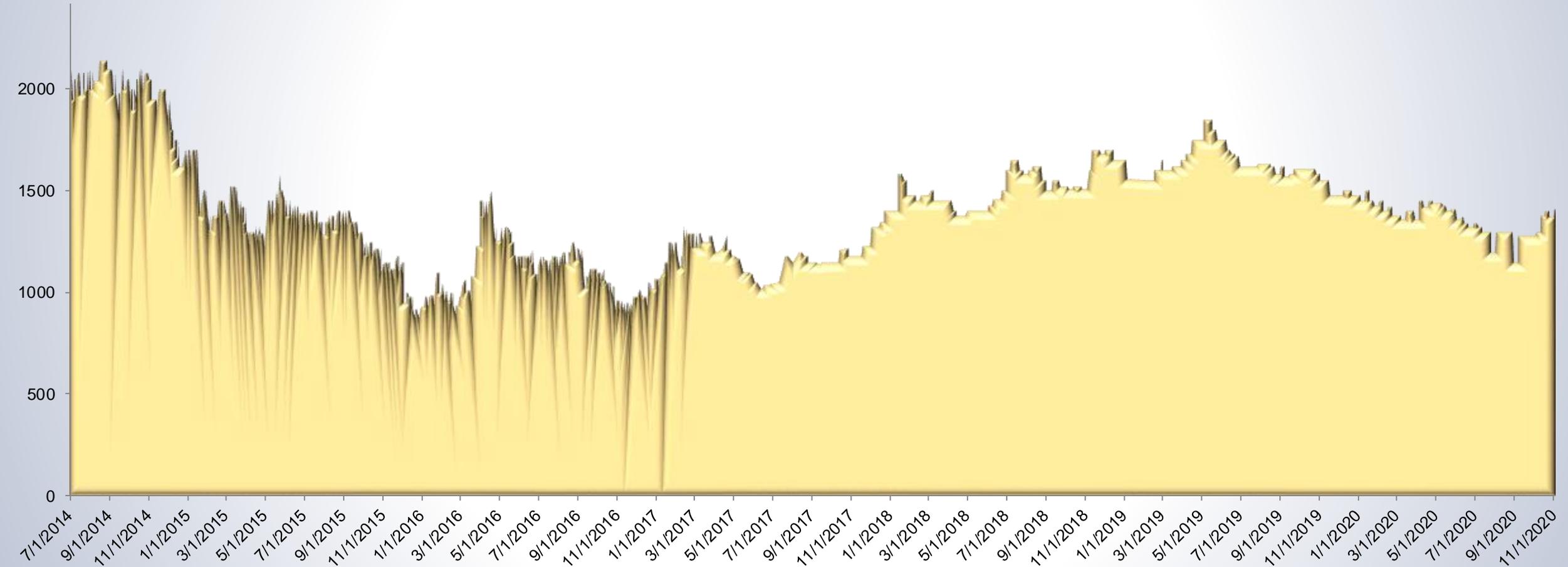
2016 Avg.
1,109

2017 Avg.
1,193

2018 Avg.
1,528

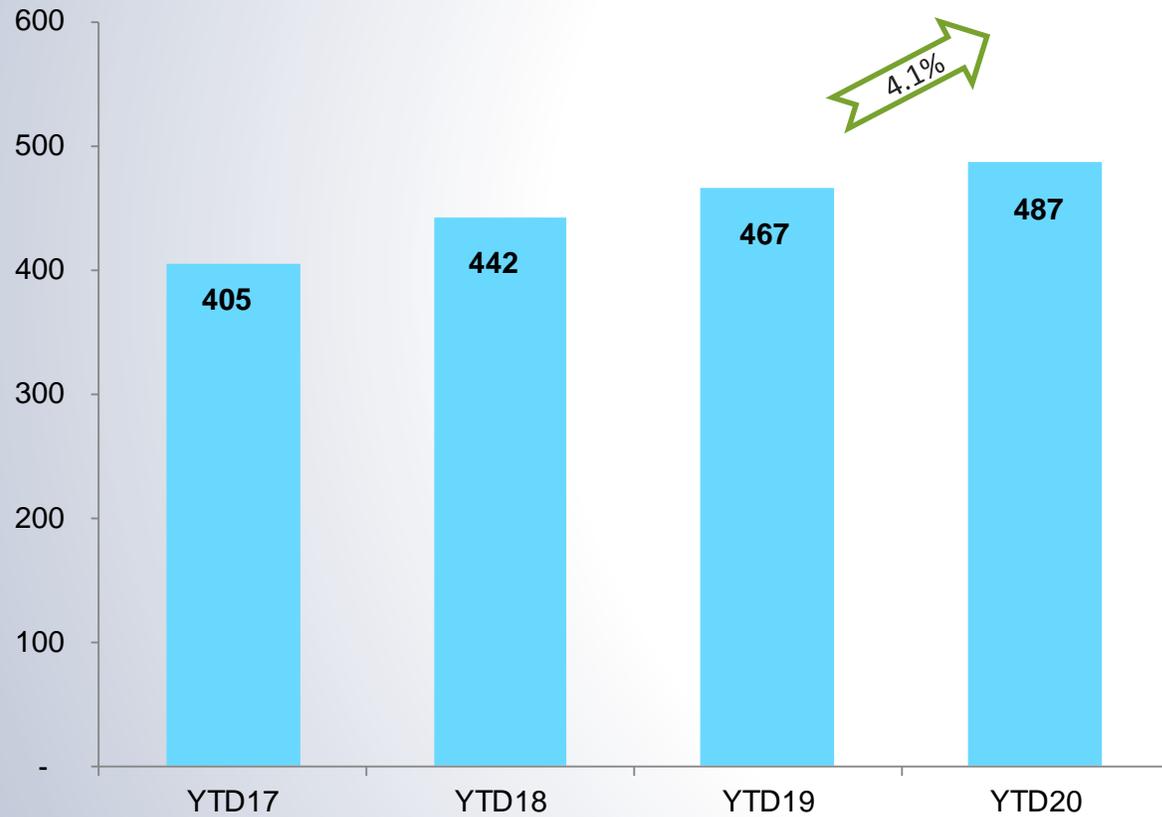
2019 Avg.
1,622

2020 Avg.
1,361



Strauss Water

YTD 2020 Strauss Water Non-GAAP Sales
NIS mm; Non-GAAP



Q3 2020 Strauss Water Non-GAAP Sales
NIS mm; Non-GAAP

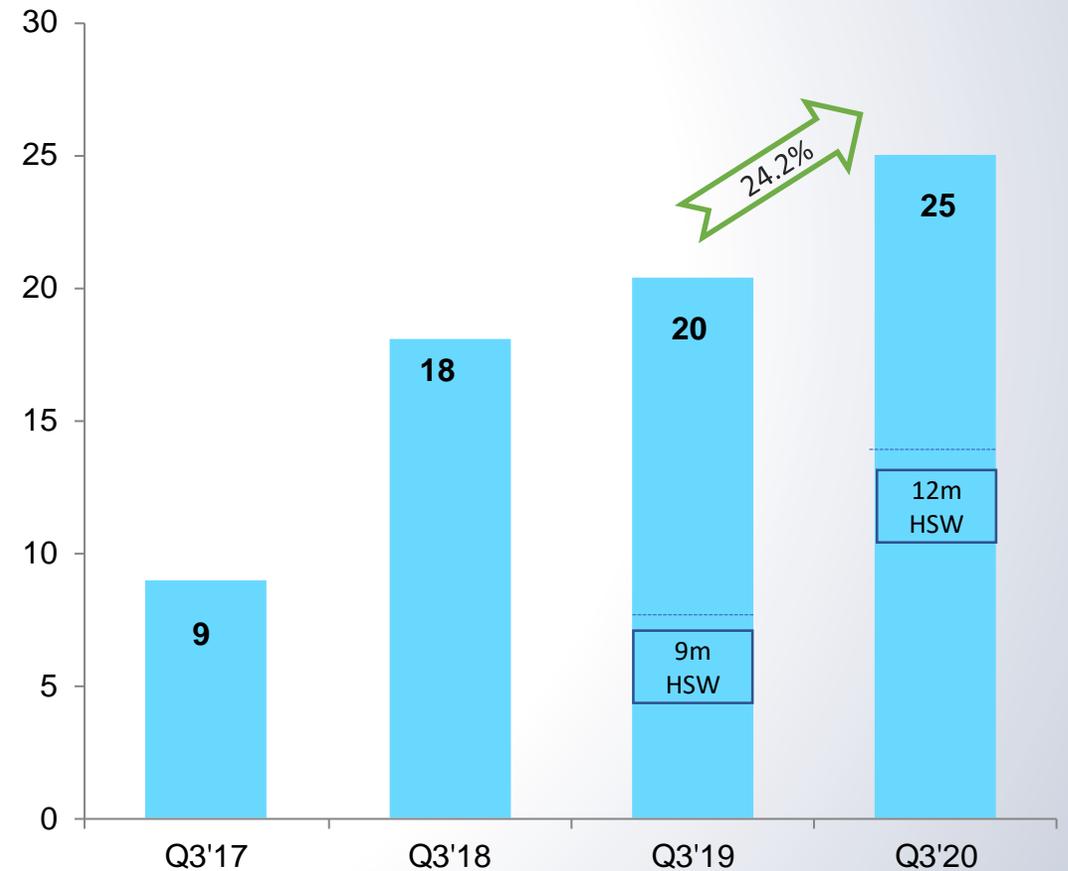


Strauss Water

YTD 2020 Strauss Water Non-GAAP EBIT
NIS mm; Non-GAAP



Q3 2020 Strauss Water Non-GAAP EBIT
NIS mm; Non-GAAP



Note: 1. Water EBIT includes net profits from HSW
2. 2020 Includes one time government grant for HSW in Q2



Thank You

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