



CONVENIENCE TRANSLATION

The Hebrew version is the binding version

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Strauss enters the frozen food category: **Will market ready-to-heat meals made from quality raw materials**

The meals, which include pizza, pasta and Asian foods, will be marketed under a new brand, Strauss Delicious

Strauss announced the launch of ready-to-heat frozen meals under a new brand, **Strauss Delicious**. In August, the company is to launch sales of some twenty products in two main categories: frozen meals and frozen dough products, ready to heat in a microwave or oven. The launch marks a significant step in the company's strategy to expand its offering of products that provide consumers with a choice of nutritious foods made from quality raw materials, which are easy to prepare and a natural fit with today's fast-paced life.

Eyal Dror, CEO of Strauss Israel: "Entering a new category is a unique event for a veteran company like Strauss, most certainly when numerous rivals are already active in the category in question. As a company that seeks to offer a variety of products to diverse populations, we believe that entering the frozen food market represents a meaningful opportunity. Our goal is to bring solutions to the market in the form of tasty, easy-to-prepare meals that are based on top-quality raw materials. We believe that in line with world trends, "frozen is the new fresh", and we are certain that the initiative – and this is only the beginning – will serve as one of our growth drivers in the next few years."

Yael Hazum, General Manager of Strauss Frozen Solutions: "Strauss Delicious was launched after we identified the need for solutions that offer tasty, quality food that is easy to prepare and conveniently fits into our busy lives, alongside the constant growth of the health trend and the demand for nutritious products. Our offering consists of a rich variety of unique ingredients that aren't always available in the home pantry, so getting them in the form of a ready-to-heat and ready-to-eat meal is an advantage. The dishes undergo a unique quick freezing process shortly after cooking, which enables us to retain product freshness without adding preservatives, flavors and fragrances. The large number of products allows people to vary their choices continuously, and in a world where a considerable part of



the public combines home cooking with the consumption of retail-ready foods, we are happy to increase the available variety of alternatives.”



The recipes for the meals in the ready-to-heat category were developed by Strauss’s chef, Yaniv Gur Arie, according to the Israeli public’s taste preferences. Their preparation is simple – just 6 minutes in the microwave. The offering will include Asian dishes and legume-based dishes that contain plant protein. The product packaging is made of 30% recycled materials, can be disposed of in the orange recycling bin, and its shape delivers a takeaway experience, allowing the meal to be eaten straight from the container. A range of pasta dishes in a variety of sauces is also to be launched. The products are imported from Italy and are manufactured using a local traditional production method that provides for a taste experience that is as close as possible to an Italian restaurant. Products will also include a rich variety of vegan dishes. Pack sizes range between 280g and 400g, and the products are kosher certified by Badatz She’erit Yisrael.

The dough product range consists of a variety of unique dishes manufactured in Italy using a traditional method, which includes working the dough by hand, recipes that preserve the familiar Italian flavor, and a revolutionary technology in the retail-ready frozen meals category, which preserves product freshness. The range offers a variety of pizzas with vegetable-based dough (25%) such as beetroot, cauliflower and pumpkin, with gluten-free options also to be offered at later stage. In addition, unique formats will be launched for dough foods based on tomato sauce and mozzarella: pizza cones, barchetta and pizza with toppings. In the dough category, warming the products in the oven is recommended for optimal results that preserve the traditional preparation method.

According to the American Frozen Food Institute, the frozen food market in the US delivers \$65.1 billion in sales each year. Retail-ready frozen meals account for 35% of frozen food sales in the US



and are a growth driver for the category, racking up 20% growth in 2020. In Israel, the frozen segment of the plant-based foods category (plant-based meals, doughs, vegetables and fruit) brings in NIS 1.7 billion in revenue each year, and in 2020, grew by 20% (cumulative, in value terms, StoreNext 2020). The variety of frozen solutions in Israel in relation to other countries remains limited, and largely offers products containing a single meal component or raw materials for meal preparation (mainly vegetables). The ready meal category in the Israeli frozen food market accounts for less than 3%, and consequently, Strauss's arrival on the market with a broad product offering significantly expands the consumer's range of choices and is expected to

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