



CONVENIENCE TRANSLATION

The Hebrew version is the binding version

27.7.2021

Strauss boosts its plant-based product business

Strauss enters into partnership with Wyler Farms, signing an agreement for the acquisition of a 51% stake in the tofu manufacturer

Strauss is entering the tofu category for the first time, giving its business in the plant-based product category a further boost. Today, the company signed an agreement for the acquisition of the controlling interest (51%) in Wyler Farms, which is active in the production of tofu, subject to approval of the deal by the Competition Commissioner. Wyler Farms' products, which are presently distributed by Strauss, are manufactured at its plant in Netivot.

In the past few years Strauss has worked on expanding its plant-based product portfolio. Among other things, in 2020 Strauss began importing and distributing Alpro products, launched the SOOM series of sesame-based products, and also distributes the non-dairy yogurt Only, manufactured by Yofix, a graduate of Strauss's FoodTech incubator, The Kitchen Hub. Recently, Strauss announced its intention of setting up a manufacturing facility for the production of plant-based beverages (Alpro products) adjacent to its dairy in Achihud.

"Strauss's strategy is to create solutions for a broad variety of communities, among other things by expanding our plant-based product offering", says Eyal Dror, CEO of Strauss Israel. "We plan to provide vegetarians and people who combine a vegetarian and vegan diet with good, nutritious food based on alternative protein. Acquiring the controlling stake in Wyler Farms is another step in this direction, but it isn't the last – we intend to expand the product range under the Wyler brand and deliver added value to consumers, as well as to generally increase our variety of alternative protein based products to include more categories in the next few years."

Ilan Safriel, CEO of Wyler Farms, said: "I welcome Strauss on joining us as our partners in Wyler Farms. I am convinced that the knowhow we have accumulated in our years in the business, combined with the professional knowledge and the business and marketing



experience that Strauss will be bringing, will place the company on a path of long-term growth and enable it to offer the Israeli public diverse new, high-quality products.”

Wyler Farms was founded in 1994 by David Wyler. In 2017 the company was acquired by three partners: Gilad Tzory, Dori Friedman and Ilan Safriel. The company manufactures its products at a plant in the city of Netivot, where a Strauss dairy was active in the past. Wyler Farms, which employs some 70 people, manufactures 7 soy-based tofu SKUs under the Wyler brand, and since 2020, two tofu SKUs based on chickpeas. Since 2019, Strauss has distributed the Wyler brand to retailers.

The tofu market in Israel is still in its infancy, with annual sales presently amounting to around NIS 60 million (StoreNext figures, 2020), and has growth potential. Additionally, the variety of tofu-based products offered to the Israeli public is basic, most certainly when compared to the product variety that is available in other countries.

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

www.strauss-group.com

