

Turpaz continues to implement its growth strategy:

**Acquiring control (60%) of the Belgian company, Food Ingredients Technologies (FIT), which produces, develops, and markets savory flavors to the value of \$ 12.9 million (10.9 million euros)**

**The acquisition establishes Turpaz's presence in Western Europe and is another part of Turpaz's strategic plan to expand its range of savory flavors, creating a complete value chain for its customers and leveraging the synergies between the group's companies**

**Holon, Israel, September 19, 2021** - Turpaz Industries Ltd., a global company that develops and manufactures thousands of unique flavor and fragrance extracts, intermediates and raw materials and markets and sells them in over 30 countries globally, today reports the acquisition of 60% of Food Ingredients Technologies (FIT), a Belgian company producing savory flavors, to the value of \$ 12.9 million (€ 10.9 million) in a majority transaction in shares, which Turpaz reported in the company prospectus. The company has a variety of products and customers that constitute the ability to cross sell between Turpaz and Food Ingredients Technologies (FIT). (For FIT's website [click here](#)).

The acquisition will be executed via a cash payment of 20% and 80% via the allotment of shares in Turpaz Industries based on the average price of a Turpaz share in the 30 days prior to the signing date. After 3 years, Turpaz will have the option for 12 months to acquire FIT's remaining 40%. This will be paid in cash and calculated on the basis of a multiplier of 9 on the average annual EBITDA, according to the last 12 quarters before the exercise date.

The acquisition of Food Ingredients Technologies (FIT) is a significant step in implementing Turpaz's growth strategy to become a one-stop shop for its customers, as well as extending its activity in the Savory field and creating a full value chain for its customers, leveraging synergies between group's companies in procurement and development and creating cross selling between the various companies.

Food Ingredients Technologies (FIT) shows high growth rates, its sales turnover in 2020 amounted to 8.9 million euros and the adjusted EBITDA amounted to 2.05 million euros (23.2% of sales). In 2019, the company's sales turnover amounted to EUR 5.1 million and the adjusted EBITDA amounted to EUR 0.85 million (approximately 16.7% of sales).

**Karen Cohen Khazon, Chairman and CEO of the Turpaz Group, stated:** "The acquisition of Food Ingredients Technologies (FIT) is an important step in the implementation of Turpaz's strategic plan to expand the Savory flavors field and it creates a significant foothold for us in Western Europe. Food Ingredients Technologies (FIT) will help us expand the product portfolio we offer our customers in the field of flavors and creating leverage of synergies between the group's companies around the world in the areas of procurement, development and cross selling. I congratulate Mr. David Landau on joining the company's leading management team and I am confident that he will contribute and strengthen our capabilities in the field of flavors."

(For Turpaz's website [click here](#))

## **About Turpaz**

Turpaz specializes in the development, production and marketing of fragrance and flavor extracts both natural and synthetic, sweet, and savory for the food, beverage, ice cream, confectionery, toiletries, cosmetics, home care and detergent industries. The company has a wide and diverse portfolio of products and the ability to develop and customize for customers. Turpaz develops, manufactures and markets unique raw materials with high added value, for the pharma, agro and aroma chemicals industries. Over the years, Turpaz has built a leading business and competitive position in major markets around the world, through the creation of a development and production infrastructure and a marketing and sales system, worldwide in particular in Europe, North America and Southeast Asia. Turpaz's global position has intensified since 2016 through the acquisition of companies in various countries around the world. The company's business strategy is based on organic growth at a rate higher than market growth, and successful and systematic implementation of strategic acquisitions.

To date, the company has made 11 strategic acquisitions, including: the acquisition of Pollena Aroma, the Polish company, which operates in the segments of fragrances and flavors, for its state-of-the-art plant, for around 7 million Euros; the acquisition of Chemada's activities for around 4.1 million dollars that enabled the company to enter the sectors of intermediates and unique raw materials; the acquisition of American Flavor Associates in the sectors of fragrances and flavors, which greatly strengthened the company's grip on the American market and its entry into the Chinese market; the acquisition of 60% of WFF shares in Vietnam which is the center of the company's operations in Southeast Asia; the acquisition of SDA from Kibbutz Sde Eliyahu in the sector of natural savory flavors and which enabled the company to enter the field of spice blend, and the acquisition of 60% of the Belgian company FIT, which produces savory flavors (Savory). These acquisitions have enabled Turpaz to accelerate the development of its global manufacturing infrastructure to 8 sites worldwide and form the infrastructure for the company's continued expansion into additional international markets and to strengthen the company's global development, production, marketing and sales systems.

The Turpaz Group is led by Chairperson and CEO Karen Khazon, with over 20 years of experience in management positions in the global flavor and fragrance industry and international experience in acquisitions of companies in the field, and who led Aromor to an impressive 100 million dollar exit when it was sold to IFF. Khazon's business partner for many years is Dr. Israel (Reli) Leshem, a partner in Meitar law firm, who serves as a director of the company.