



# Strauss Group Financial Results

Q4 2023 Earnings Presentation | March 26<sup>th</sup>, 2024



# Disclaimer

# GAAP to Non-GAAP Reconciliations



This presentation does not constitute an offering to purchase or sell securities of Strauss Group Ltd. (the "Company") or an offer for the receipt of such offerings. The presentation's sole purpose is to provide information. The information provided in the presentation concerning the analysis of the Company's activity is only an extract, and in order to receive a complete picture of the Company's activity and the risks it faces, one should review the Company's reports to the Israel Securities Authority and the Tel Aviv Stock Exchange.

The presentation may contain forward-looking statements as defined in the Israeli Securities Law, 5728-1968. All forward-looking statements in this presentation are made based on the Company's current expectations, evaluations and forecasts, and actual results may differ materially from those anticipated, in whole or in part, as a result of different factors including, but not limited to, changes in market conditions and in the competitive and business environment, regulatory changes, currency fluctuations or the occurrence of one or more of the Company's risk factors. In addition, forward-looking forecasts and evaluations are based on information in the Company's possession while preparing the presentation. The Company does not undertake any obligation to update forward-looking forecasts and evaluations made herein to reflect events and/or circumstances that may occur after this presentation was prepared.

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).

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.





# Shai Babad

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Group CEO



# PEOPLE AND ENVIRONMENT



**600,000**

People impacted

**8,000**

Hours our employees  
volunteered

**4,440,200**

Products donated in  
Israel

**25**

Total meaningful impact  
projects

**74**

Partnerships with organizations

**17.5M NIS**

Total donations in Israel

**2023  
IN  
NUMBERS**



# OUR Q4 PERFORMANCE

## Net Sales

**2,695m**

Net Sales

**+4.6%**

Organic Growth

**+9.6%**

Sales vs 22'

## Gross profit

**852m**

Gross

**31.6%**

Gross Margin

**+15.9%**

Gross vs 22'

## EBIT

**181m**

EBIT

**6.7%**

EBIT Margin

**+184.9%**

EBIT Vs 22'

## Net profit

**100m**

Net Profit

**3.7%**

Net Margin

**+304.4%**

Net Vs 22'





# OUR 2023 PERFORMANCE

## Net Sales

**10,549m**

Net Sales

**+6.8%**

Organic Growth

**+11.0%**

Sales vs 22'

## Gross profit

**3,383m**

Gross

**32.1%**

Gross Margin

**+19.4%**

Gross vs 22'

## EBIT

**772m**

EBIT

**7.3%**

EBIT Margin

**+103.9%**

EBIT Vs 22'

## Net profit

**439m**

Net profit

**4.2%**

Net Margin

**+154.0%**

Net Vs 22'



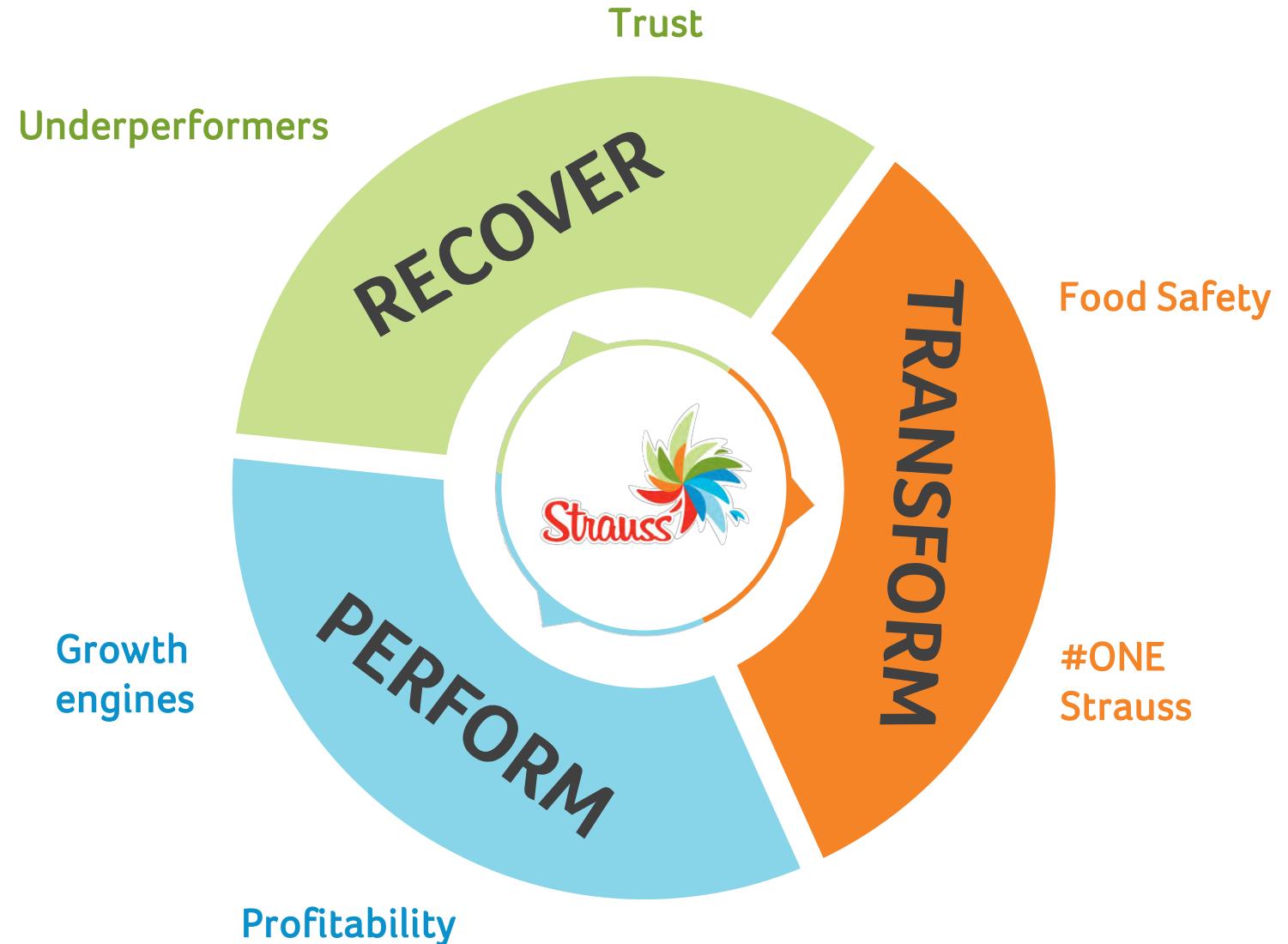


# 2023 PERFORMANCE BY BUSINESSES

|                  | olive Israel            | Strauss COFFEE          | Sabra               | Strauss WATER       | Strauss Group            |
|------------------|-------------------------|-------------------------|---------------------|---------------------|--------------------------|
| Sales<br>Vs 2022 | <b>4,074m</b><br>3,496m | <b>5,154m</b><br>4,804m | <b>513m</b><br>415m | <b>805m</b><br>785m | <b>10,549m</b><br>9,501m |
| EBIT<br>Vs 2022  | <b>382m</b><br>-22m     | <b>355m</b><br>460m     | <b>14m</b><br>-111m | <b>90m</b><br>97m   | <b>772m</b><br>379m      |
| %EBIT            | <b>9.4%</b>             | <b>6.9%</b>             | <b>2.8%</b>         | <b>11.2%</b>        | <b>7.3%</b>              |



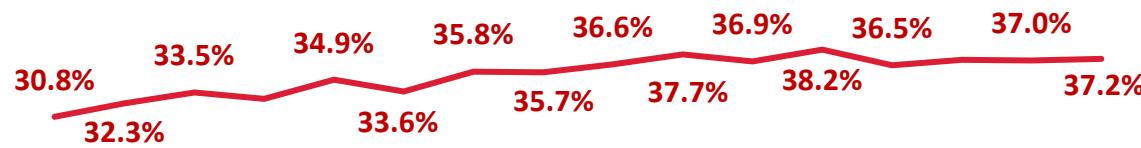
We built a  
**DETAILED  
PLAN**  
for progress  
in 2023



We are working to recover Underperforming businesses in our portfolio



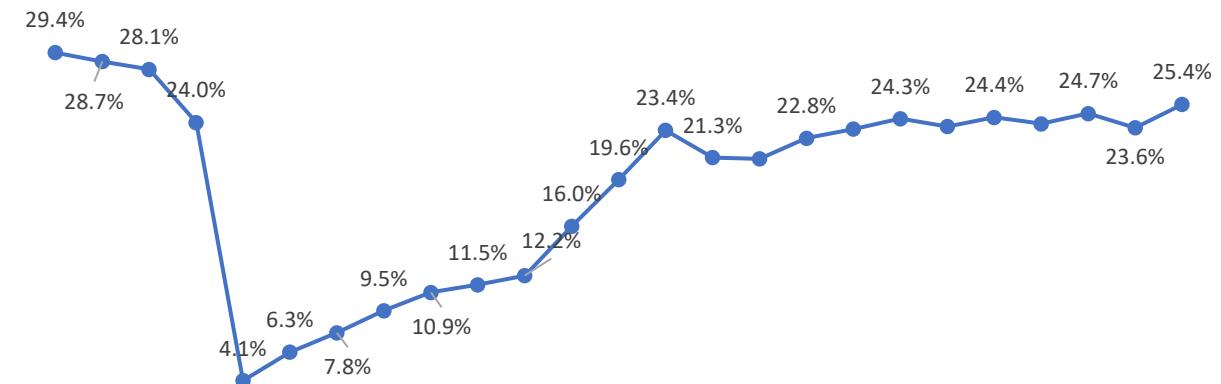
Market Share Hummus



11/22 1/23 1/23 2/23 3/23 4/23 5/23 6/23 7/23 8/23 9/23 10/23 11/23 12/23



Market Share Confectionery



1/22 2/22 3/22 4/22 5/22 6/22 7/22 8/22 9/22 10/22 11/22 12/22 1/23 2/23 3/23 4/23 5/23 6/23 7/23 8/23 9/23 10/23 11/23 12/23 01/24



## Operational excellence continues in full force

1

Consumer safety -  
delivering  
high quality products  
through robust quality  
processes and culture

**0 Recall policy**



2

IT - Drive business  
growth through  
technology  
and data

**Improve data digital  
transformation**



3

Building best-in-class  
Supply chain

**Supply chain  
efficiency**



4

Ensuring the  
development and  
empowerment  
of our people

**One  
implementation**



5

Leading Strauss'  
operational excellence  
across the entire value  
chain

**Higher operational  
productivity**





WHERE WE WANT TO GO

## UPDATED STRATEGY – DOUBLE DOWN ON THE CORE

**STRONGER  
HOME BASE**



**BRAZIL COFFEE  
& BEYOND**



**INTERNATIONAL  
WATER PLAYER**



**FUTURE READY & RESILIENT**

# HOW WE PLAN TO GET THERE



## RENEW THE CORE

- Optimize **core categories & brands** in **Israel** with a focus on **snacking**
- Optimize and maintain **our R&G leadership** in **Brazil**
- Optimize and increase **portfolio offering** of **water** solutions

## EXPAND & BUILD

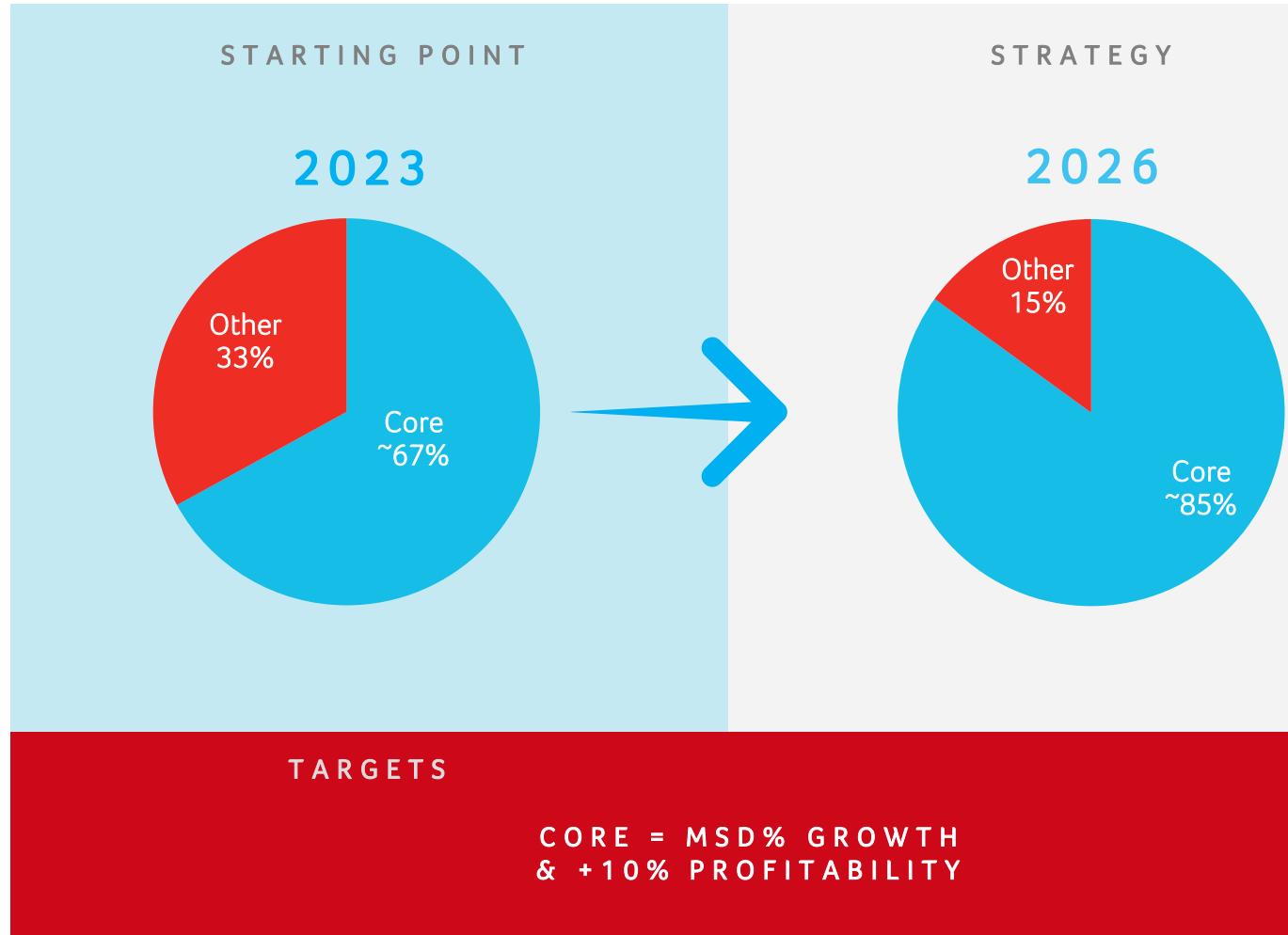
- Build **plant-based solutions & Innovation** around the core in **Israel**
- Expand **Non-R&G** and beyond **coffee** in **Brazil** through M&As and organic growth
- Grow **China** and enter **new geographies** in **Water**

## TRANSFORM

- Embark on a journey of **Performance transformation**
- Maintain values while adopting a **high-performance culture**
- Optimize portfolio to focus on the core



## STRATEGY WILL LEAD TO GROW THE CORE



# WHERE WE STRIVE TO BE: GOALS FOR 2026

| GROUP  | 5%<br>CAGR from<br>2024-2026      | 10-12%<br>EBIT Margin | ~300-400m<br>Productivity<br>platform            |
|--------|-----------------------------------|-----------------------|--|
| ISRAEL | #1<br>Snacking company            | ↑<br>EBIT Margin      | <b>Expand</b><br>Plant based offering            |
| BRAZIL | #1<br>Maintain market<br>position | ↑<br>EBIT Margin      | <b>Expand</b><br>Non-R&G share<br>of total sales |
| WATER  | #1<br>In China & Israel           | ↑<br>EBIT Margin      | <b>Expand</b><br>Product offering                |





# THANK YOU





# Ariel Chetrit

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Group CFO



# Q4 Highlights – Strauss Group



- The October 7<sup>th</sup> war impacted the group's business conduct as it faced facility closures, demand volatility, supply constraints, displaced employees, employees on reserve duties and resulting currency fluctuations
- The group has updated its long-term strategy and aims to reach operating profit of c11% in 2026
- Strauss Group posts net sales growth of 9.6% (+4.6% organic excluding FX effect). Growth was led by the return of the confectionery business and a solid performance in Health and Wellness
- The NIS continued to weaken against major and other currencies during the quarter mainly the BRL (113M) and the PLN (17M), offset by a negative impact of the RUB (-45M), with total net contribution of NIS 117 million to sales during the quarter
- Input inflation this quarter was mostly in green coffee (Robusta) +35%, Cocoa +68% and sugar +30%, all up sharply in comparison to the corresponding quarter last year
- Further restructuring measures announced in January are expected to result in annual savings of NIS c45-55 million
- Group will distribute dividend NIS 270 to be paid on April 11<sup>th</sup>



# Q4 Highlights



## Strauss Israel

- Strauss Israel net sales increased by 14.8% following volume growth across most categories, mainly in Confectionery (following last year's recall) and in Dairies
- Growth was driven by a volume increase of 9.2% and a price increase of 5.6%
- Strong EBIT growth in the Health & Wellness segment of 35.3% was led by the dairy business; profitability in Q4 improved up to 12.1% from 9.6% due to stronger sales as well as lower marketing efforts to compensate for war impact.
- Fun & Indulgence segment EBIT moved back into the black following the confectionary recall last year
- In January a price increase was announced for 25% of the company's products in Israel resulting in an overall 1.7% price increase for the company's products



# Q4 Highlights

## Strauss Coffee

- Net sales decreased 0.3% (w/o FX effect) in the fourth quarter led by Brazil as a result of lower selling prices
- Sales in Brazil are down by 2.1% in local currency but had a positive FX translation effect on sales, as a result of the strengthening of the BRL against the NIS
- R&G coffee market share in Brazil reached 33.8%, an increase of 0.9%
- Coffee Israel sales decreased by 4.2% mainly due to the ongoing war
- Eastern European sales were up in local currencies bar Romania; the continued weakness of the NIS resulted in positive currency effects bar the RUB
- Brazil operational profit declined to 23m BRL (down 22% vs the comparable quarter), due to the decline in sales



# Q4 Highlights



## International Dips & Spreads

- Sabra sales in USD increased by 0.5% as the company continues to recover from last year's production issues, mainly volume driven
- Sabra is still facing difficulties gaining back lost market share
- Sabra's EBIT loss improved in Q4 from \$-5M (100%) vs. \$-15M at the corresponding quarter
- Sabra's Hummus market share was 37.1% in Q4 2023 in comparison to 34.4% in Q4 2022



# Q4 Highlights



## Strauss Water

- Sales growth slowed down in the fourth quarter mainly due to the war in Israel
- As a result, sales in Israel, operating profit and profitability were flat due to the war effect
- Haier Strauss Water (HSW) sales grew 4.5% in local currency to reach 445m ₪ (100% share), mainly due to better mix



# Financial Highlights | Reported Non GAAP



## Q4 2023

**Q4'23 Sales: NIS 2695mm; growth: 9.6%, Organic Sales growth: 4.6%**

**Q4'23 Gross margins: 31.6% (up 170 bps vs. Q4'22)**

**EBIT and EBIT margins:  
NIS 181mm (up 184.9%); 6.7% (up 410 bps vs. Q4'22)**

**Net income and net margins:  
NIS 100mm (up 304.4%); 3.7% (up 270 bps vs. Q4'22)**

## YTD 2023

**YTD 2023 Sales: NIS 10549mm; growth: 11%, YTD Organic Sales growth: 6.8%**

**YTD 2023 Gross margins:  
32.1% (up 230 bps vs. YTD 2022)**

**EBIT and EBIT margins:  
NIS 772mm (up 103.9%); 7.3% (up 330 bps vs. YTD 2022)**

**Net income and net margins:  
NIS 439mm (up 154%); 4.2% (up 240 bps vs. YTD 2022)**

**The group declared a dividend of NIS 270mm  
(NIS 2.3 per share) to be paid on April 11<sup>th</sup>**



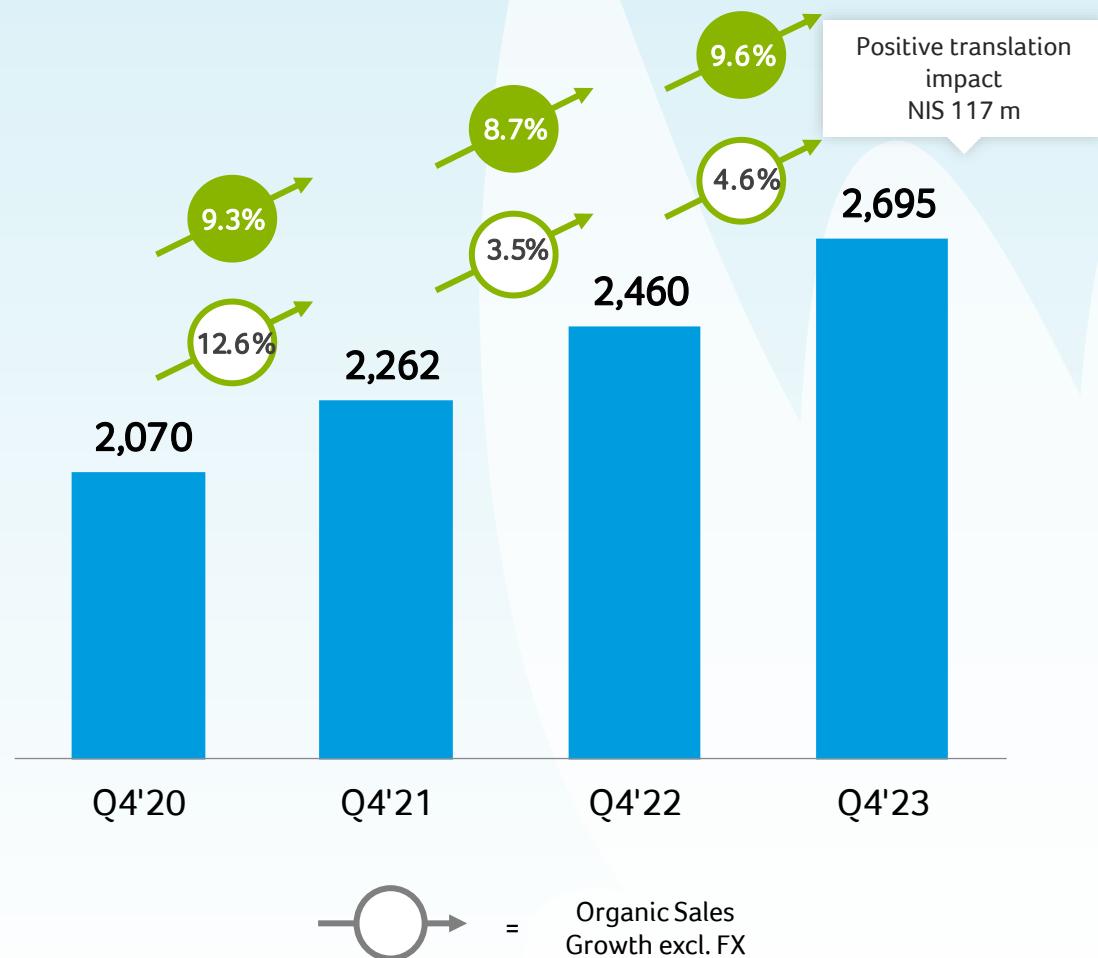
# Q4 2023



# Sales

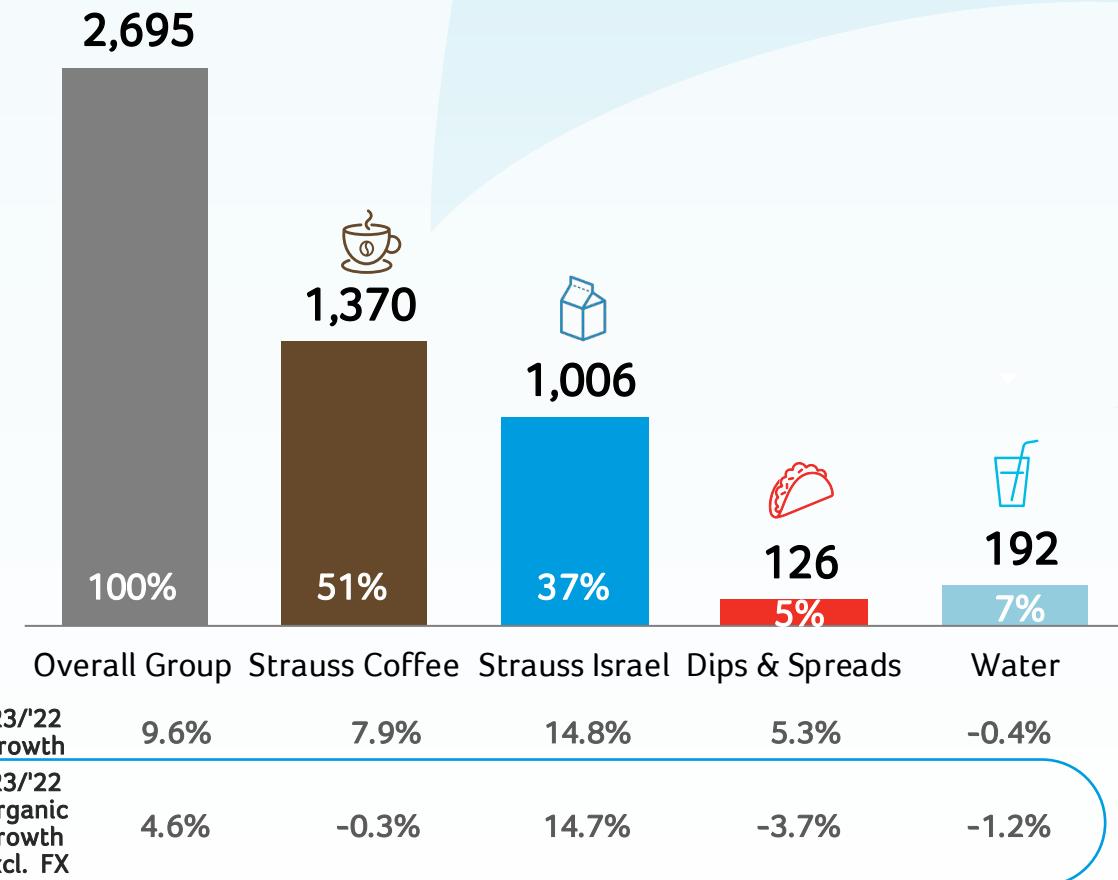
## Q4 2023 Sales, NIS mm Non-GAAP

NIS mm; Non-GAAP



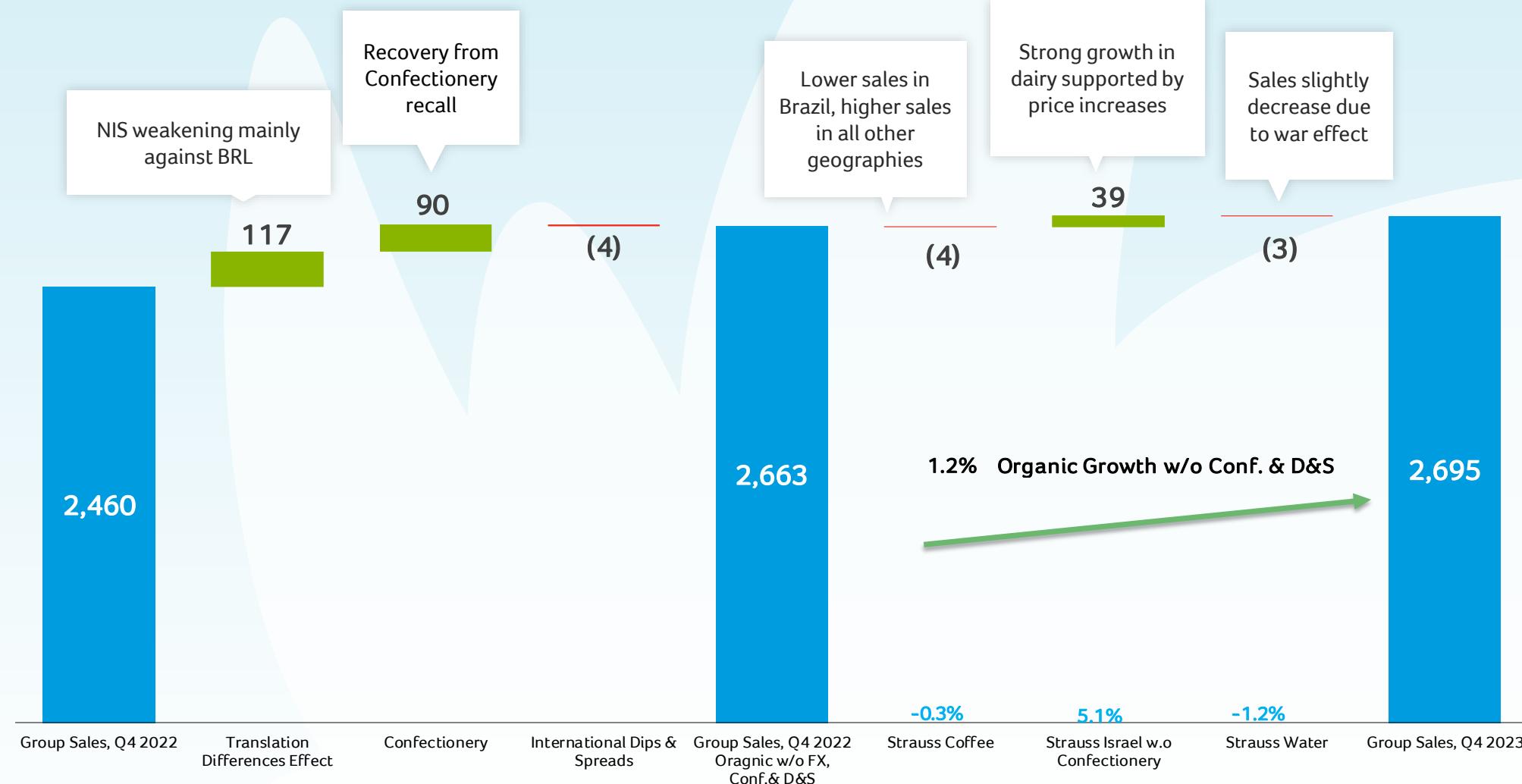
## Q4 2023 Sales by Segments

NIS mm; Non-GAAP; % sales contribution



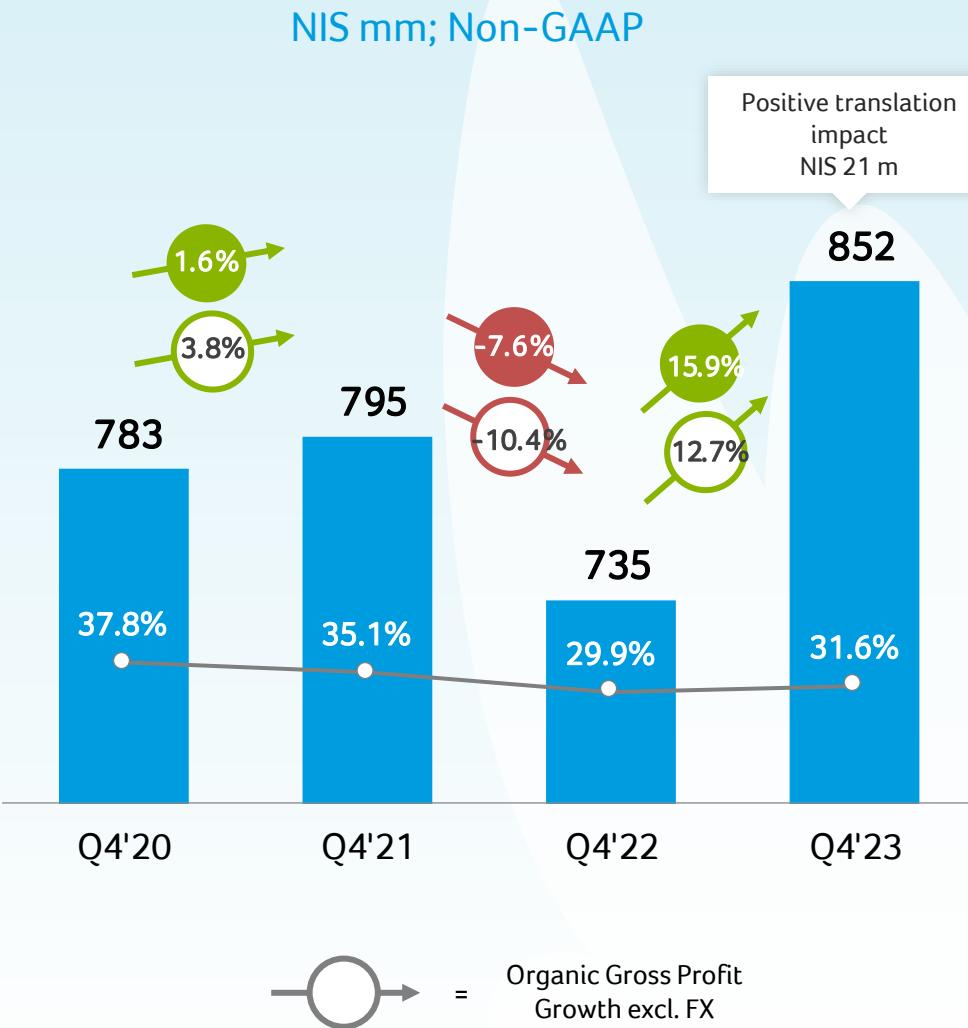
# Q4 Sales Bridge

| NIS mm; Non-GAAP; Q4'22 to Q4' 23

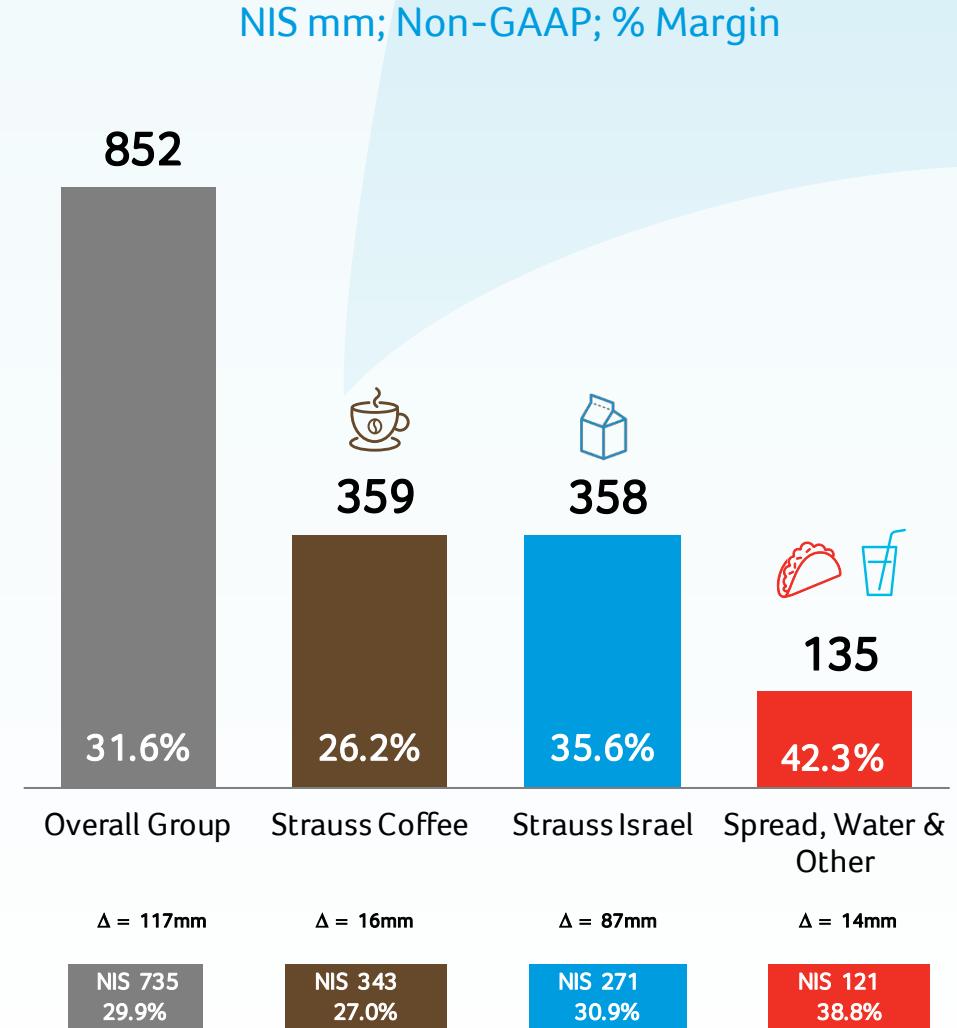


# Gross Profit

## Q4 2023 Gross Profit and Gross Margins

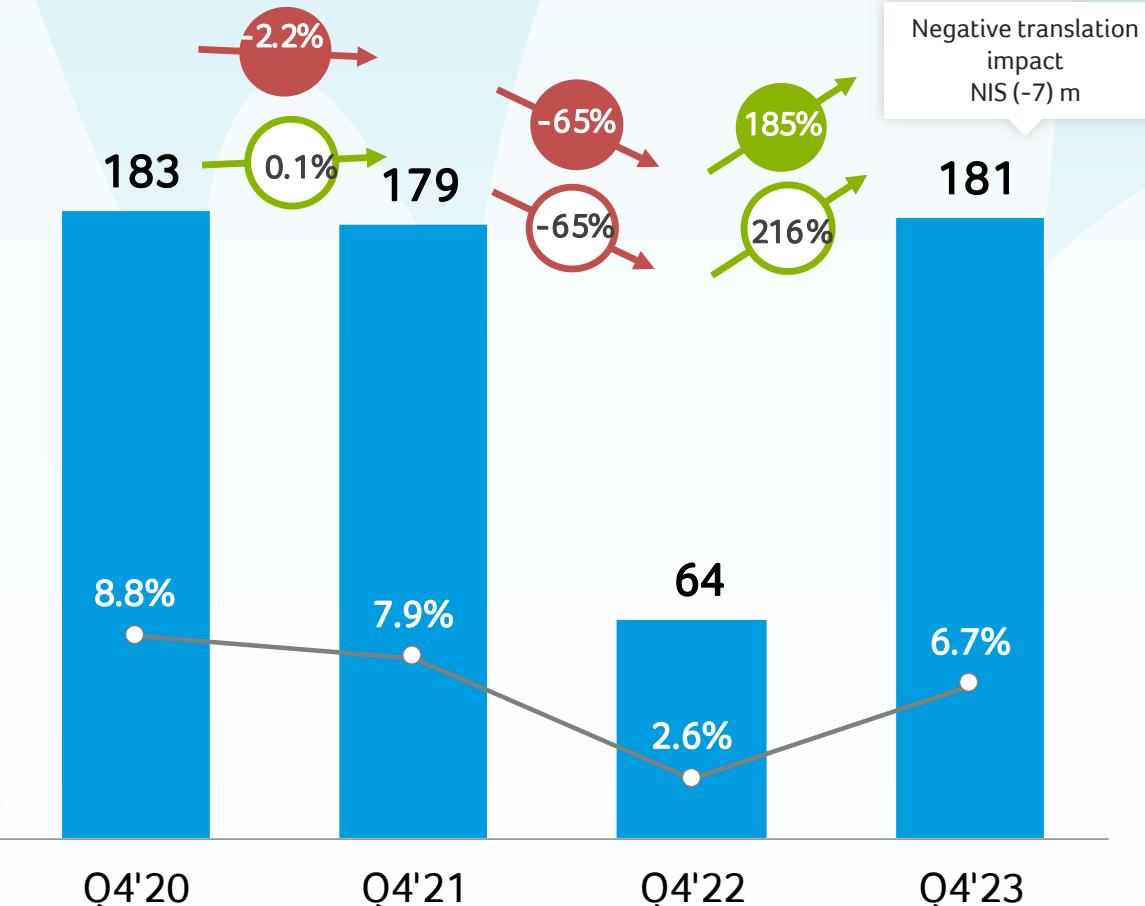


## Q4 2023 Gross Profit by Segments

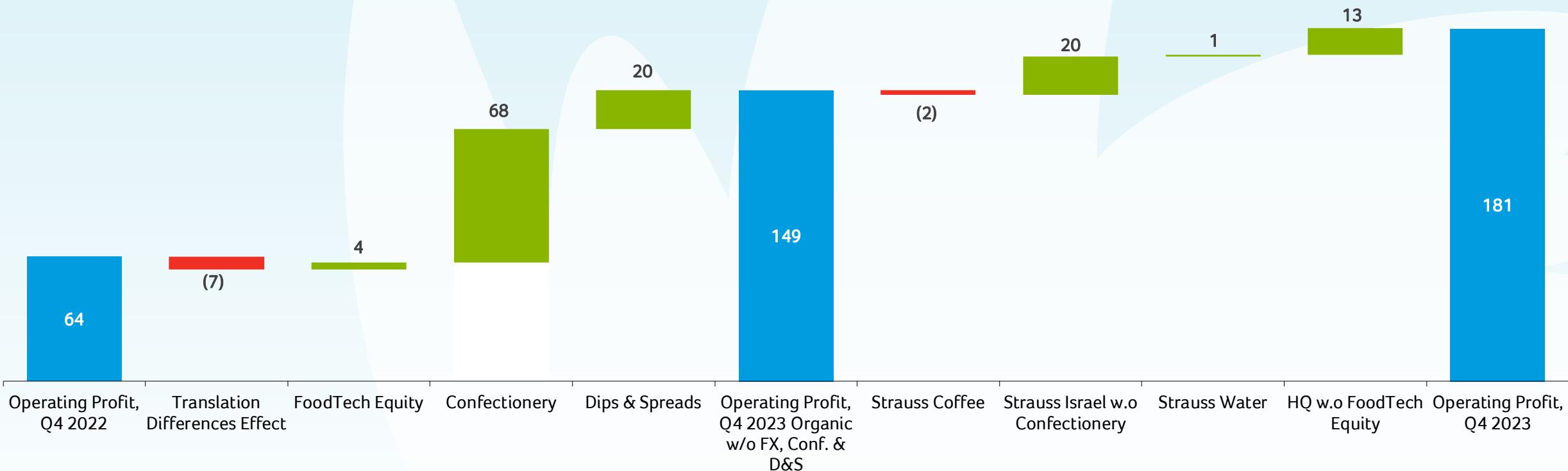


## Q4 EBIT and EBIT Margins

NIS mm; Non-GAAP

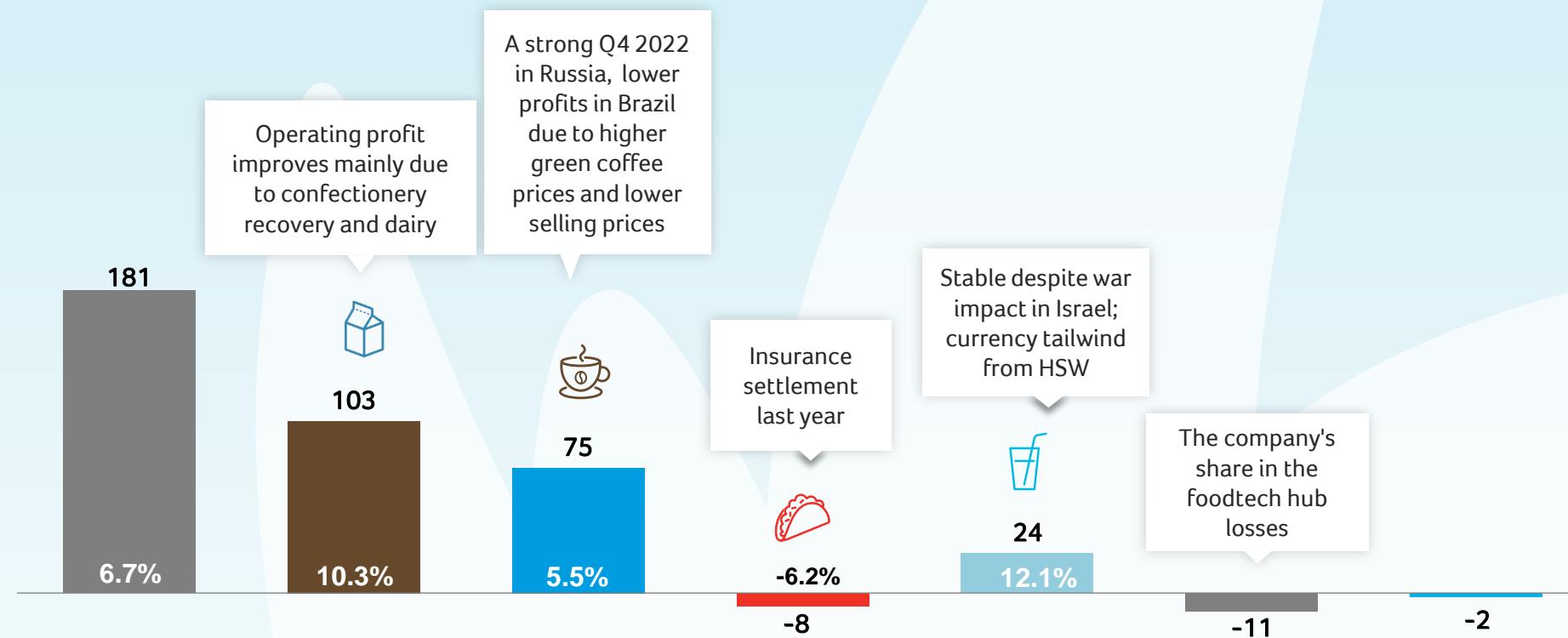
 = Organic EBIT Growth excl. FX

# Q4 EBIT Bridge | NIS mm; Non-GAAP; Q4'22 to Q2'23



# Q4 2023 EBIT and EBIT Margins

NIS mm; Non-GAAP; % Margin



| Q4'22<br>EBIT &<br>EBIT % | Overall Group           | Strauss Coffee         | Strauss Israel         | Dips & Spreads         | Water                 | FoodTech              | HQ w/o FoodTech        |
|---------------------------|-------------------------|------------------------|------------------------|------------------------|-----------------------|-----------------------|------------------------|
|                           | $\Delta = 117\text{mm}$ | $\Delta = 88\text{mm}$ | $\Delta = -7\text{mm}$ | $\Delta = 18\text{mm}$ | $\Delta = 1\text{mm}$ | $\Delta = 4\text{mm}$ | $\Delta = 13\text{mm}$ |
|                           | NIS 64<br>2.6%          | NIS 15<br>1.7%         | NIS 82<br>6.5%         | NIS -26<br>-22.3%      | NIS 23<br>12.0%       | NIS -15               | NIS -15                |

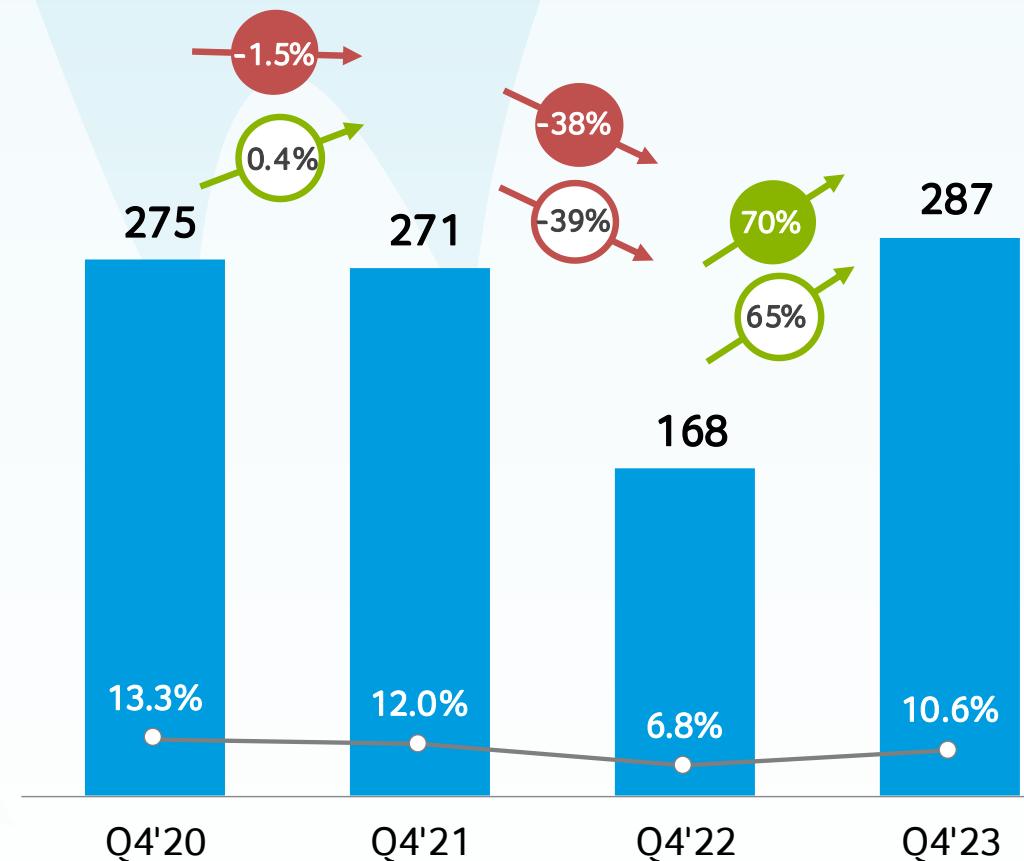
'23/'22  
Organic  
growth  
excl. FX

216.3% -588.2% -4.3% 72.6% 4.9%

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

## Q4 2023 Consolidated EBITDA and EBITDA Margins

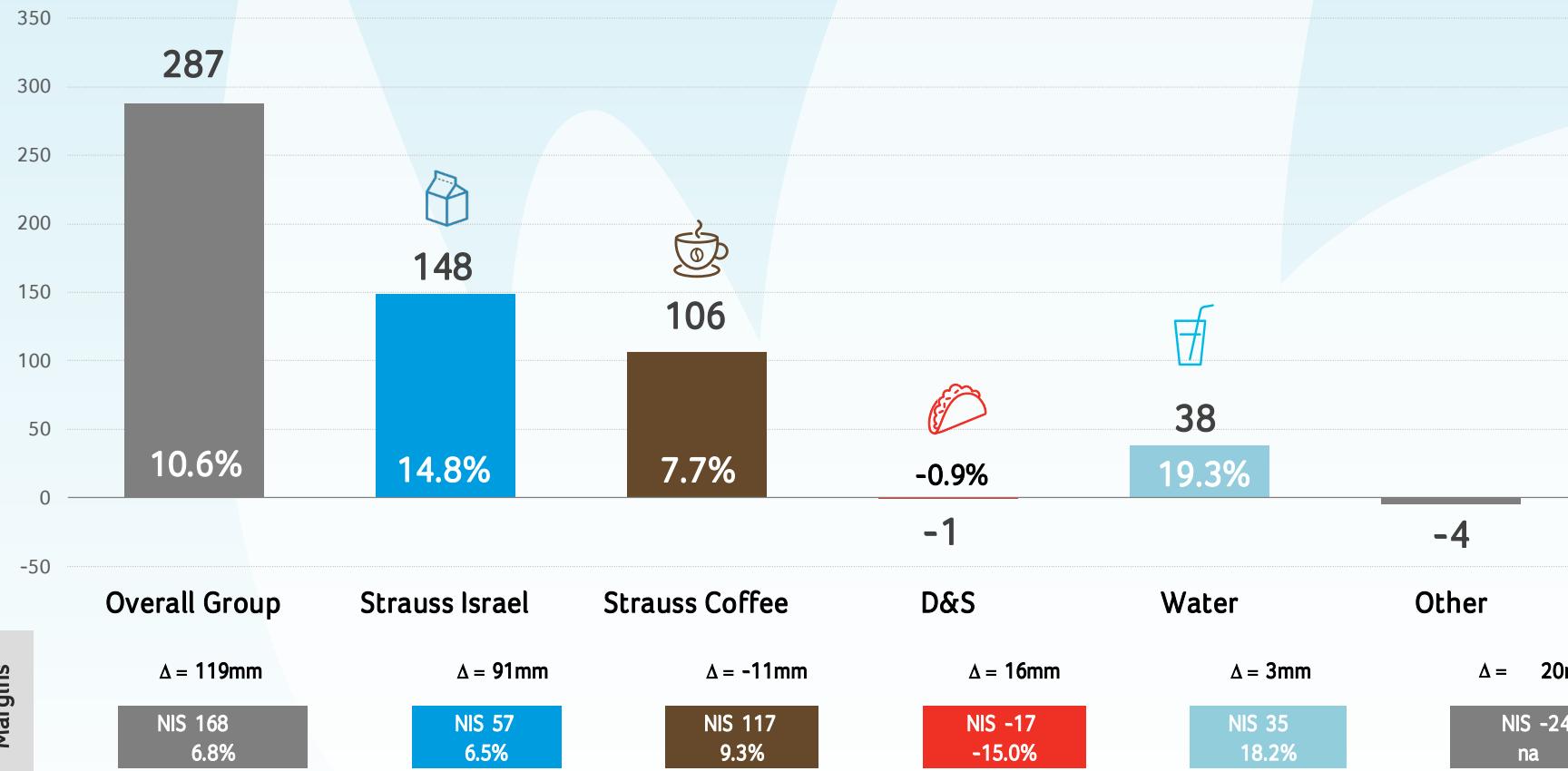
NIS mm; Non-GAAP



= EBITDA Growth  
excl. FX

## Q4 2023 Consolidated EBITDA and EBITDA Margins

NIS mm; Non-GAAP



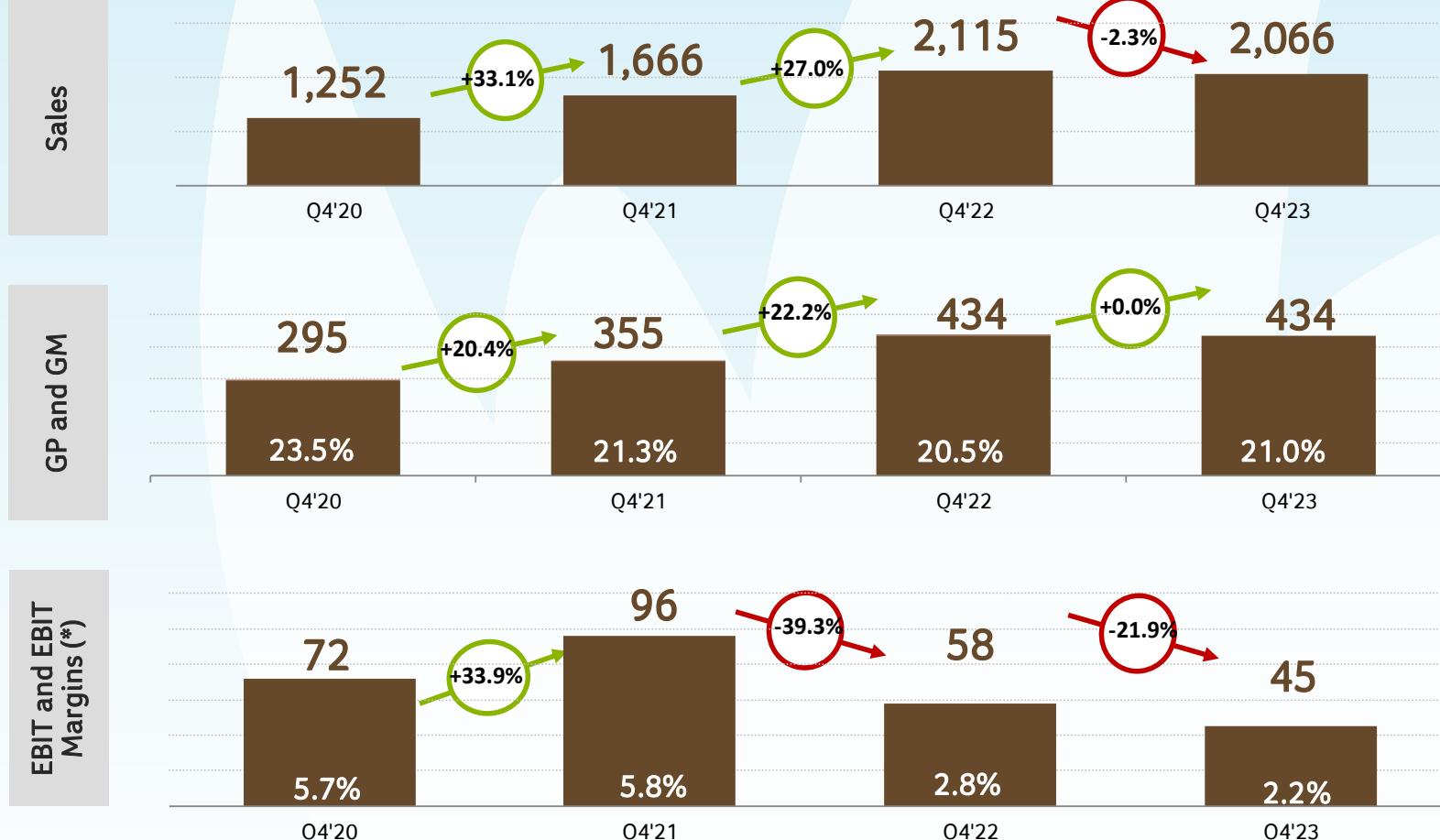
Q4'22  
EBITDA and  
EBITDA  
Margins



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



Q4 Snapshot | BRL mm for 100% ownership and including inter-company sales



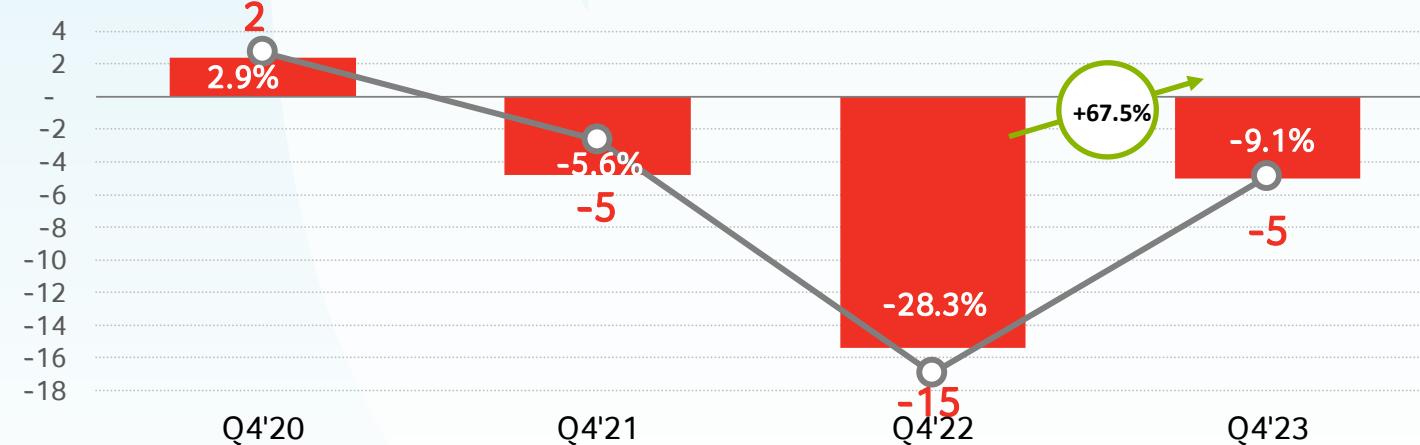
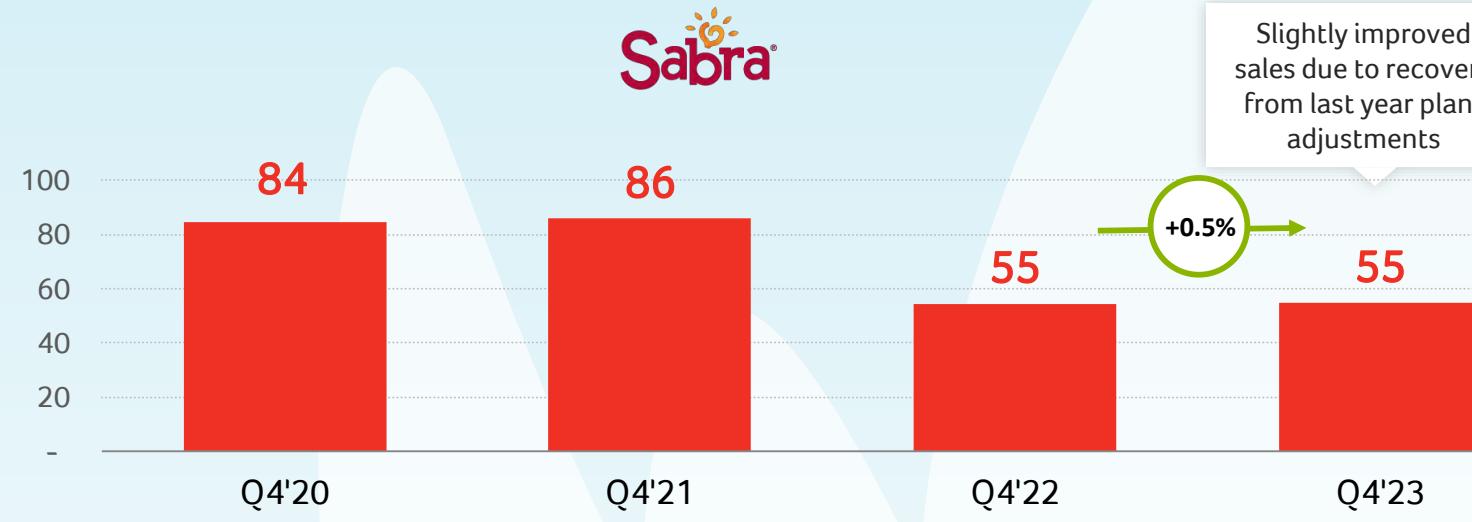
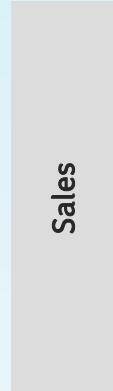
Note: Três Corações joint venture (Brazil): a company jointly held by the Group (50%) and by the São Miguel Group (50%) (3C).

Source: Três Corações Alimentos S.A. Consolidated Interim Financial Statements as of December 31<sup>st</sup>, 2023.

(\*) EBIT before Other Expenses/ Income.



# Sabra Q4 Snapshot | \$ mm; Non-GAAP; for 100% share

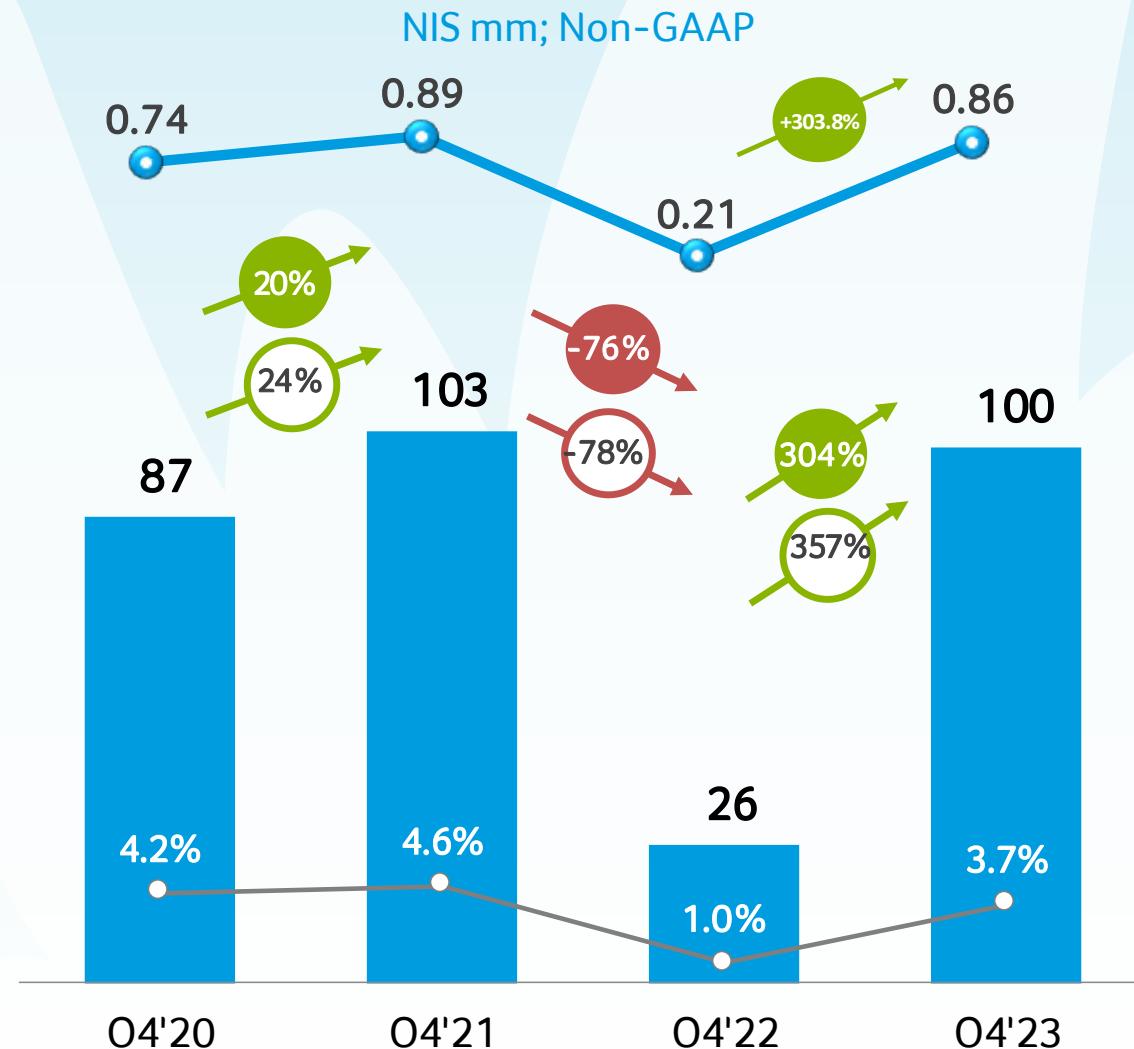


# Net Income

Back to NI before the confectionery and Sabra recalls



Q4 Net Income (attributed to the Company's shareholders), Net Margin and EPS

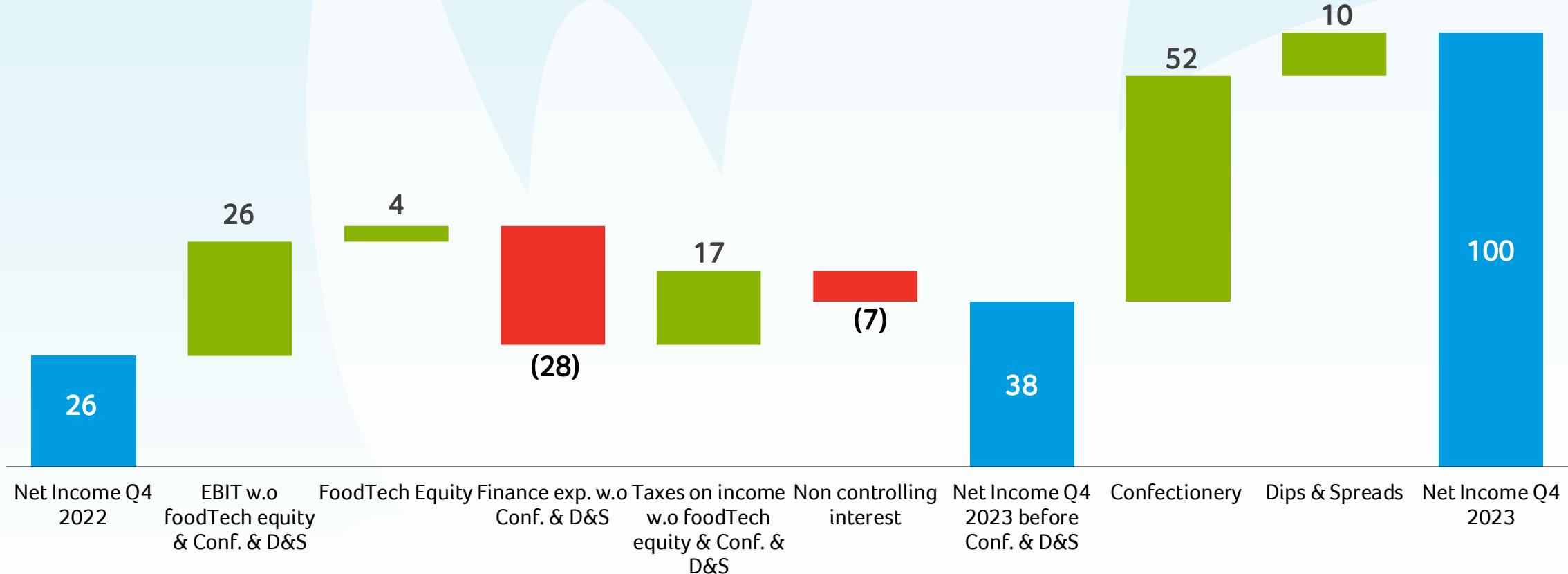


# Net Income



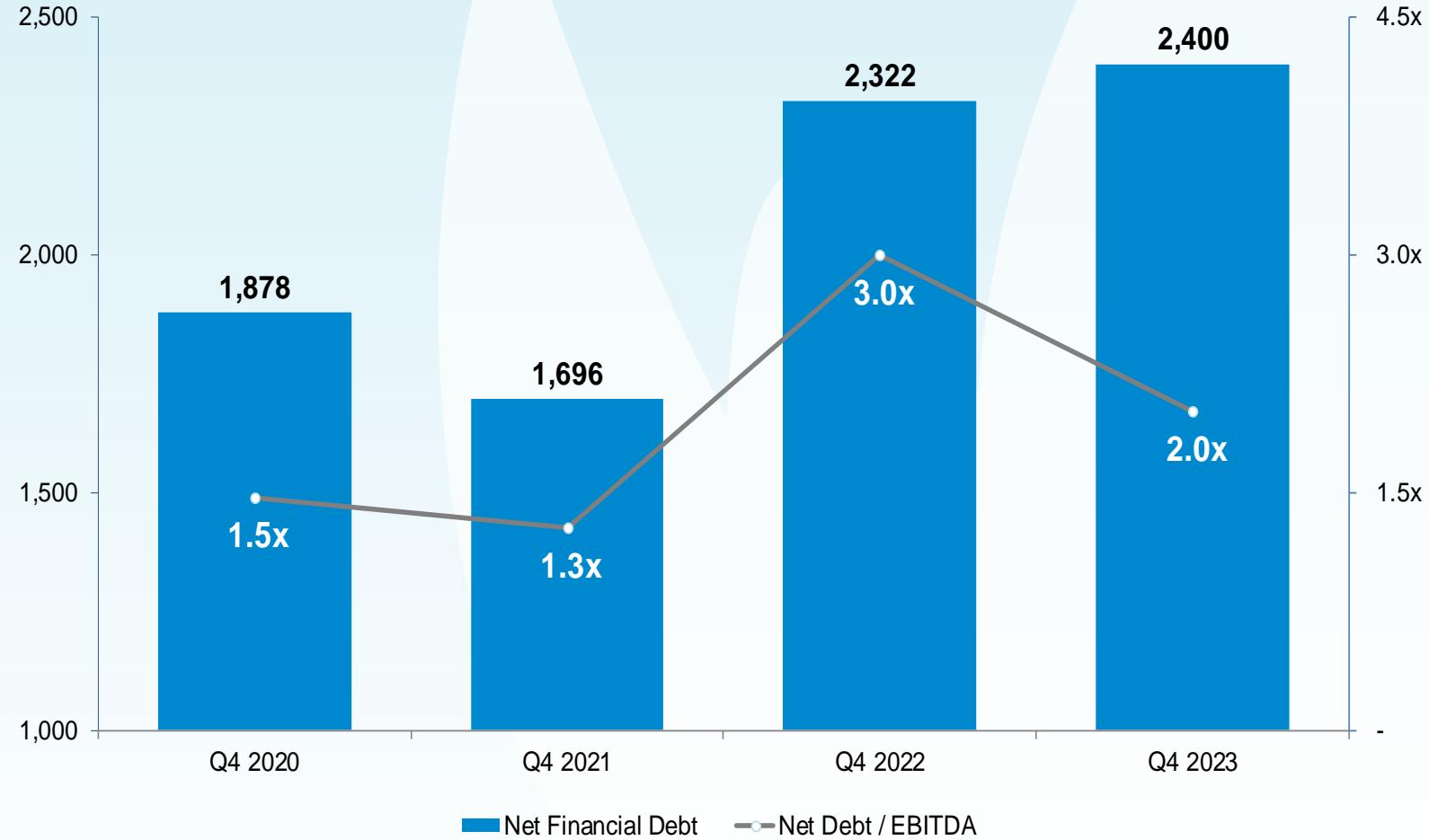
Q4 Net Profit (attributed to the Company's shareholders) Bridge

NIS mm; Non-GAAP; Q4'22 to Q4'23



# Net Debt and Net Debt / EBITDA (LTM)

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



# Q4 GAAP and Non-GAAP | Financial Highlights, NIS mm



|                            | GAAP    |         |         | Adjusted Non-GAAP |         |        |
|----------------------------|---------|---------|---------|-------------------|---------|--------|
|                            | Q4 2023 | Q4 2022 | % Chg.  | Q4 2023           | Q4 2022 | % Chg. |
| <b>Sales</b>               | 1,705   | 1,565   | 9.0%    | 2,695             | 2,460   | 9.6%   |
| <b>Gross Profit</b>        | 617     | 483     | 27.7%   | 852               | 735     | 15.9%  |
| <i>GP Margin</i>           | 36.2%   | 30.9%   |         | 31.6%             | 29.9%   |        |
| <b>Operating Profit</b>    | 184     | 5       | 3630.9% | 181               | 64      | 184.9% |
| <i>EBIT Margin</i>         | 10.8%   | 0.3%    |         | 6.7%              | 2.6%    |        |
| <b>Net Profit (to SH)</b>  | 104     | (32)    | 422.1%  | 100               | 26      | 304.4% |
| <i>NP Margin</i>           | 6.1%    | -2.1%   |         | 3.7%              | 1.0%    |        |
| <b>Operating Cash Flow</b> | 471     | 176     |         | 726               | 389     |        |
| <b>Capex<sup>(1)</sup></b> | (153)   | (152)   |         | (187)             | (171)   |        |
| <b>Net debt</b>            | 2,113   | 2,097   |         | 2,400             | 2,322   |        |
| <b>Change in WC (CF)</b>   | 267     | 138     |         | 480               | 326     |        |





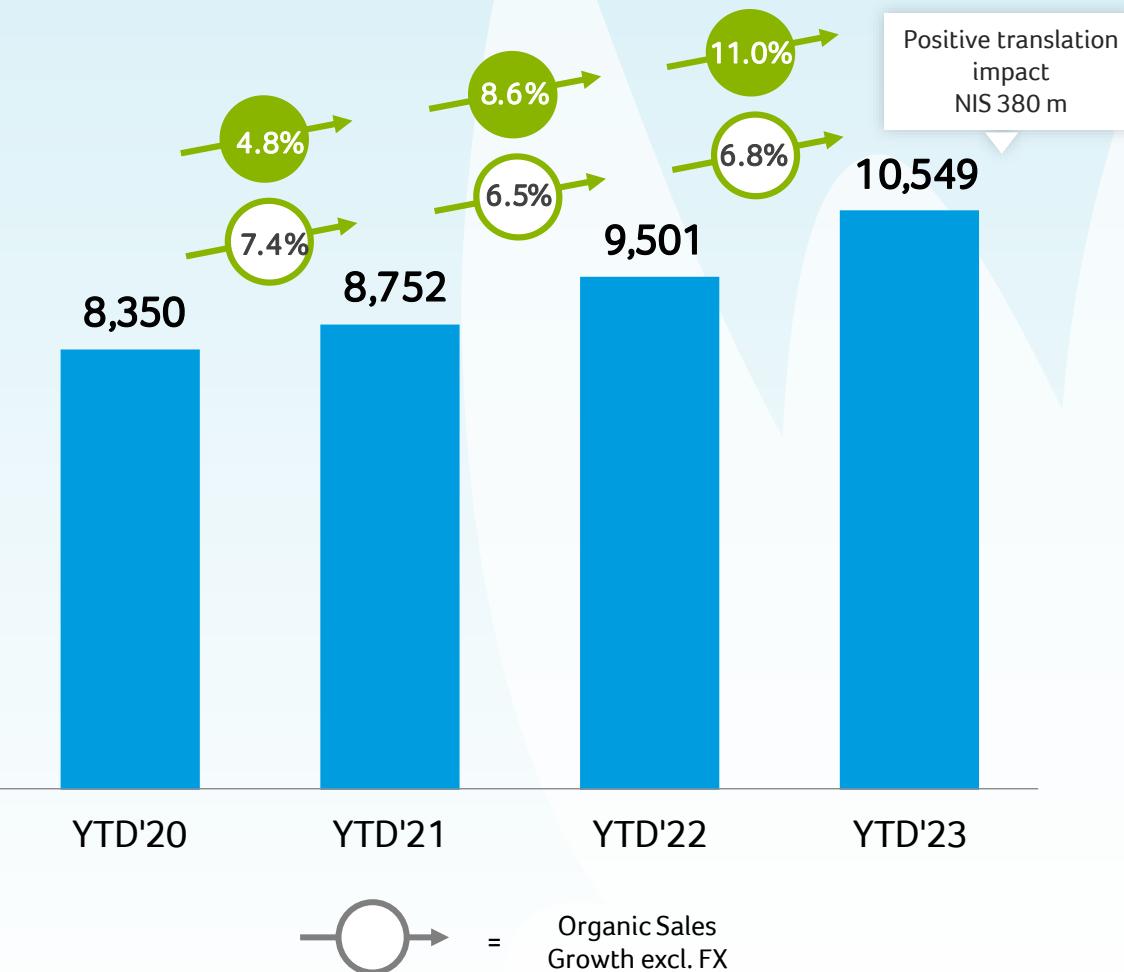
# YTD 2023

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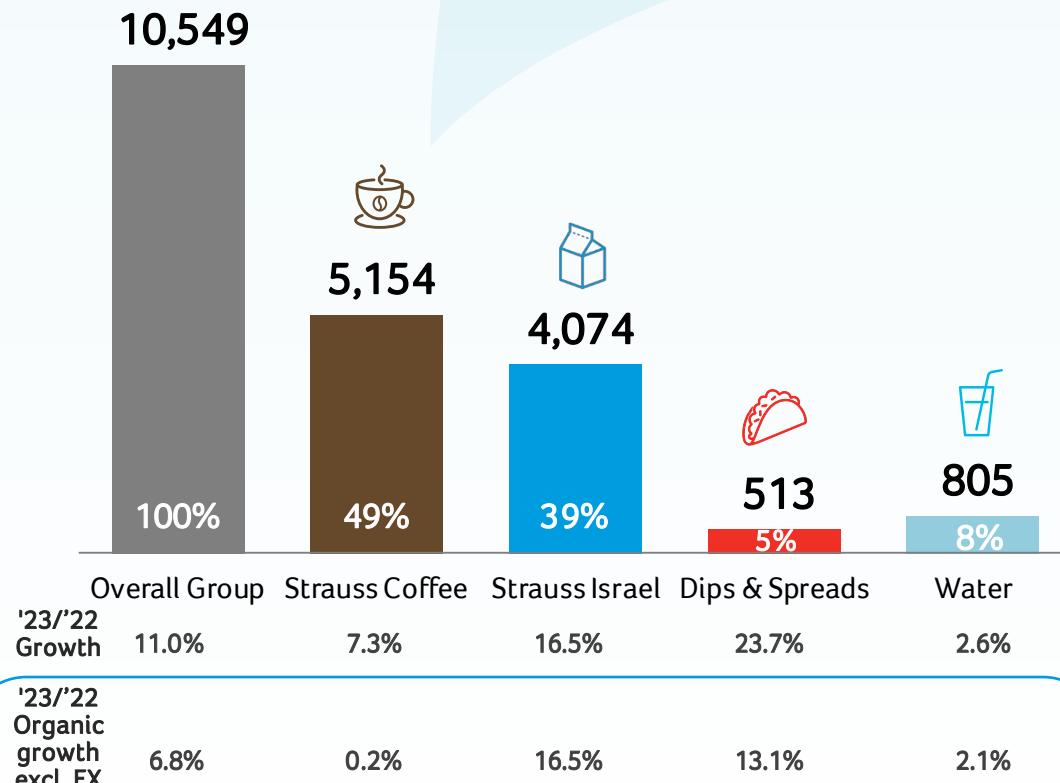
# Sales

## YTD 2023 Consolidated Sales NIS mm Non-GAAP



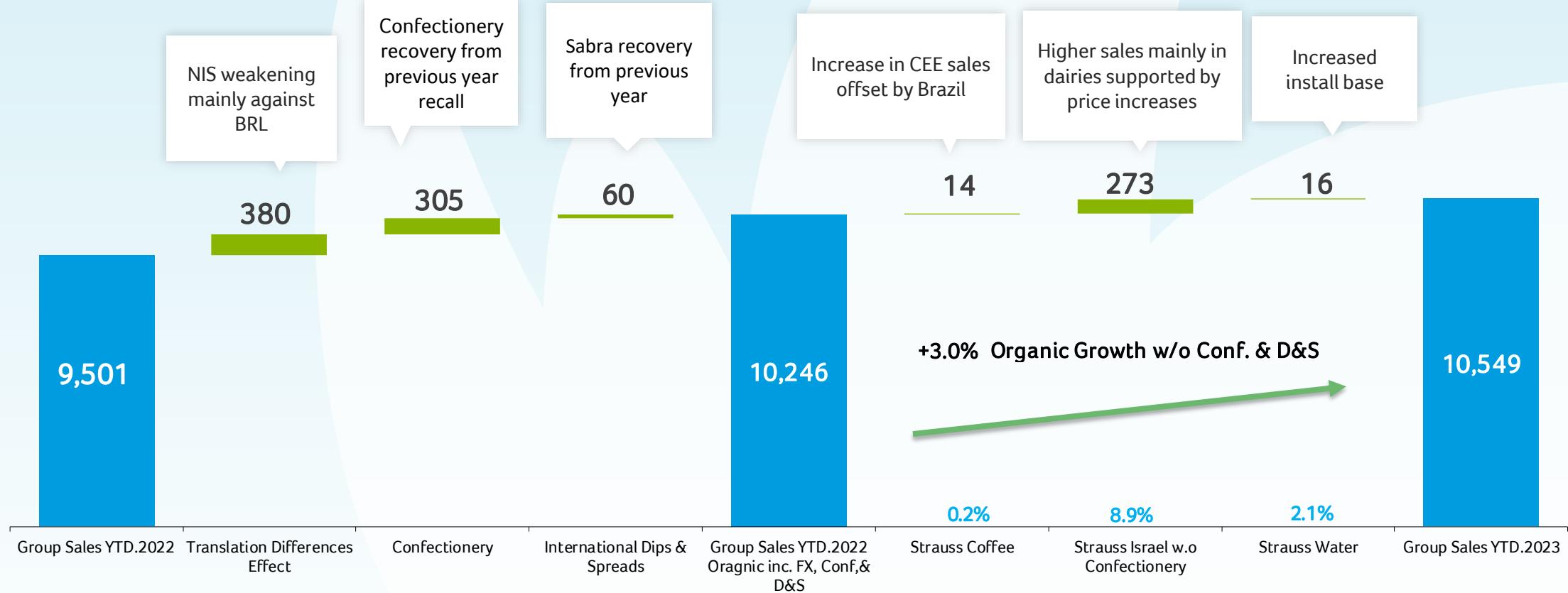
## YTD 2023 Sales by Segment

NIS mm; Non-GAAP; % sales contribution



# YTD Sales Bridge

NIS mm; Non-GAAP; YTD 2022 to YTD 2023

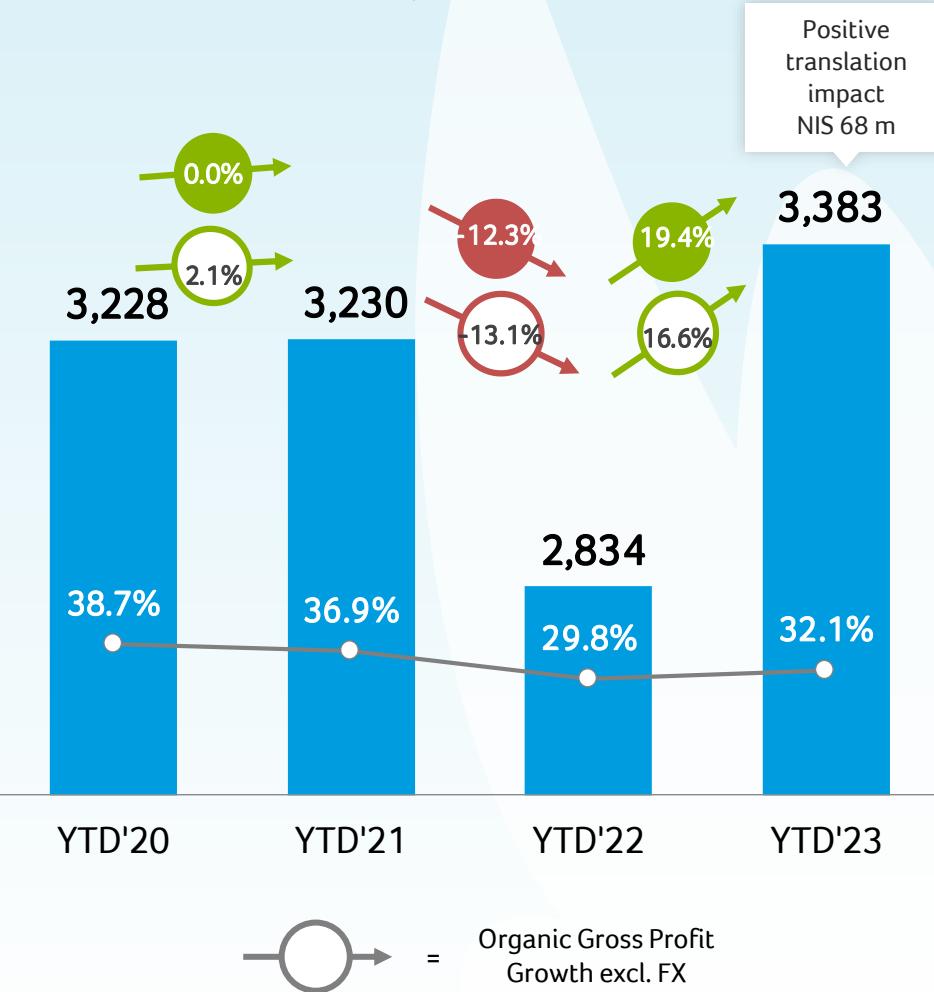


# Gross Profit



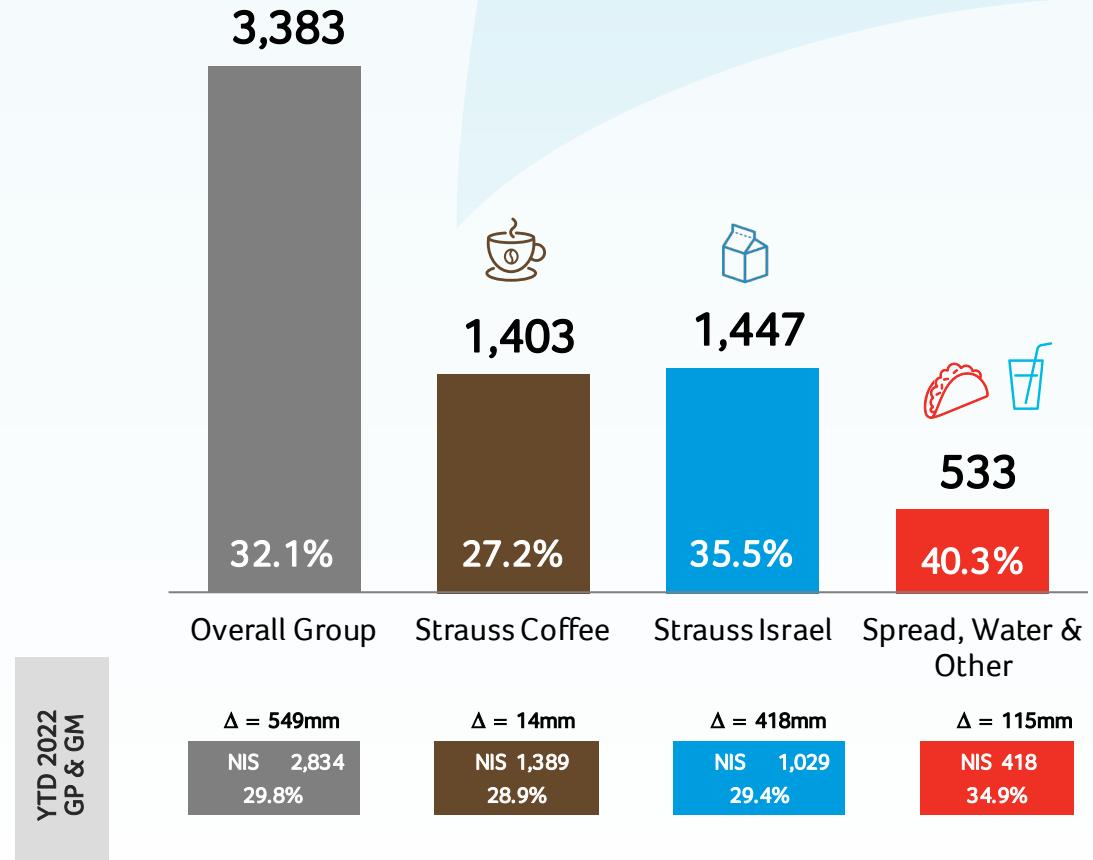
## YTD Consolidated Gross Profit and Gross Margins

NIS mm; Non-GAAP



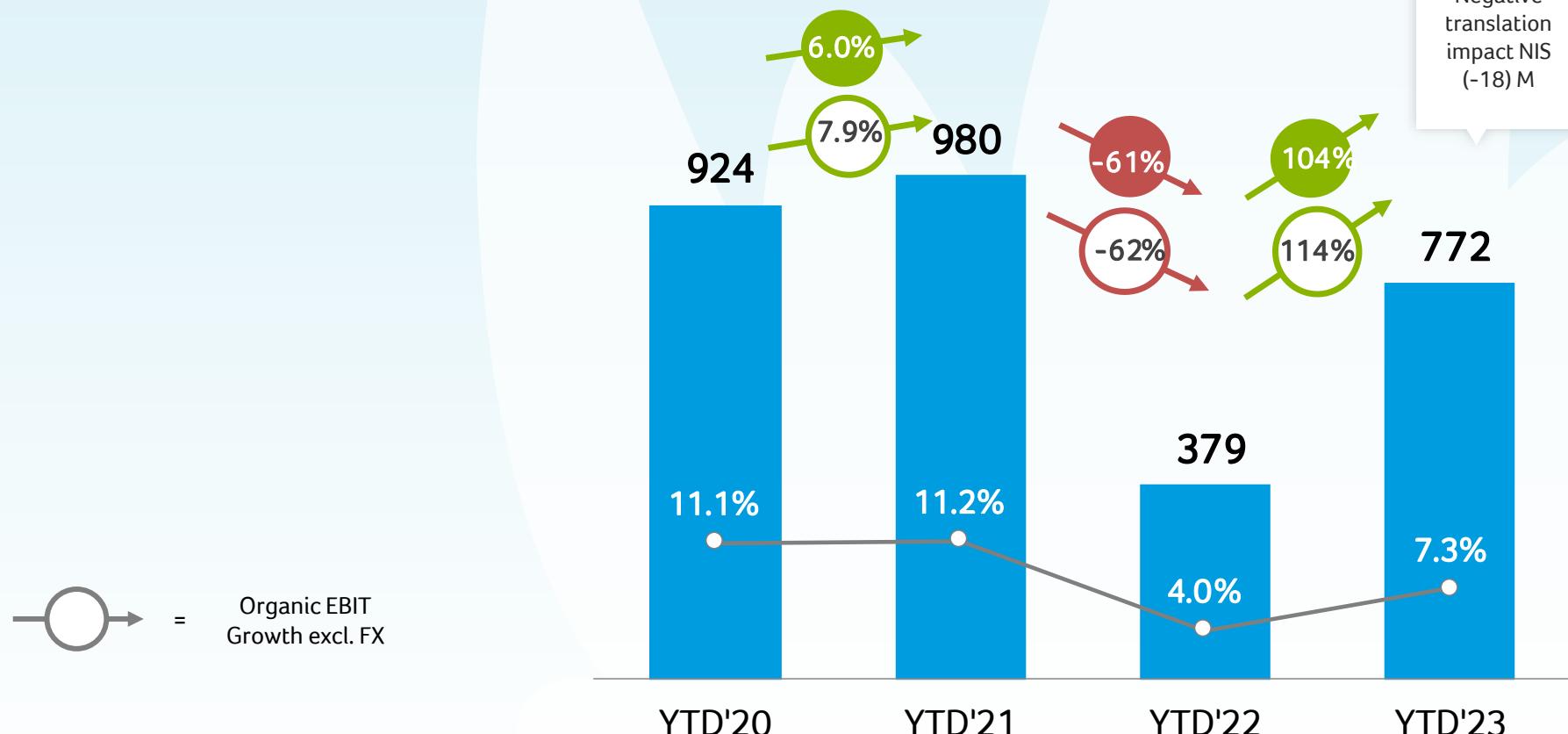
## YTD 2023 Gross Profit and Gross Margins

NIS mm; Non-GAAP; % Margin



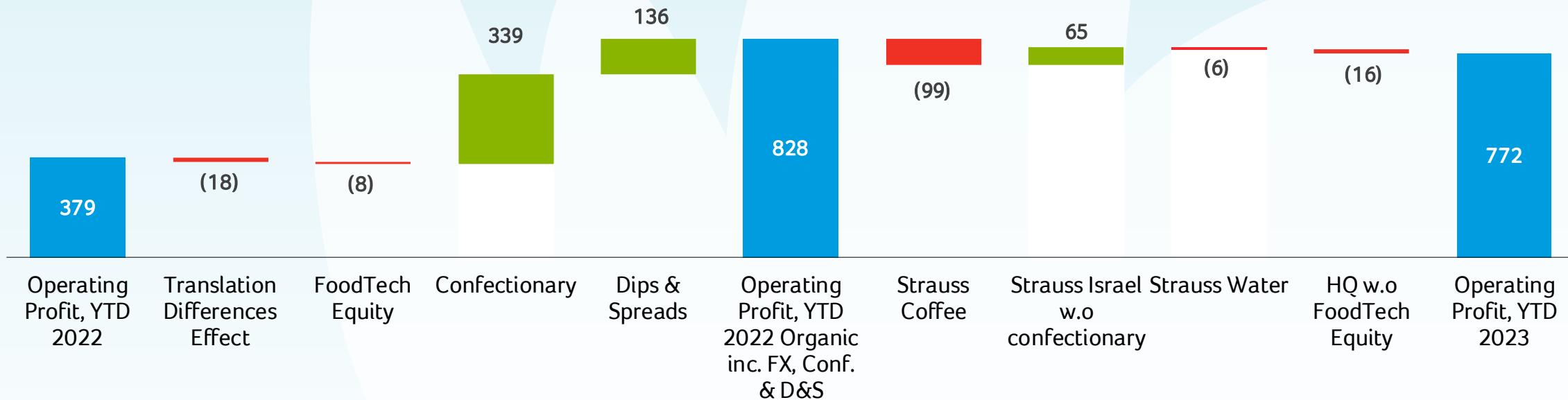
## YTD Consolidated EBIT and EBIT Margins

NIS mm; Non-GAAP



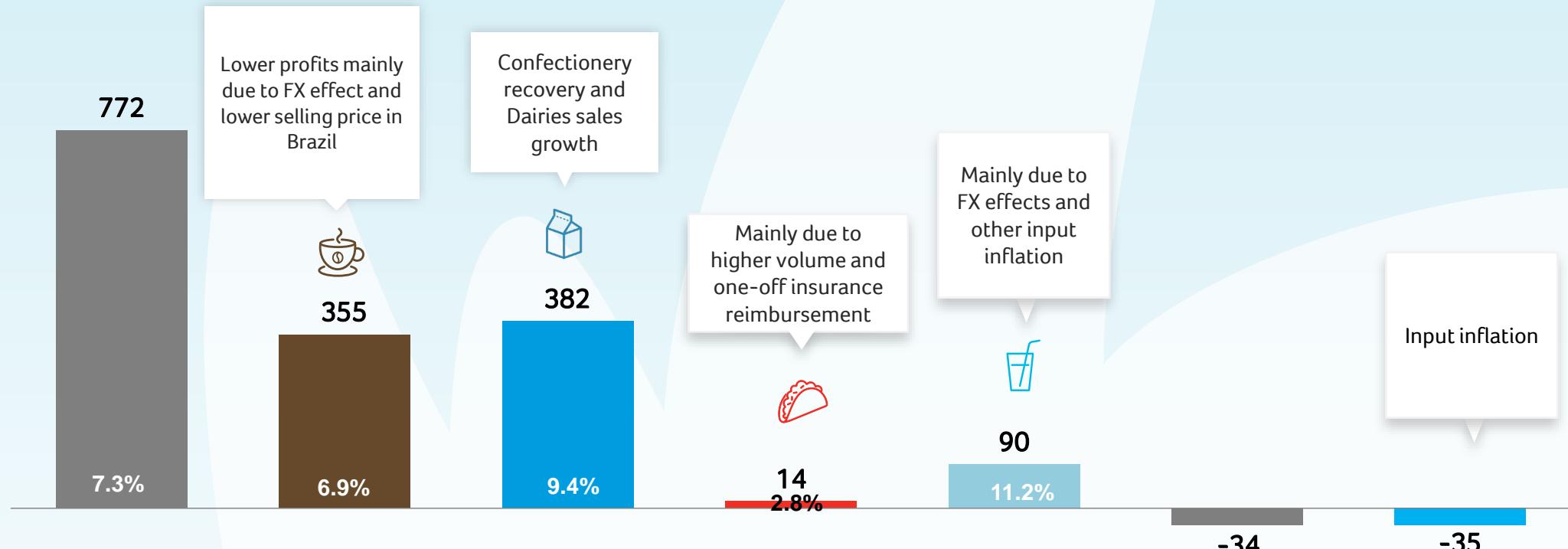
# YTD EBIT Bridge

NIS mm; Non-GAAP; YTD 2022 to YTD 2023



# YTD 2023 EBIT and EBIT Margins

NIS mm; Non-GAAP; % Margin



YTD 2022  
EBIT &  
EBIT %

'23/'22  
Organic  
growth  
excl. FX

113.7%

-22.0%

#####

-111.8%

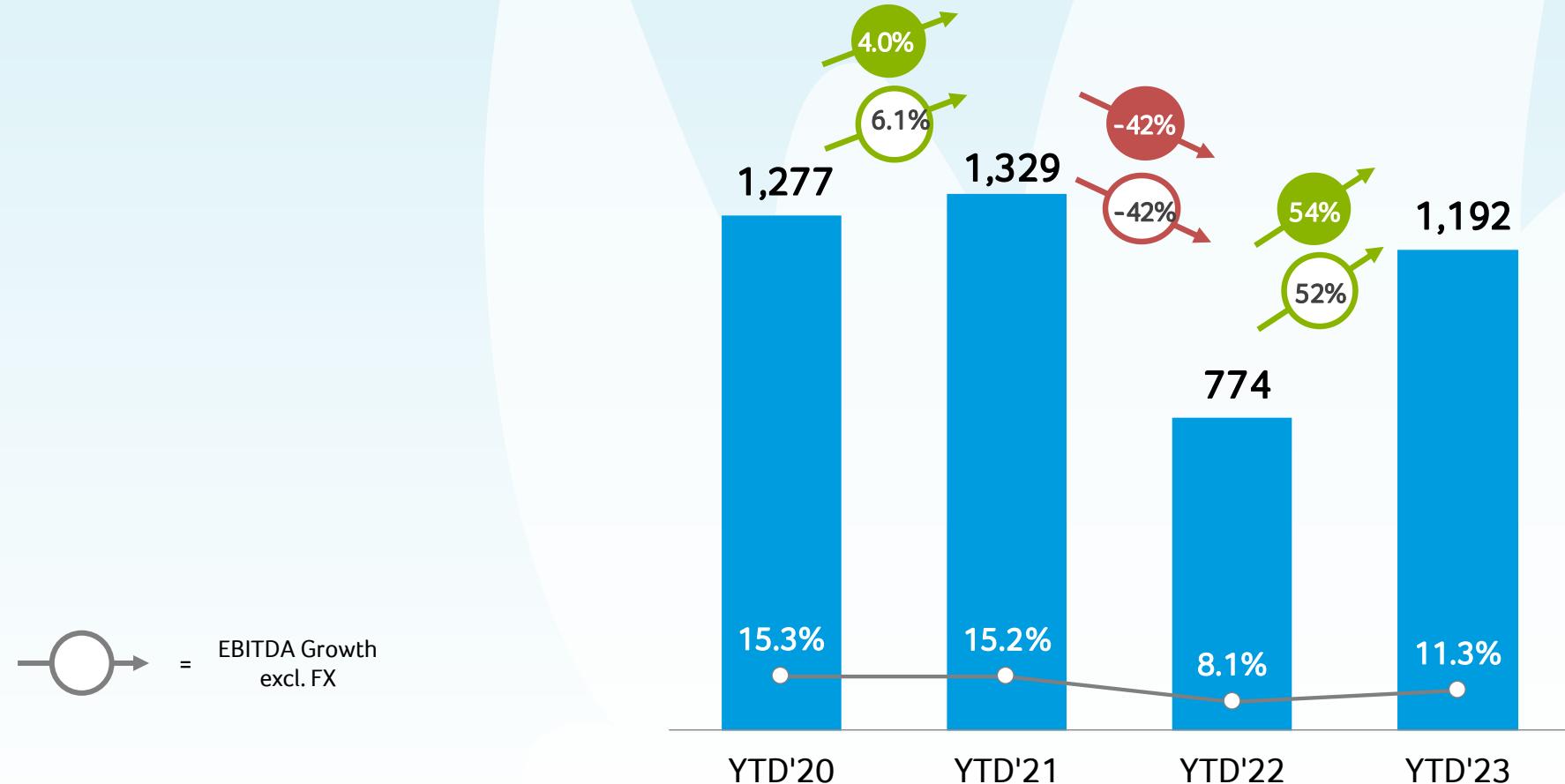
-5.9%

Notes:

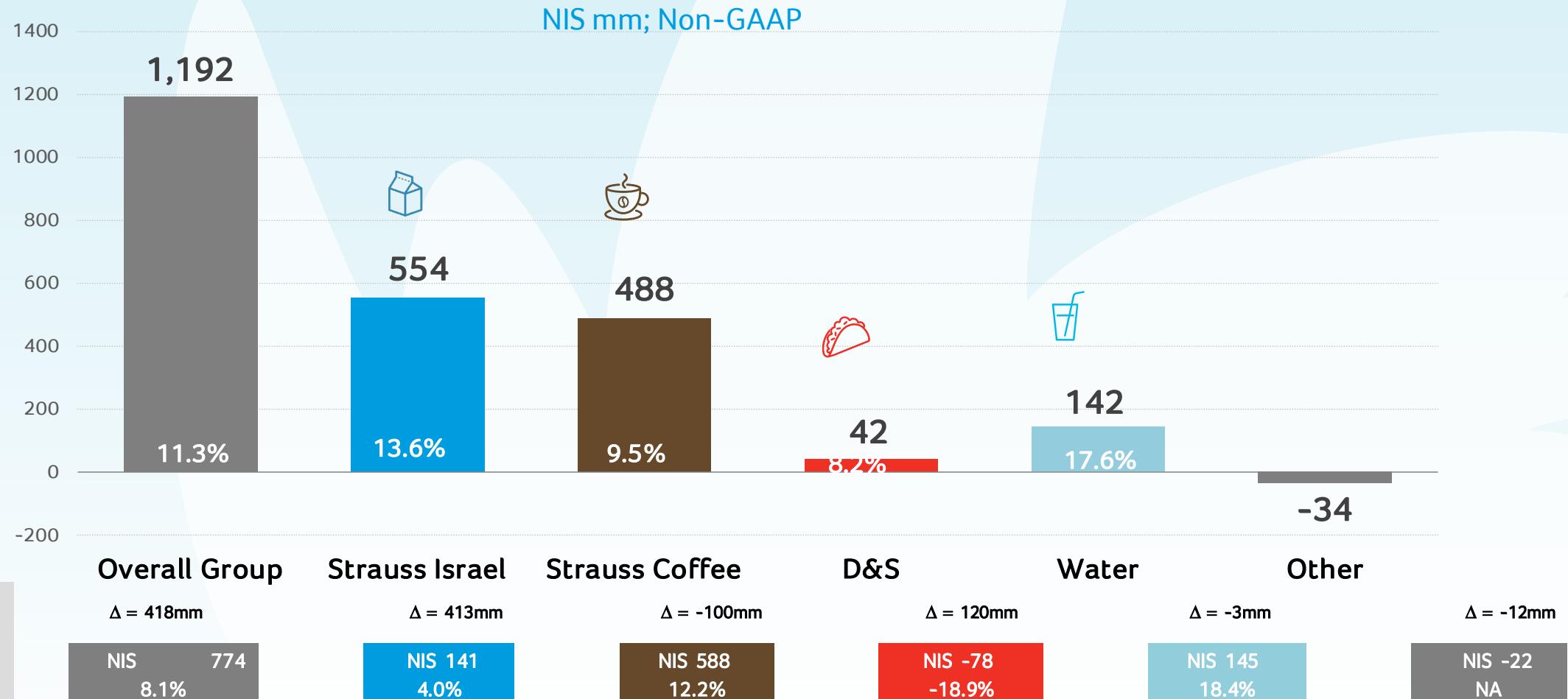
(1) Três Corações joint venture (Brazil): a company jointly held by the Group (50%) and by the São Miguel Group (50%) (3C)

## YTD 2023 Consolidated EBITDA and EBITDA Margins

NIS mm; Non-GAAP



## YTD 2023 Consolidated EBITDA and EBITDA Margins

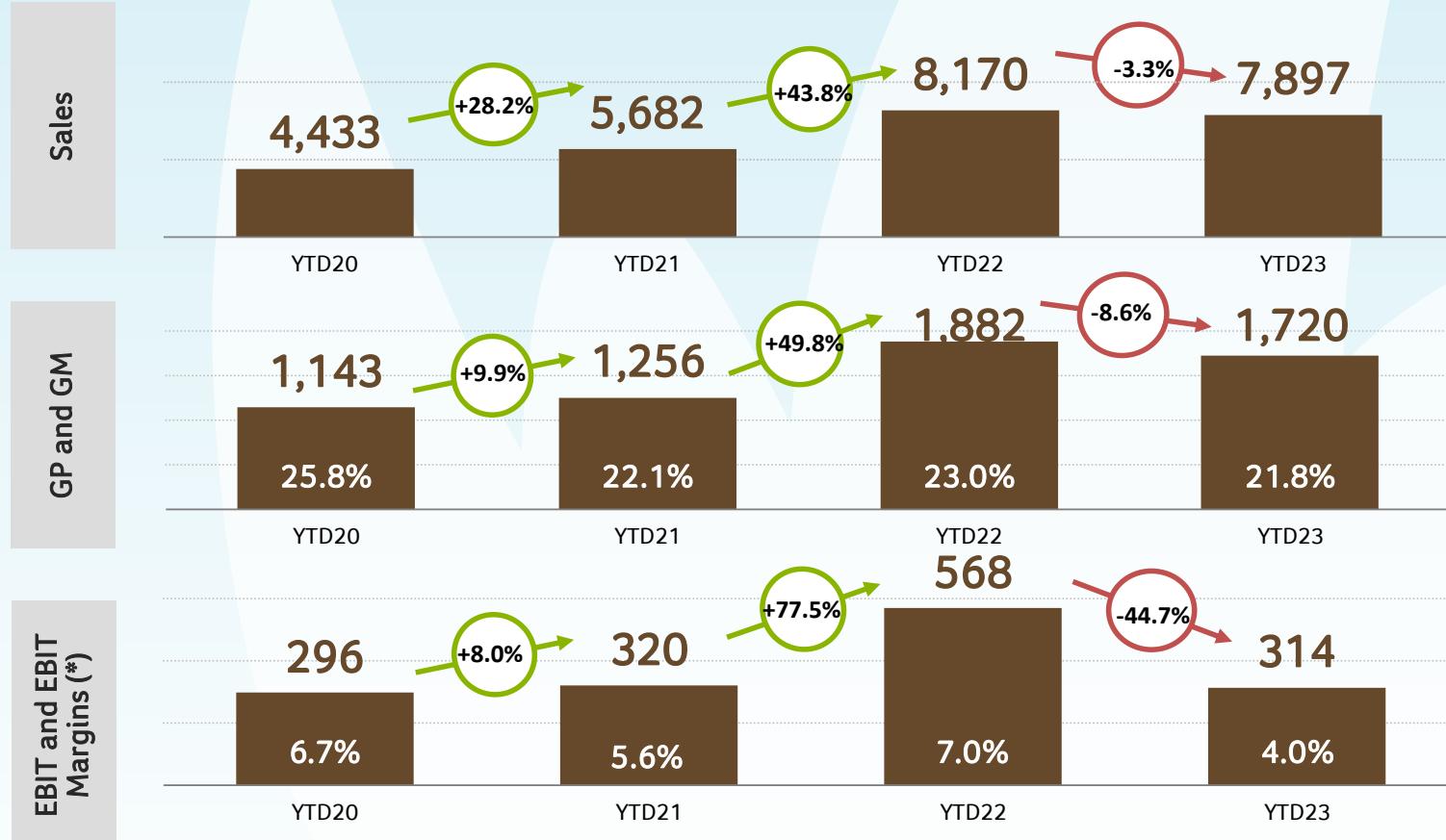




# Três Corações Alimentos S.A. (Três Corações J.V.)



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



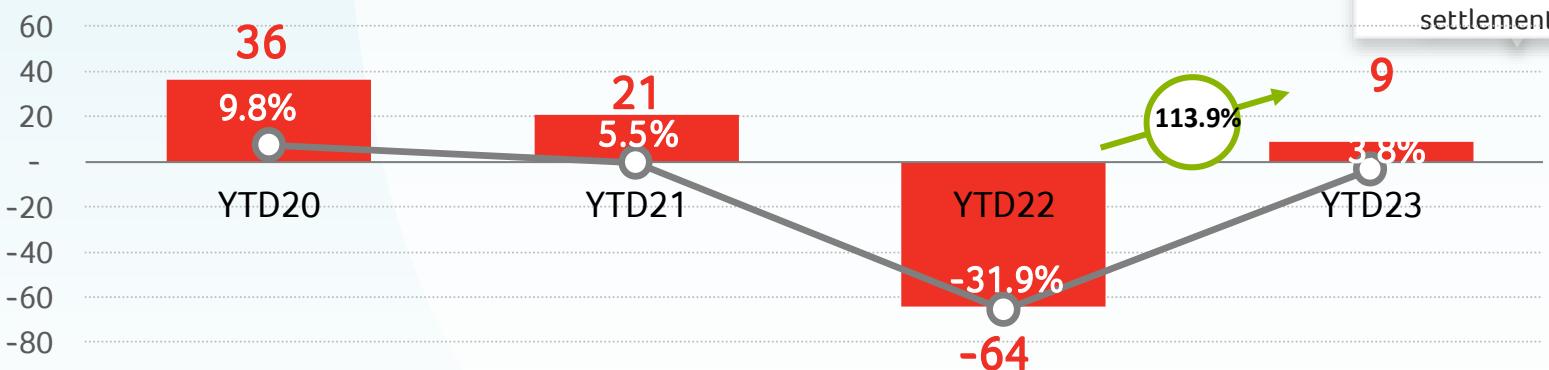
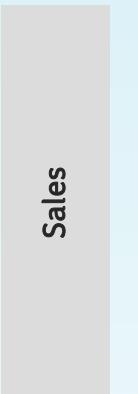
Note: Três Corações joint venture (Brazil): a company jointly held by the Group (50%) and by the São Miguel Group (50%) (3C).

Source: Três Corações Alimentos S.A. Consolidated Interim Financial Statements as of December 31<sup>st</sup>, 2023.

(\*) EBIT before Other Expenses/ Income.



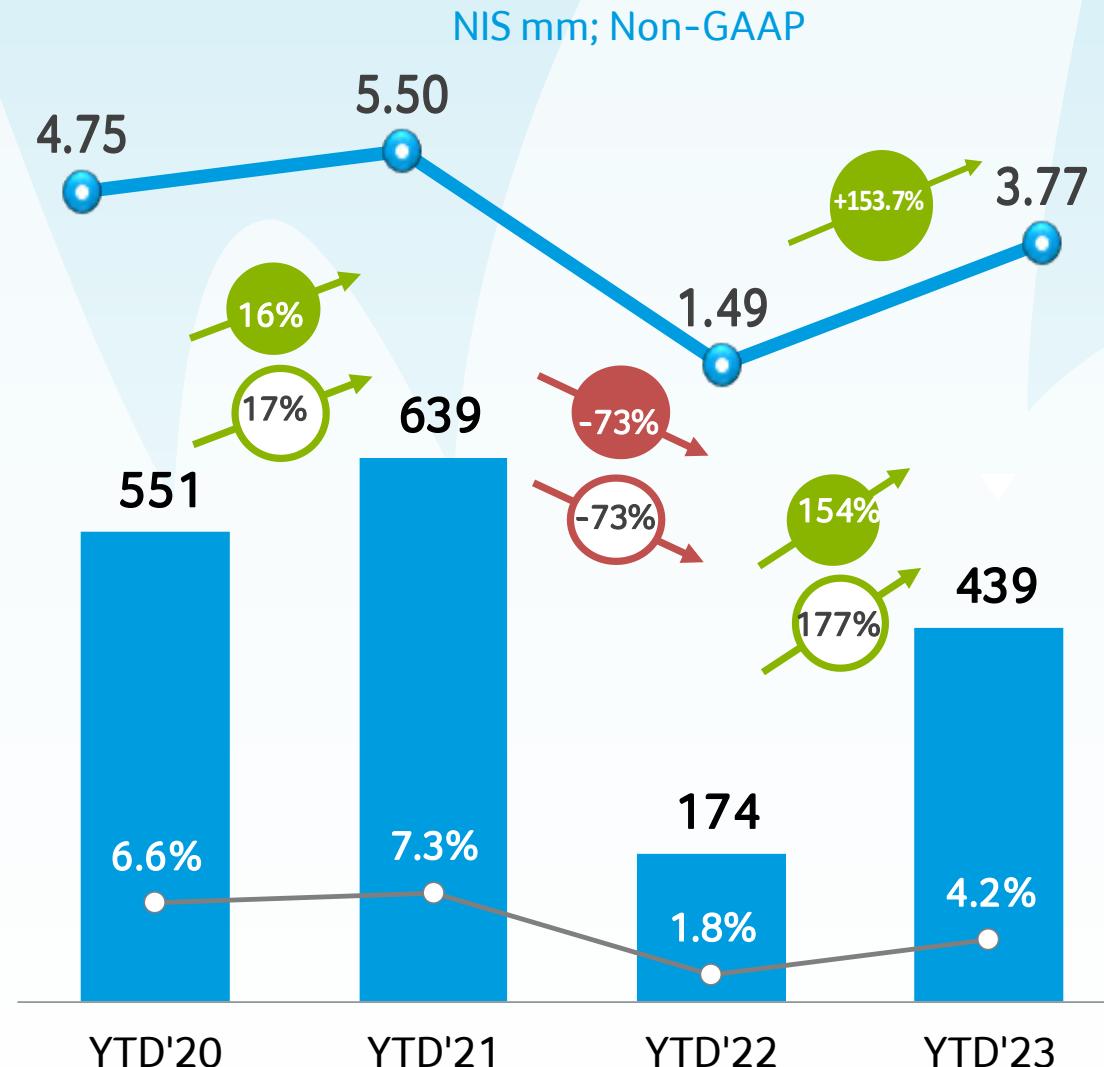
# Sabra YTD Snapshot | \$ mm; Non-GAAP; for 100% share



# Net Income



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



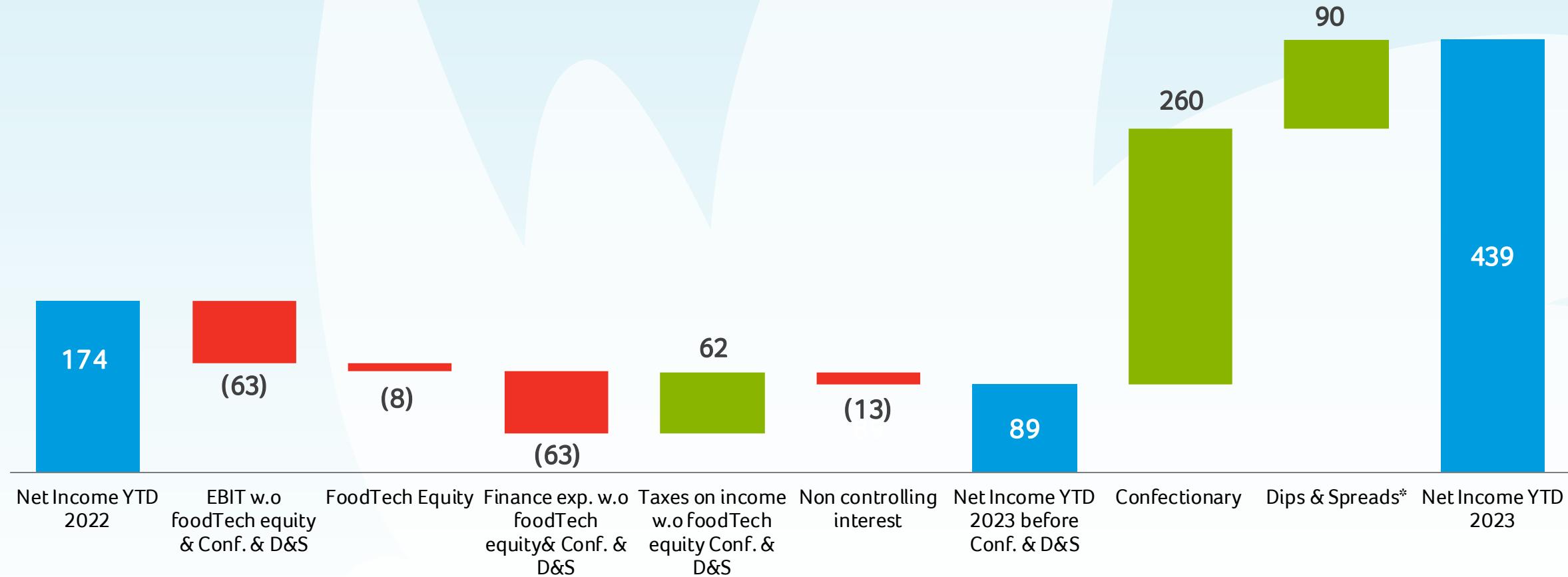
= Organic Net Income  
Growth excl. FX

# Net Income



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

NIS mm; Non-GAAP; Q2'22 to Q2'23



# YTD GAAP and Non-GAAP | Financial Highlights, NIS mm



|                            | GAAP     |          |        | Adjusted Non-GAAP |          |        |
|----------------------------|----------|----------|--------|-------------------|----------|--------|
|                            | YTD 2023 | YTD 2022 | % Chg. | YTD 2023          | YTD 2022 | % Chg. |
| <b>Sales</b>               | 6,795    | 6,105    | 11.3%  | 10,549            | 9,501    | 11.0%  |
| <b>Gross Profit</b>        | 2,443    | 1,976    | 23.6%  | 3,383             | 2,834    | 19.4%  |
| <i>GP Margin</i>           | 35.9%    | 32.4%    |        | 32.1%             | 29.8%    |        |
| <b>Operating Profit</b>    | 745      | 246      | 202.8% | 772               | 379      | 103.9% |
| <i>EBIT Margin</i>         | 11.0%    | 4.0%     |        | 7.3%              | 4.0%     |        |
| <b>Net Profit (to SH)</b>  | 488      | 64       | 668.0% | 439               | 174      | 154.0% |
| <i>NP Margin</i>           | 7.2%     | 1.0%     |        | 4.2%              | 1.8%     |        |
| <b>Operating Cash Flow</b> | 686      | 307      |        | 861               | 479      |        |
| <b>Capex<sup>(1)</sup></b> | (494)    | (380)    |        | (594)             | (462)    |        |
| <b>Net debt</b>            | 2,113    | 2,097    |        | 2,400             | 2,322    |        |
| <b>Change in WC (CF)</b>   | (14)     | (22)     |        | (61)              | (26)     |        |

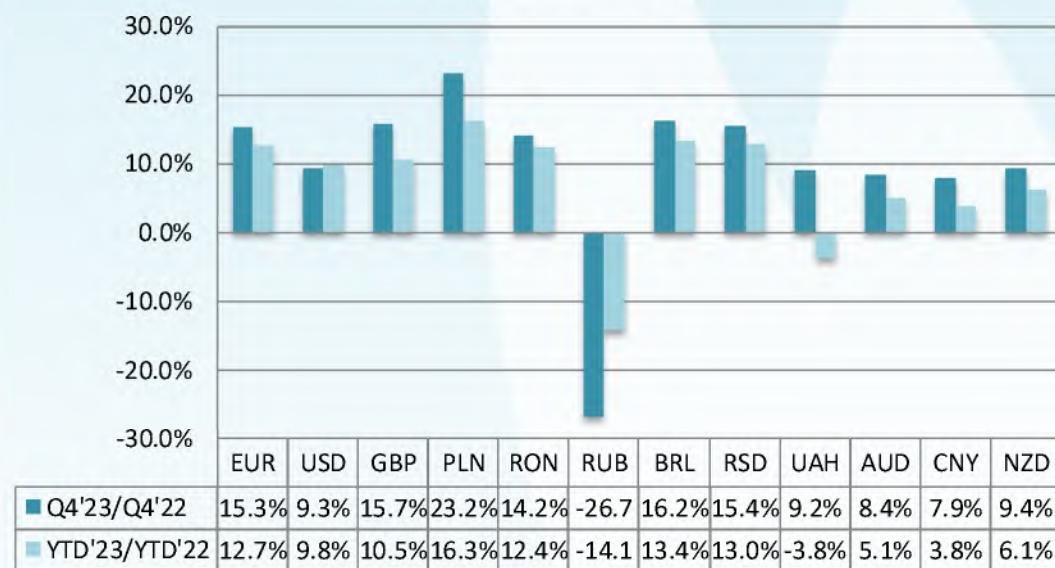
(1) Capex includes acquisitions of fixed assets and investment in intangible assets



# Currencies

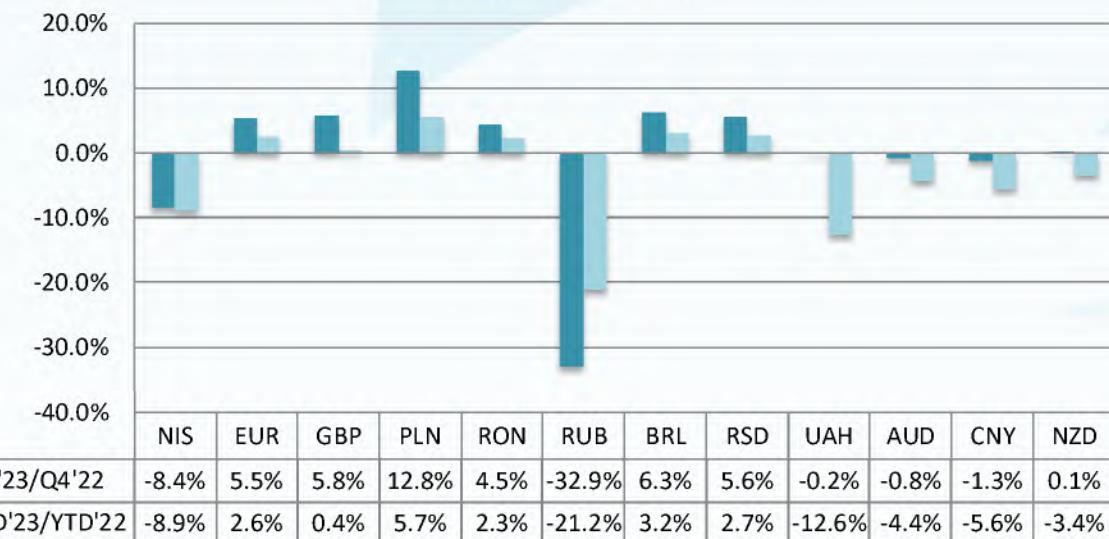
## Local Currencies vs. the NIS

**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 | Non-GAAP Financial Highlights

## Q4 and YTD 2023 NIS mm



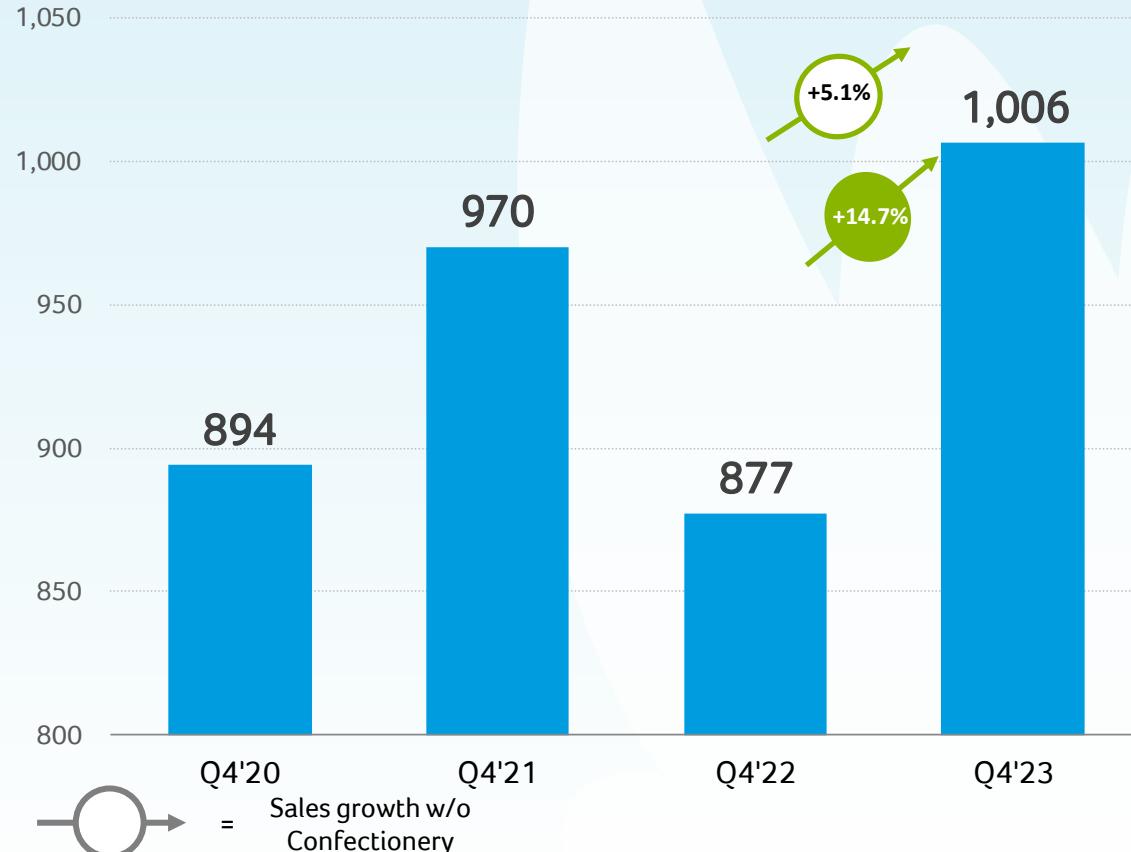
| Strauss Israel (Non GAAP) |              |                |               |              |                |                |
|---------------------------|--------------|----------------|---------------|--------------|----------------|----------------|
|                           | Q4 2023      | Q4 2022        | % Chg.        | YTD 2023     | YTD 2022       | % Chg.         |
| <b>Revenue:</b>           |              |                |               |              |                |                |
| H&W                       | 765          | 715            | 6.9%          | 3,066        | 2,784          | 10.1%          |
| F&I                       | 241          | 162            | 49.3%         | 1,008        | 712            | 41.6%          |
| <b>Total Revenue</b>      | <b>1,006</b> | <b>877</b>     | <b>14.8%</b>  | <b>4,074</b> | <b>3,496</b>   | <b>16.5%</b>   |
| <b>Total Gross Profit</b> | <b>358</b>   | <b>271</b>     | <b>32.2%</b>  | <b>1,447</b> | <b>1,029</b>   | <b>40.6%</b>   |
| <i>Gross Margins</i>      | <i>35.6%</i> | <i>30.9%</i>   | <i>4.7%</i>   | <i>35.5%</i> | <i>29.4%</i>   | <i>6.1%</i>    |
| <b>EBIT:</b>              |              |                |               |              |                |                |
| H&W                       | 92           | 68             | 35.3%         | 355          | 280            | 26.7%          |
| <i>Margins</i>            | <i>12.1%</i> | <i>9.6%</i>    | <i>2.5%</i>   | <i>11.6%</i> | <i>10.1%</i>   | <i>1.5%</i>    |
| F&I                       | 11           | (53)           | 121.1%        | 27           | (302)          | 109.1%         |
| <i>Margins</i>            | <i>4.7%</i>  | <i>(33.1%)</i> | <i>37.8%</i>  | <i>2.7%</i>  | <i>(42.5%)</i> | <i>45.2%</i>   |
| <b>Total EBIT</b>         | <b>103</b>   | <b>15</b>      | <b>600.4%</b> | <b>382</b>   | <b>(22)</b>    | <b>1843.2%</b> |
| <i>Margins</i>            | <i>10.3%</i> | <i>1.7%</i>    | <i>8.6%</i>   | <i>9.4%</i>  | <i>(0.6%)</i>  | <i>10.0%</i>   |
| <b>EBITDA:</b>            |              |                |               |              |                |                |
| H&W                       | 118          | 94             | 25.1%         | 454          | 375            | 21.0%          |
| <i>Margins</i>            | <i>15.5%</i> | <i>13.2%</i>   | <i>2.2%</i>   | <i>14.8%</i> | <i>13.5%</i>   | <i>1.3%</i>    |
| F&I                       | 30           | (37)           | 182.2%        | 100          | (234)          | 142.9%         |
| <i>Margins</i>            | <i>12.6%</i> | <i>(22.9%)</i> | <i>35.5%</i>  | <i>10.0%</i> | <i>(32.9%)</i> | <i>42.8%</i>   |
| <b>Total EBITDA</b>       | <b>148</b>   | <b>57</b>      | <b>157.4%</b> | <b>554</b>   | <b>141</b>     | <b>291.9%</b>  |
| <i>Margins</i>            | <i>14.8%</i> | <i>6.5%</i>    | <i>8.2%</i>   | <i>13.6%</i> | <i>4.0%</i>    | <i>9.6%</i>    |





## Q4 2023 Strauss Israel Sales

NIS mm; Non-GAAP



## YTD 2023 Strauss Israel Sales

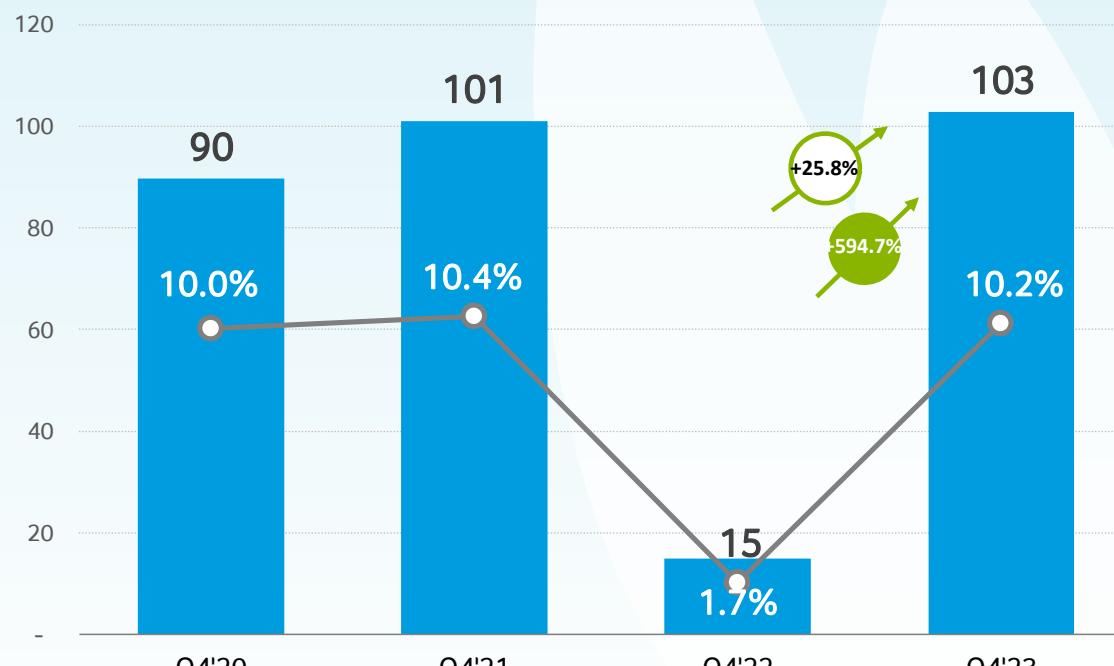
NIS mm; Non-GAAP





## Q4 2023 Strauss Israel EBIT & EBIT Margins

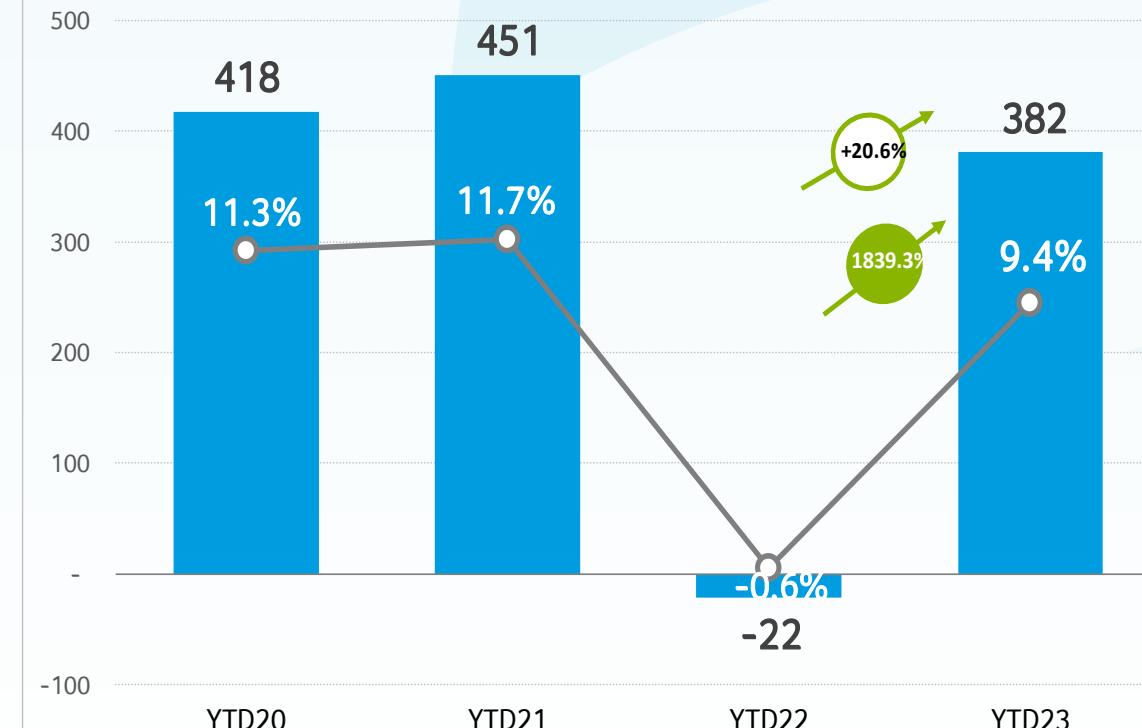
NIS mm; Non-GAAP



→ = EBIT growth w/o Confectionery

## YTD 2023 Strauss Israel EBIT & EBIT Margins

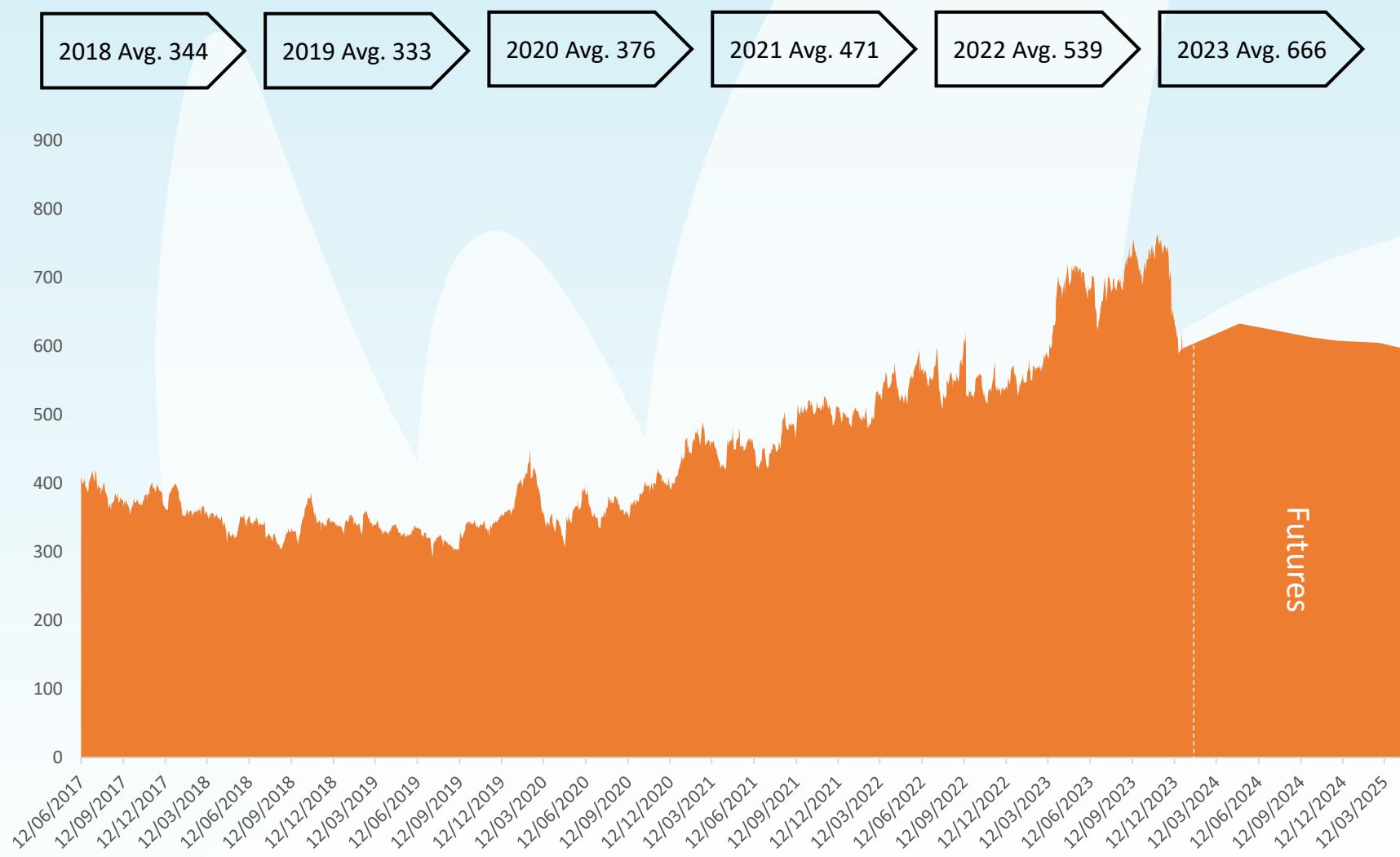
NIS mm; Non-GAAP



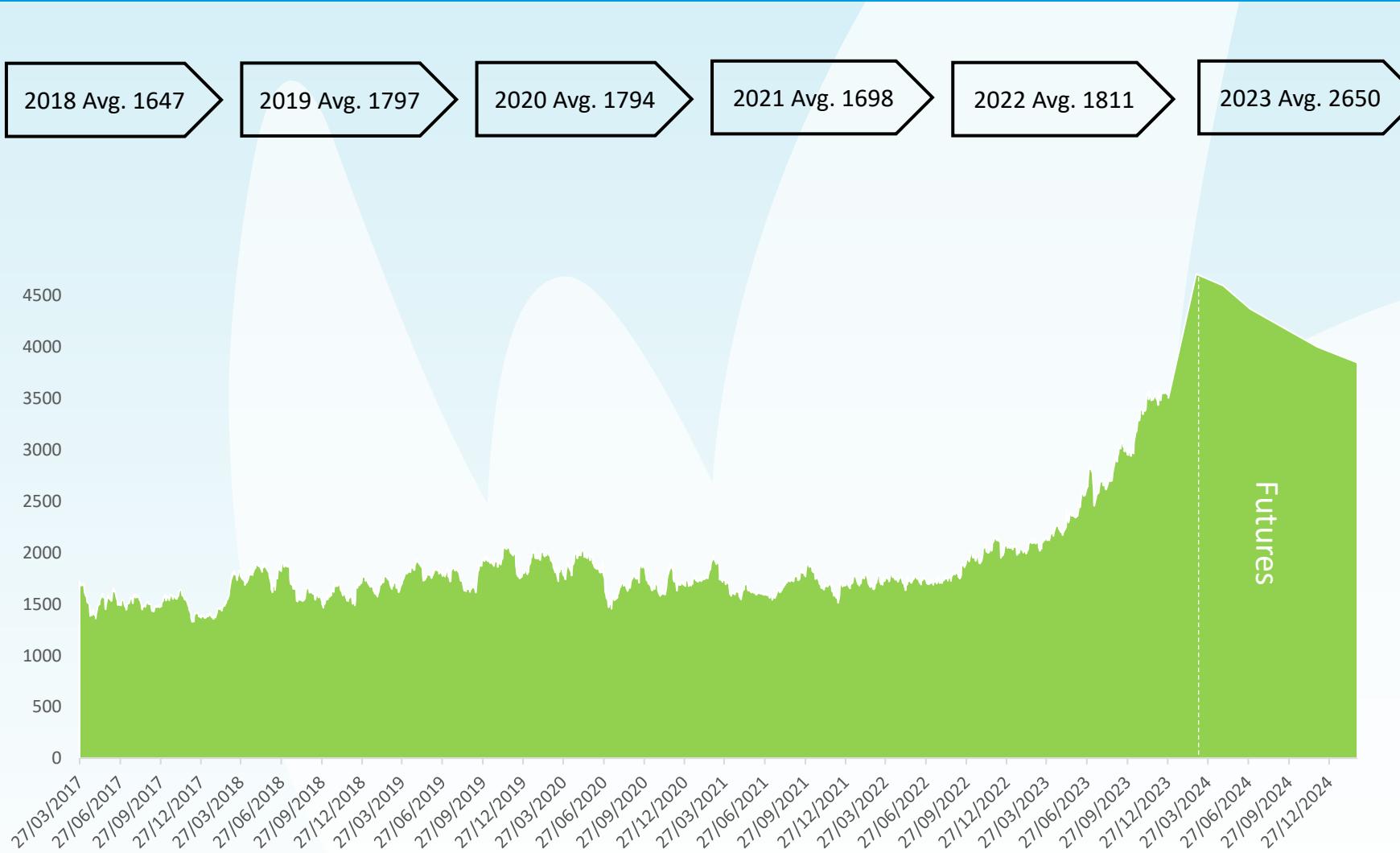
# Target Milk Prices | 2012-2023 (ILS per Liter)



# London Sugar Historical & Futures Prices | 2017-2023 (\$\text{\textdollar}\text{T})



# London Cocoa Historical & Futures Prices | 2017-2023 (GBP\T)





# Strauss Coffee | Non-GAAP Financial Highlights

## Q4 and YTD 2023 NIS mm



| Strauss Coffee (Non GAAP) |              |              |                |              |              |                |
|---------------------------|--------------|--------------|----------------|--------------|--------------|----------------|
|                           | Q4 2023      | Q4 2022      | % Chg.         | YTD 2023     | YTD 2022     | % Chg.         |
| <b>Revenue:</b>           |              |              |                |              |              |                |
| Israel                    | 176          | 183          | (4.2%)         | 793          | 778          | 1.8%           |
| International             | 1,194        | 1,087        | 9.9%           | 4,361        | 4,026        | 8.3%           |
| <b>Total Revenue</b>      | <b>1,370</b> | <b>1,270</b> | <b>7.9%</b>    | <b>5,154</b> | <b>4,804</b> | <b>7.3%</b>    |
| <b>Total Gross Profit</b> | <b>359</b>   | <b>343</b>   | <b>4.9%</b>    | <b>1,403</b> | <b>1,389</b> | <b>1.1%</b>    |
| <i>Gross Margins</i>      | <i>26.3%</i> | <i>27.0%</i> | <i>(0.7%)</i>  | <i>27.2%</i> | <i>28.9%</i> | <i>(1.7%)</i>  |
| <b>EBIT:</b>              |              |              |                |              |              |                |
| Israel                    | 24           | 6            | 311.1%         | 107          | 97           | 10.3%          |
| <i>Margins</i>            | <i>13.7%</i> | <i>3.2%</i>  | <i>10.5%</i>   | <i>13.5%</i> | <i>12.5%</i> | <i>1.0%</i>    |
| International             | 51           | 76           | (34.0%)        | 248          | 363          | (31.8%)        |
| <i>Margins</i>            | <i>4.2%</i>  | <i>7.1%</i>  | <i>(2.9%)</i>  | <i>5.7%</i>  | <i>9.0%</i>  | <i>(3.3%)</i>  |
| <b>Total EBIT</b>         | <b>75</b>    | <b>82</b>    | <b>(9.4%)</b>  | <b>355</b>   | <b>460</b>   | <b>(22.8%)</b> |
| <i>Margins</i>            | <i>5.5%</i>  | <i>6.5%</i>  | <i>(1.0%)</i>  | <i>6.9%</i>  | <i>9.6%</i>  | <i>(2.7%)</i>  |
| <b>EBITDA:</b>            |              |              |                |              |              |                |
| Israel                    | 35           | 19           | 82.8%          | 151          | 141          | 7.0%           |
| <i>Margins</i>            | <i>19.8%</i> | <i>10.4%</i> | <i>9.4%</i>    | <i>19.1%</i> | <i>18.2%</i> | <i>0.9%</i>    |
| International             | 71           | 98           | (27.9%)        | 337          | 447          | (24.5%)        |
| <i>Margins</i>            | <i>5.9%</i>  | <i>9.1%</i>  | <i>(3.2%)</i>  | <i>7.7%</i>  | <i>11.1%</i> | <i>(3.4%)</i>  |
| <b>Total EBITDA</b>       | <b>106</b>   | <b>117</b>   | <b>(10.0%)</b> | <b>488</b>   | <b>588</b>   | <b>(16.9%)</b> |
| <i>Margins</i>            | <i>7.7%</i>  | <i>9.3%</i>  | <i>(1.6%)</i>  | <i>9.5%</i>  | <i>12.2%</i> | <i>(2.8%)</i>  |



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 December 31<sup>st</sup>, 2023



# Strauss Coffee | Non-GAAP Sales by Geography

Q4 and YTD 2023 NIS mm



| Strauss Coffee Sales                     |              |              |             |                |  |              |              |             |                |  |
|--|--------------|--------------|-------------|----------------|--|--------------|--------------|-------------|----------------|--|
|  | Q4 2023      | Q4 2022      | % Change    |                |  | YTD 2023     | YTD 2022     | % Change    |                |  |
|  |              |              | NIS         | Local Currency |  |              |              | NIS         | Local Currency |  |
| Israel                                   | 176          | 183          | (4.2%)      | (4.2%)         |  | 793          | 778          | 1.8%        | 1.8%           |  |
| <b>International:</b>                    |              |              |             |                |  |              |              |             |                |  |
| Três Corações Joint Venture (Brazil) (1) | 795          | 699          | 13.8%       | (2.1%)         |  | 2,912        | 2,660        | 9.5%        | (3.3%)         |  |
| Russia & Ukraine                         | 183          | 213          | (14.0%)     | 6.2%           |  | 684          | 755          | (9.4%)      | 6.5%           |  |
| Poland                                   | 103          | 75           | 38.4%       | 12.9%          |  | 362          | 283          | 28.0%       | 9.6%           |  |
| Romania                                  | 65           | 59           | 8.7%        | (4.8%)         |  | 234          | 193          | 21.2%       | 7.4%           |  |
| Serbia                                   | 48           | 41           | 17.9%       | 2.6%           |  | 169          | 135          | 25.3%       | 10.8%          |  |
| <b>Total International</b>               | <b>1,194</b> | <b>1,087</b> | <b>9.9%</b> | <b>0.3%</b>    |  | <b>4,361</b> | <b>4,026</b> | <b>8.3%</b> | <b>(0.0%)</b>  |  |
| <b>Total Coffee</b>                      | <b>1,370</b> | <b>1,270</b> | <b>7.9%</b> | <b>(0.3%)</b>  |  | <b>5,154</b> | <b>4,804</b> | <b>7.3%</b> | <b>0.2%</b>    |  |

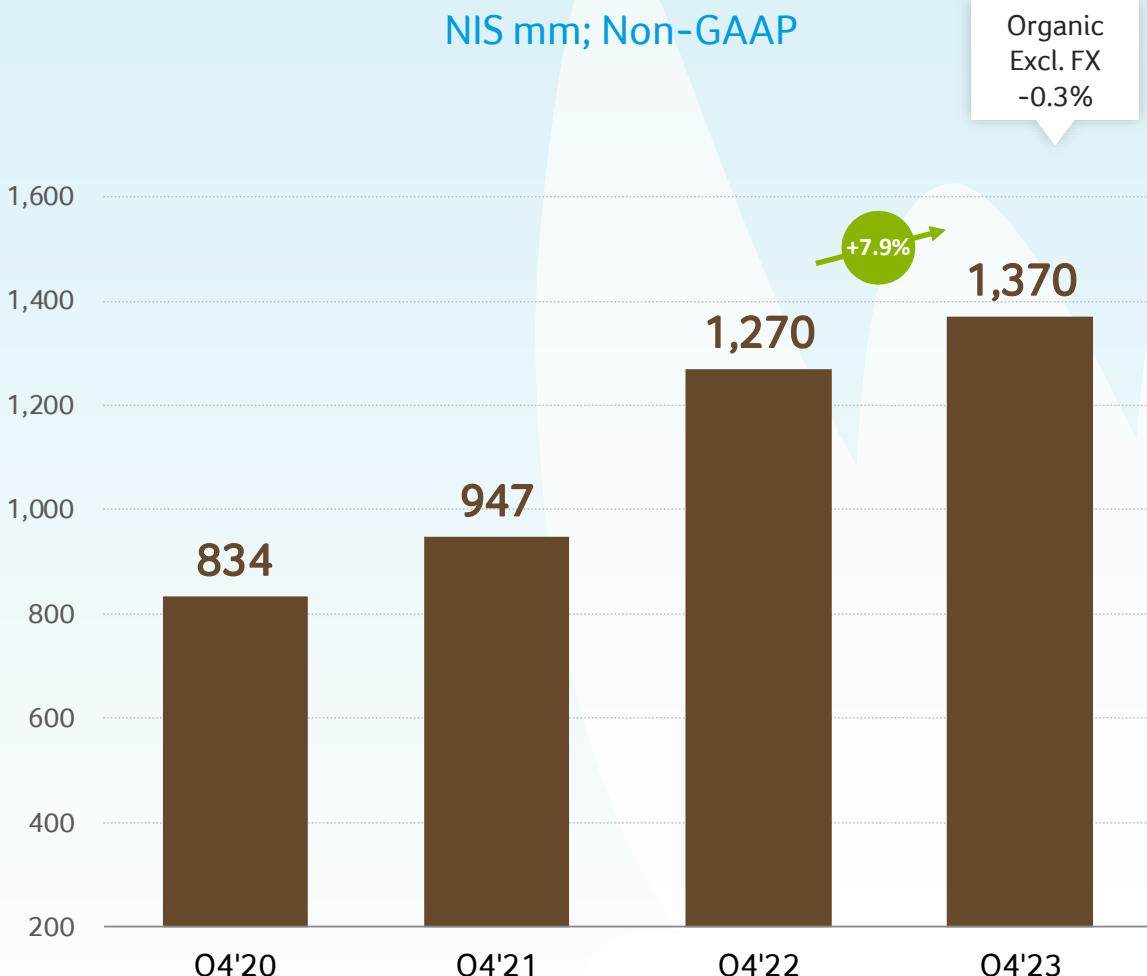
Note: (1) Três Corações joint venture (Brazil): a company jointly held by the Group (50%) and by the São Miguel Group (50%) (3C).

Source: Três Corações Alimentos S.A. Consolidated Interim Financial Statements as of December 31<sup>st</sup>, 2023



## Q4 2023 Strauss Coffee Sales

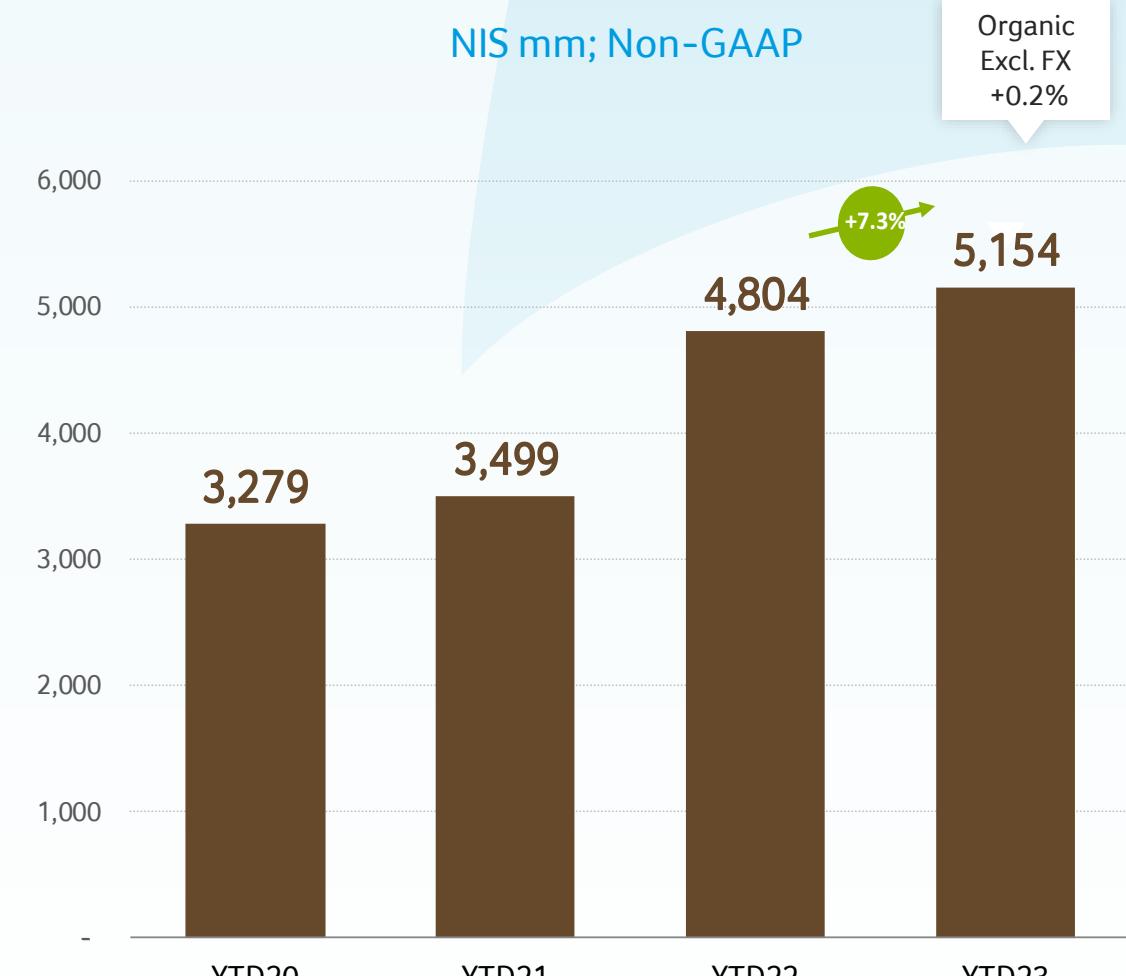
NIS mm; Non-GAAP



## YTD 2023 Strauss Coffee Sales

NIS mm; Non-GAAP

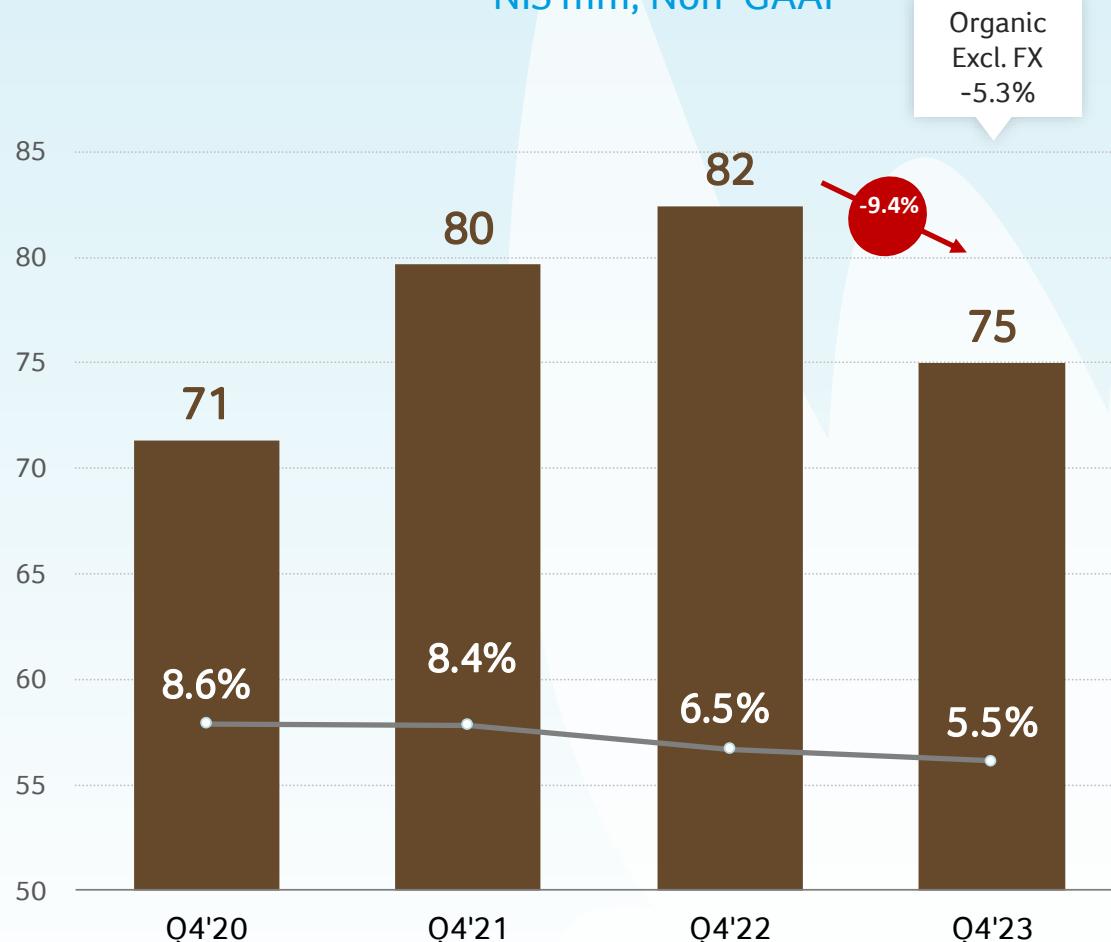
Organic Excl. FX +0.2%





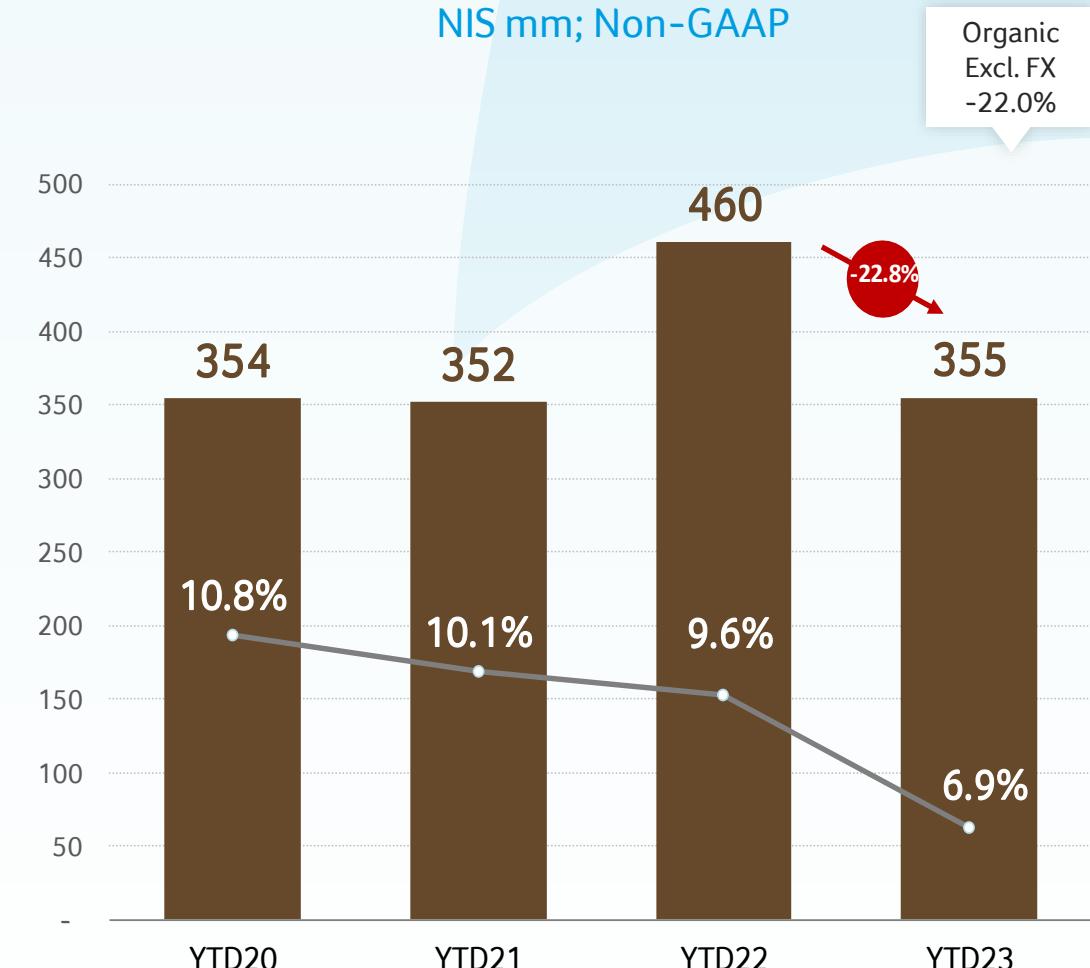
## Q4 2023 Strauss Coffee EBIT & EBIT Margins

NIS mm; Non-GAAP

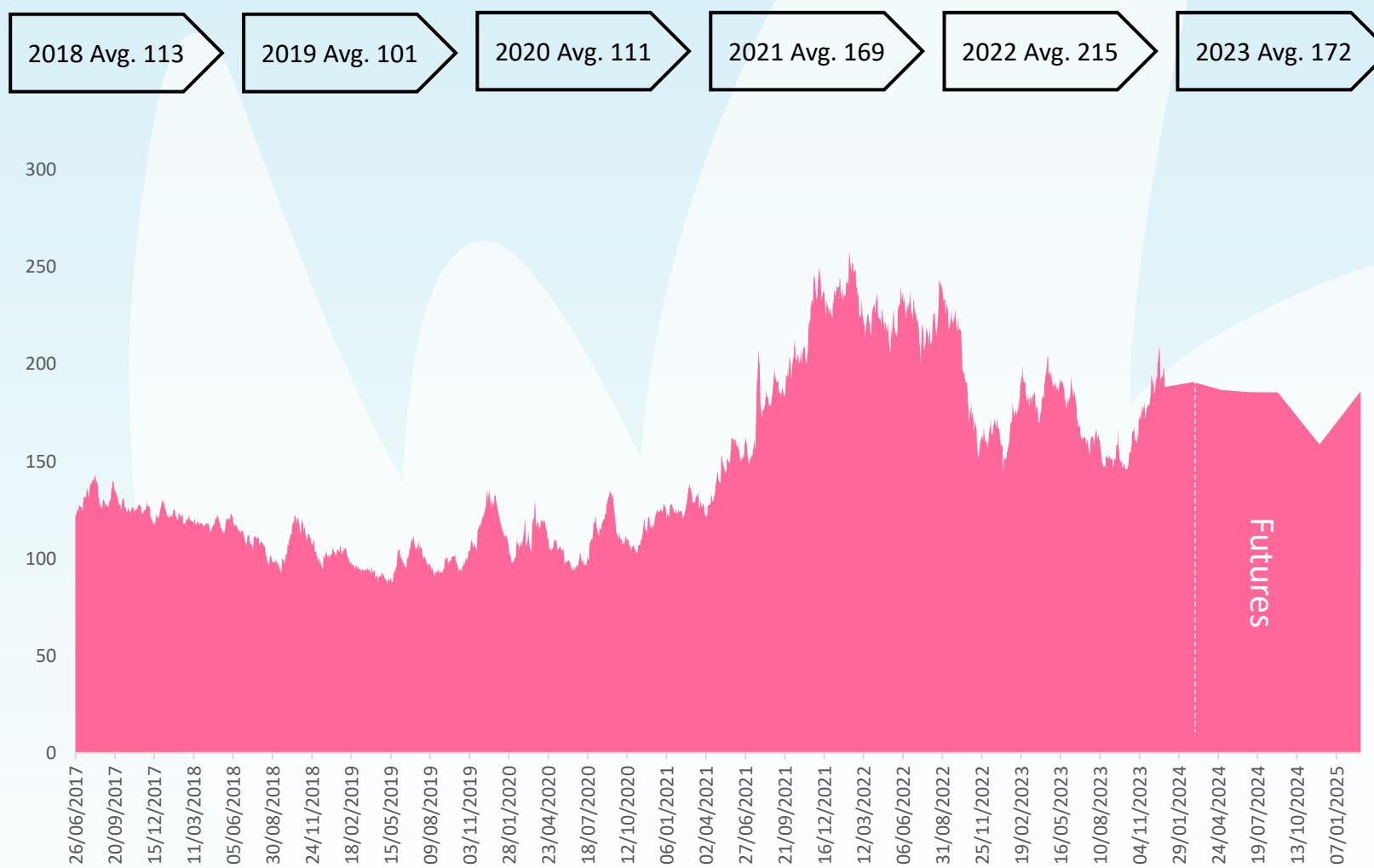


## YTD 2023 Strauss Coffee EBIT & EBIT Margins

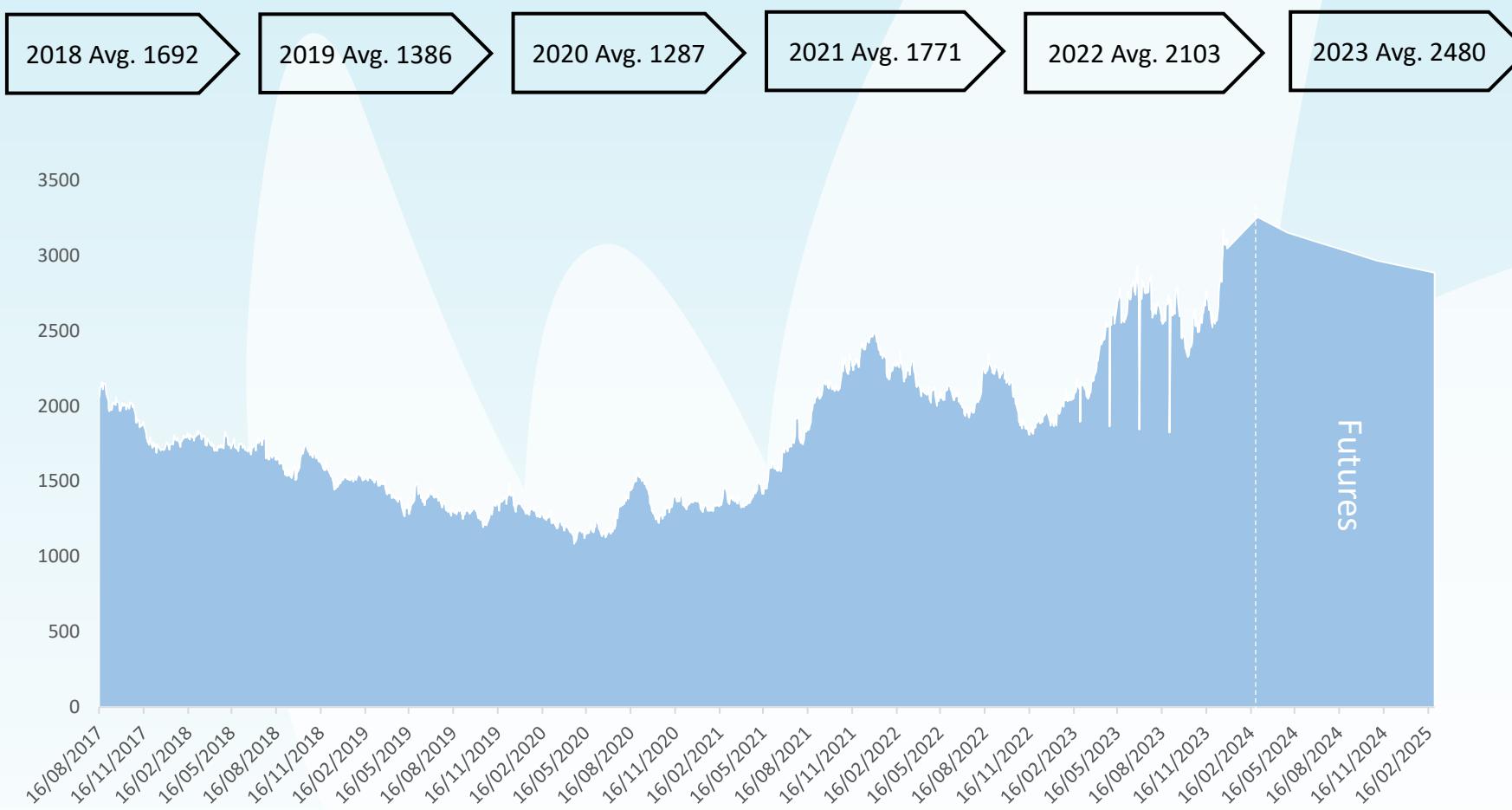
NIS mm; Non-GAAP



# Arabica Historical & Futures Prices | 2017-2023 (C\Lbs.)



# Robusta Historical & Futures Prices | 2017-2023 (\$\text{t})





# International Dips & Spreads

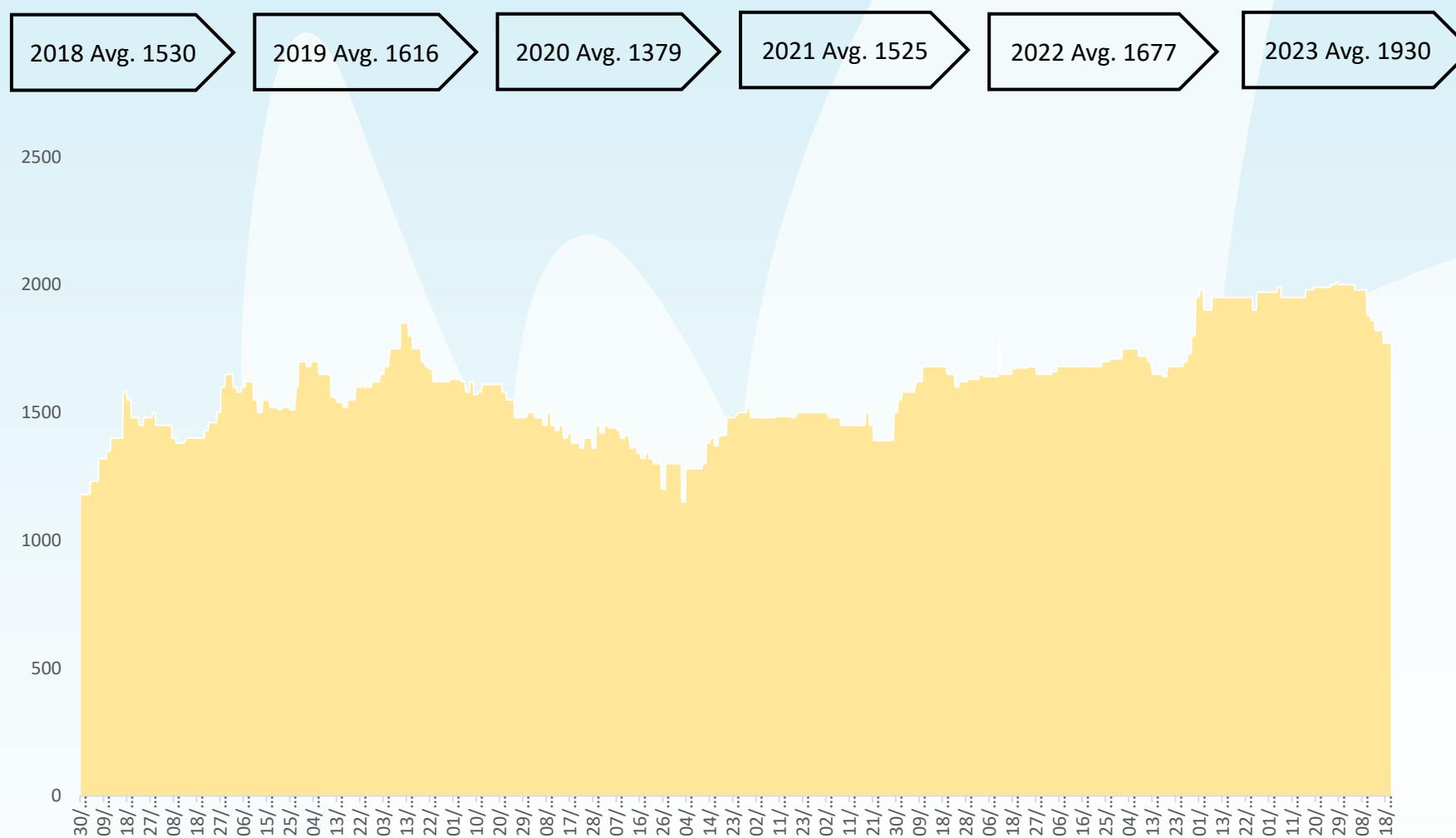
Strauss D&S Non-GAAP Financial Highlights | Q4 and YTD 2023 NIS mm; 50% share



| Dips & Spreads (Non GAAP) |               |                |              |             |                |               |
|---------------------------|---------------|----------------|--------------|-------------|----------------|---------------|
|                           | Q4 2023       | Q4 2022        | % Chg.       | YTD 2023    | YTD 2022       | % Chg.        |
| <b>Revenue:</b>           |               |                |              |             |                |               |
| Sabra (50%)               | 103           | 94             | 9.2%         | 432         | 328            | 31.9%         |
| Obela (50%)               | 23            | 25             | (9.6%)       | 81          | 87             | (7.1%)        |
| <b>Total Revenue</b>      | <b>126</b>    | <b>119</b>     | <b>5.3%</b>  | <b>513</b>  | <b>415</b>     | <b>23.7%</b>  |
| <b>EBIT:</b>              |               |                |              |             |                |               |
| Sabra (50%)               | (10)          | (25)           | 63.8%        | 19          | (104)          | 118.3%        |
| <i>Margins</i>            | <i>(9.1%)</i> | <i>(27.4%)</i> | <i>18.3%</i> | <i>4.4%</i> | <i>(31.9%)</i> | <i>36.3%</i>  |
| Obela (50%)               | 2             | (1)            | NM           | (5)         | (7)            | NM            |
| <i>Margins</i>            | <i>NM</i>     | <i>NM</i>      | <i>NM</i>    | <i>NM</i>   | <i>NM</i>      | <i>NM</i>     |
| <b>Total EBIT</b>         | <b>(8)</b>    | <b>(26)</b>    | <b>70.9%</b> | <b>14</b>   | <b>(111)</b>   | <b>112.9%</b> |
| <i>Margins</i>            | <i>(6.2%)</i> | <i>(22.3%)</i> | <i>16.1%</i> | <i>2.8%</i> | <i>(26.9%)</i> | <i>29.7%</i>  |
| <b>EBITDA:</b>            |               |                |              |             |                |               |
| <b>Total EBITDA</b>       | <b>(1)</b>    | <b>(17)</b>    | <b>93.4%</b> | <b>42</b>   | <b>(78)</b>    | <b>153.5%</b> |
| <i>Margins</i>            | <i>(0.9%)</i> | <i>(15.0%)</i> | <i>14.0%</i> | <i>8.2%</i> | <i>(18.9%)</i> | <i>27.1%</i>  |



Sesame Humera Historical Prices | 2017-2023





## Q4 2023 Strauss Water Non-GAAP Sales

NIS mm; Non-GAAP



## YTD 2023 Strauss Water Non-GAAP Sales

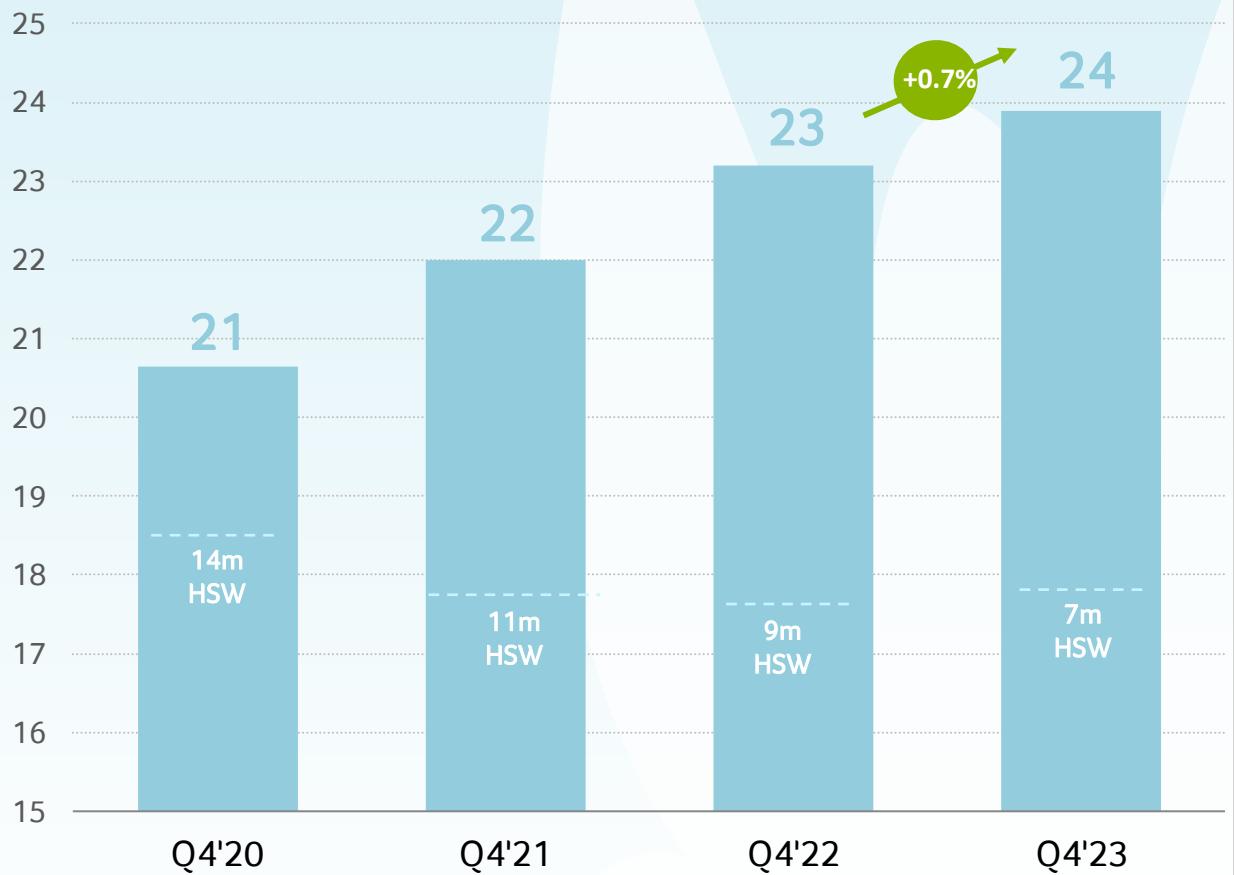
NIS mm; Non-GAAP





## Q4 2023 Strauss Water Non-GAAP EBIT

NIS mm; Non-GAAP



## YTD 2023 Strauss Water Non-GAAP EBIT

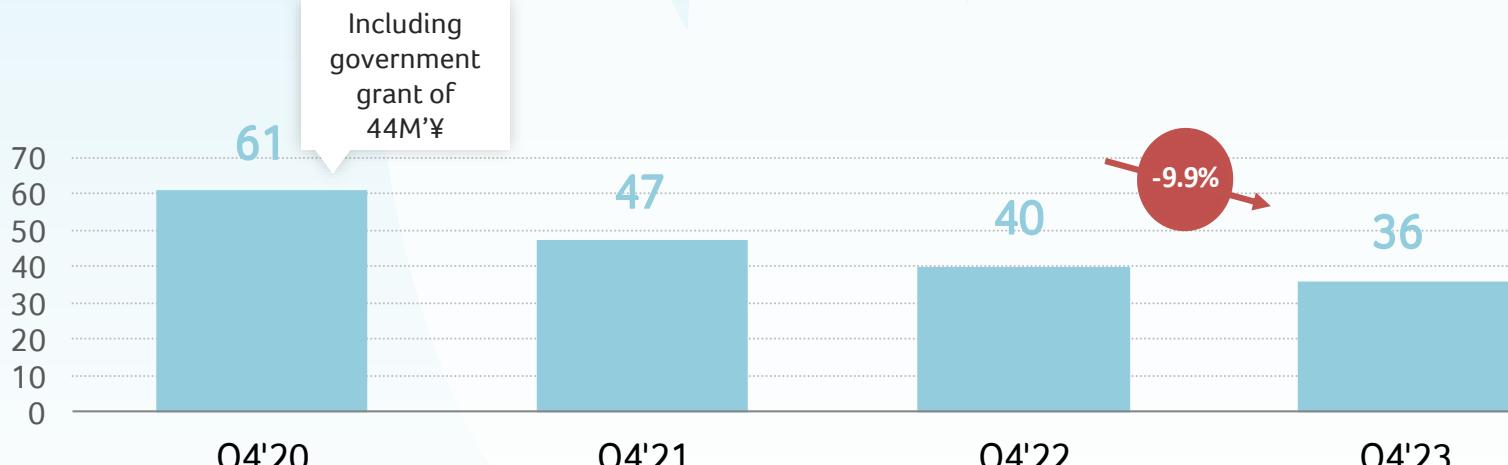
NIS mm; Non-GAAP





# Haier Strauss Water Q4 Snapshot

¥mm; Non-GAAP; for 100% share



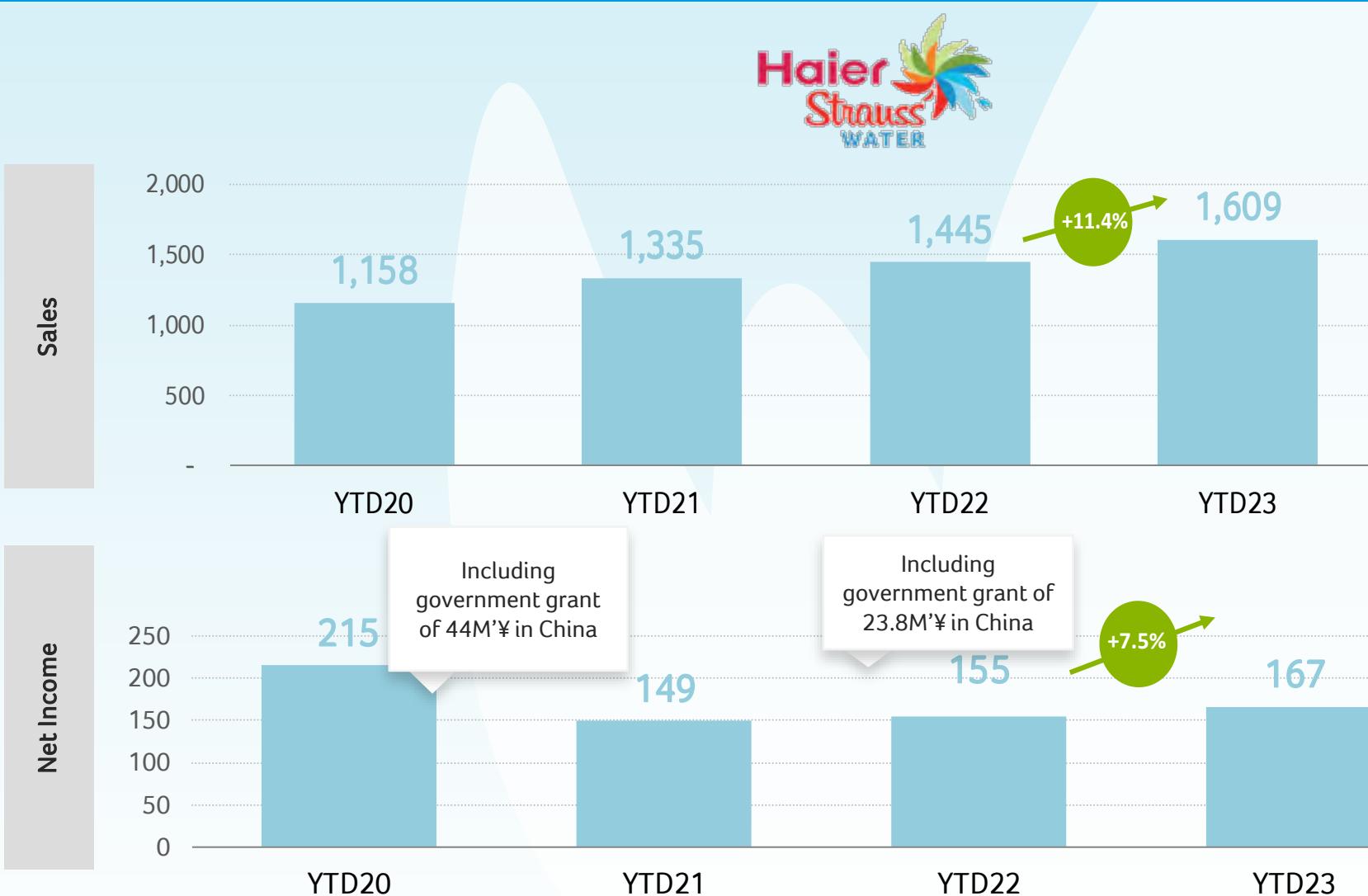
Note: (1) Haier Strauss Water (HSW) is a company jointly held by Haier (51%) and Strauss Group (49%)





# Haier Strauss Water YTD Snapshot

¥mm; Non-GAAP; for 100% share



Note: (1) Haier Strauss Water (HSW) is a company jointly held by Haier (51%) and Strauss Group (49%)



# Thank You

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