March 28th, 2017
Q4 & FY 2016 Earnings Presentation
Strauss Coffee acquires TPG’s share
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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.

\(^1\) In Q4’15 the subsidiary Strauss Water signed a series of share exchange and transfer agreements with companies of the Haier Group, as well as a joint venture agreement, with the aim of restructuring the Haier Strauss Water joint venture in China. The change in respect of the above agreements was reflected in the non-GAAP reports commencing in the third quarter of 2015. For further information, see Note 12.6 to the Consolidated Financial Statements as at December 31, 2015.
## Q4 2016 Financial Highlights

**NIS mm; Non-GAAP**

<table>
<thead>
<tr>
<th>Category</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4'16 Sales</td>
<td>NIS 2034mm; growth: 7.2%</td>
</tr>
<tr>
<td>Q4'16 Organic growth excluding FX</td>
<td>4.2%</td>
</tr>
<tr>
<td>Q4'16 gross margins</td>
<td>35.3% (down 150 bps vs. Q4'15)</td>
</tr>
<tr>
<td>EBIT and EBIT margins</td>
<td>NIS 135mm (down 14.4%); 6.6% (down -170 bps vs. Q4'15)</td>
</tr>
<tr>
<td>Net income and net margins</td>
<td>NIS 58mm (down -22%); 2.8% (down -110 bps vs. Q4'15)</td>
</tr>
<tr>
<td>EPS</td>
<td>0.53 (down 22.1% VS. Q4'15)</td>
</tr>
<tr>
<td><strong>FY 2016 Financial Highlights</strong></td>
<td></td>
</tr>
<tr>
<td>------------------------------</td>
<td></td>
</tr>
<tr>
<td><strong>NIS mm; Non-GAAP</strong></td>
<td></td>
</tr>
</tbody>
</table>

| **YTD'16 Sales**: NIS 7943mm; growth: 3.9% |
| **YTD'16 Organic growth excluding FX**: 7.1% |
| **YTD'16 Gross margins**: 37.5% (up 50 bps vs. YTD'15) |
| **EBIT and EBIT margins**: NIS 744mm (up 12.8%); 9.4% (up 80 bps vs. YTD'15) |
| **Net income and net margins**: NIS 335mm (up 14.3%); 4.2% (up 40 bps vs. YTD'15) |
| **EPS**: 3.12 (up 14.2% VS. YTD'15) |
| **The group paid dividend of NIS 150mm (NIS 1.4 per share) on July 26th** |

**Strauss Coffee To Acquire TPG’s Stake**
Strauss Group at a glance

- A Food and Beverage company, operating in **More than 20 countries**
- with a **strong home base** in Israel
- The **world’s fourth-largest** coffee company
- The US market **leader in Hummus**
- **Strategic partnerships** with companies such as Danone, PepsiCo, Haier, São Miguel
- **Employs** around **14,000** people worldwide
- Revenues in **2016**: **NIS 7.9 billion**
- **AA+** credit rating
- Awarded the highest **Platinum+ ranking** in the Maala Israeli Sustainability Index for the **11th consecutive year**
Q4 & FY 2016
Sales grow 6.2% organically in 2016 Amidst a declining Food & Beverage Market (-0.5%)

FY 2016 Consolidated Sales NIS mm; Non-GAAP

- Q4'16 / Q4'15: +3.9%
- Organic growth excluding FX: +6.2%
<table>
<thead>
<tr>
<th>Segment</th>
<th>NIS mm</th>
<th>% Sales Contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>Overall Group</td>
<td>7,943</td>
<td>100%</td>
</tr>
<tr>
<td>Strauss Coffee</td>
<td>3,673</td>
<td>46%</td>
</tr>
<tr>
<td>Strauss Israel</td>
<td>2,963</td>
<td>37%</td>
</tr>
<tr>
<td>Dips &amp; Spreads</td>
<td>717</td>
<td>9%</td>
</tr>
<tr>
<td>Other</td>
<td>590</td>
<td>7%</td>
</tr>
</tbody>
</table>

**FY 2016 Sales by Segment**

NIS mm; Non-GAAP; % sales contribution

- **Overall Group**: 7,943
- **Strauss Coffee**: 3,673 (46%)
- **Strauss Israel**: 2,963 (37%)
- **Dips & Spreads**: 717 (9%)
- **Other**: 590 (7%)

**Organic growth excl. FX**

- **FY 2016**: 6.2%
- **FY 2015**: 11.4%
- **Org grow excl. FX**: 3.4%
- **% growth excl. FX**: 3.3%
Sales grow 7.2% in Q4 2016
FY 2016 Consolidated Sales  NIS mm; Non-GAAP

- Q4’16 / Q4’15: +7.2%
- Organic growth excluding FX: +4.2%

Prior to Food Law

Positive translation differences = NIS 42
Q4 2016 Sales by Segment
NIS mm; Non-GAAP; % sales contribution

Overall Group: 2,034 (100%)
- Strauss Coffee: 1,061 (52%)
- Strauss Israel: 689 (34%)
- Dips & Spreads: 136 (7%)
- Other: 148 (7%)

Growth:
- Strauss Coffee: 21.2%
- Strauss Israel: 0.2%
- Dips & Spreads: -27.2%
- Other: 0.1%

Organic growth excl. FX:
- Strauss Coffee: 13.9%
- Strauss Israel: 0.2%
- Dips & Spreads: -27.2%
- Other: 2.0%
FY 2016 EBIT grows 14.4% (excluding FX)

FY 2016 Consolidated EBIT and EBIT Margins
NIS mm; Non-GAAP

- FY 2016 / FY 2015: +12.8%
- excluding FX: +14.4%
Q4 Consolidated EBIT and EBIT Margins
NIS mm; Non-GAAP

- Q4’16 / Q4’15: -14.4%
- excluding FX: -17.3%

Increased sales in Coffee (1) and S. Israel were offset by lower Sabra sales following recall

(1) Três Corações joint venture (Brazil): a company jointly held by the Group (50%) and by the São Miguel Group (50%) ("3C").
## FY 2016 GAAP and Non-GAAP Financial Highlights

### NIS mm

### GAAP

<table>
<thead>
<tr>
<th></th>
<th>YTD’16</th>
<th>YTD’15</th>
<th>% Chg.</th>
<th>YTD’16</th>
<th>YTD’15</th>
<th>% Chg.</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Sales</strong></td>
<td>5,282</td>
<td>5,183</td>
<td>1.9%</td>
<td>7,943</td>
<td>7,642</td>
<td>3.9%</td>
</tr>
<tr>
<td><strong>Gross Profit</strong></td>
<td>2,103</td>
<td>1,955</td>
<td>7.6%</td>
<td>2,980</td>
<td>2,829</td>
<td>5.4%</td>
</tr>
<tr>
<td><strong>GP Margin</strong></td>
<td>39.8%</td>
<td>37.7%</td>
<td></td>
<td>37.5%</td>
<td>37.0%</td>
<td></td>
</tr>
<tr>
<td><strong>Operating Profit</strong></td>
<td>680</td>
<td>626</td>
<td>8.4%</td>
<td>744</td>
<td>659</td>
<td>12.8%</td>
</tr>
<tr>
<td><strong>EBIT Margin</strong></td>
<td>12.9%</td>
<td>12.1%</td>
<td></td>
<td>9.4%</td>
<td>8.6%</td>
<td></td>
</tr>
<tr>
<td><strong>Net Profit (to SH)</strong></td>
<td>272</td>
<td>257</td>
<td>5.7%</td>
<td>335</td>
<td>293</td>
<td>14.3%</td>
</tr>
<tr>
<td><strong>NP Margin</strong></td>
<td>5.1%</td>
<td>5.0%</td>
<td></td>
<td>4.2%</td>
<td>3.8%</td>
<td></td>
</tr>
<tr>
<td><strong>Operating Cash Flow</strong></td>
<td>610</td>
<td>349</td>
<td></td>
<td>762</td>
<td>515</td>
<td></td>
</tr>
<tr>
<td><strong>Capex (1)</strong></td>
<td>(162)</td>
<td>(212)</td>
<td></td>
<td>(239)</td>
<td>(279)</td>
<td></td>
</tr>
<tr>
<td><strong>Net debt</strong></td>
<td>1,120</td>
<td>1,516</td>
<td></td>
<td>1,428</td>
<td>1,655</td>
<td></td>
</tr>
<tr>
<td><strong>Change in WC (CF)</strong></td>
<td>216</td>
<td>(192)</td>
<td></td>
<td>153</td>
<td>(264)</td>
<td></td>
</tr>
</tbody>
</table>

### Adjusted Non-GAAP

(1) Capex includes acquisition of fixed assets and investment in intangible assets.
Q4 GAAP and Non-GAAP Financial Highlights
NIS mm

<table>
<thead>
<tr>
<th></th>
<th>GAAP</th>
<th>Adjusted Non-GAAP</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Q4’16</td>
<td>Q4’15</td>
</tr>
<tr>
<td>Sales</td>
<td>1,310</td>
<td>1,302</td>
</tr>
<tr>
<td>Gross Profit</td>
<td>490</td>
<td>511</td>
</tr>
<tr>
<td>GP Margin</td>
<td>37.4%</td>
<td>39.2%</td>
</tr>
<tr>
<td>Operating Profit</td>
<td>93</td>
<td>177</td>
</tr>
<tr>
<td>EBIT Margin</td>
<td>7.0%</td>
<td>13.7%</td>
</tr>
<tr>
<td>Net Profit (to SH)</td>
<td>30</td>
<td>65</td>
</tr>
<tr>
<td>NP Margin</td>
<td>2.3%</td>
<td>5.1%</td>
</tr>
<tr>
<td>Operating Cash Flow</td>
<td>300</td>
<td>335</td>
</tr>
<tr>
<td>Capex (1)</td>
<td>(49)</td>
<td>(53)</td>
</tr>
<tr>
<td>Net debt</td>
<td>1,120</td>
<td>1,516</td>
</tr>
<tr>
<td>Change in WC (CF)</td>
<td>208</td>
<td>113</td>
</tr>
</tbody>
</table>

(1) Capex includes acquisition of fixed assets and investment in intangible assets.
FY 2016 Net Profit (attributed to the Company’s shareholders), Net Margins and EPS
NIS mm; Non-GAAP
Net Debt and Net Debt /EBITDA (LTM)

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

- Top line growth of 4.4% continues despite a challenging environment and a declining food & beverage market in Israel -0.5% in 2016
- Profitability increases despite the implementation of extensive employee benefits and price reductions
- Market share gains; 11.7% in January 2017, up from 11.0% in December 2015*
- Innovation continues – we introduced 568 new products in 2016
- Efficiency measures help sustain margins
- We continue to focus on delivering healthier products with less sugar, salt and fat contents

*Storenext
Global Dips & Spreads

- Continue strengthening global dips and spreads category
- Our top priority is food safety
- Increased regulatory environment in the U.S.
- Recall in Q4
- In AUS and Mex we are continuing building our leadership in Hummus category
- Ready to penetrate Obela in the European market
Sabra FY 2016 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%).
Sabra Q4 Snapshot
NIS mm; Non-GAAP; for 100% share

### Sales

<table>
<thead>
<tr>
<th></th>
<th>Q4'13</th>
<th>Q4'14</th>
<th>Q4'15</th>
<th>Q4'16</th>
</tr>
</thead>
<tbody>
<tr>
<td>Amount</td>
<td>274</td>
<td>357</td>
<td>344</td>
<td>233</td>
</tr>
</tbody>
</table>

### EBIT and EBIT Margins

<table>
<thead>
<tr>
<th></th>
<th>Q4'13</th>
<th>Q4'14</th>
<th>Q4'15</th>
<th>Q4'16</th>
</tr>
</thead>
<tbody>
<tr>
<td>EBIT</td>
<td>28</td>
<td>36</td>
<td>57</td>
<td>-26</td>
</tr>
<tr>
<td>Margin</td>
<td>10.4%</td>
<td>10.1%</td>
<td>16.4%</td>
<td>-11.0%</td>
</tr>
</tbody>
</table>

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

- Water business improves on all fronts; Sales, EBIT and Cash Flows
- Water sales continue to grow in 2016 to NIS 496m, (growth of 2.8%)
- Haier Strauss Water JV in China demonstrates healthy growth with annual sales amounting to NIS 351m +36% vs. LY (Q4 NIS 104m +66% vs. LY)
- Strauss group bought the minority holding of 12.4% for NIS 69m in Nov 2016
Strauss Coffee

• Stellar top line growth of 21.2% and 7.0% in Q4 and 2016, respectively
• Growth attributed to increased volumes and selling prices in most geographies
• Reversed currency trend in Q4 – BRL strengthens; still negative impact for the year of NIS75m from BRL
• 3C (1) sales grow 30.4% and 22.2% in Q4 and 2016, respectively (in local currency)
• 3C market share in R&G at 24.1% (2)
• Recent studies suggest health benefit properties in coffee
• During Q4 SCBV realised its option to acquire NDKW

(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: Neilsen
FY 2016 Strauss Coffee Sales
NIS mm; Non-GAAP

Organic growth +11.4%

 Strauss Coffee non-GAAP figures represent 50% share in Três Corações joint venture (Brazil).
Q4 2016 Strauss Coffee Sales
NIS mm; Non-GAAP

Organic growth +13.9%

Strauss Coffee non-GAAP figures represent 50% share in Três Corações joint venture (Brazil).
FY 2016 Strauss Coffee EBIT increases a remarkable 33.9%

FY 2016 Strauss Coffee EBIT and EBIT Margins

NIS mm; Non-GAAP

Strauss Coffee non-GAAP figures represent 50% share in Três Corações joint venture (Brazil).

Note that FY 2016 EBIT includes a one off provision of NIS9m from the Serbia coffee business.
Três Corações Alimentos S.A. (Três Corações J.V.)

FY 2016 Snapshot
BRL mm for 100% ownership and including inter-company sales

**Sales**
- FY14: 2,352
- FY15: 2,540
- FY16: 3,103

**GP and GM**
- FY14: 714, 30.4%
- FY15: 740, 29.1%
- FY16: 817, 26.3%

**EBIT and EBIT Margins (1)**
- FY14: 69, 1.6%
- FY15: 31, 1.6%
- FY16: 28, 1.6%

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 September 30th, 2016.
(1) EBIT before Other Expenses/ Income.
Três Corações Alimentos S.A. (Três Corações J.V.)

Q4 Snapshot

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

Sales

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Sales (mm)</th>
<th>Growth %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4'14</td>
<td>621</td>
<td></td>
</tr>
<tr>
<td>Q4'15</td>
<td>715</td>
<td>15.0%</td>
</tr>
<tr>
<td>Q4'16</td>
<td>932</td>
<td></td>
</tr>
</tbody>
</table>

GP and GM

<table>
<thead>
<tr>
<th>Quarter</th>
<th>GP (mm)</th>
<th>GM (%)</th>
<th>Growth %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4'14</td>
<td>180</td>
<td>28.9%</td>
<td>10.5%</td>
</tr>
<tr>
<td>Q4'15</td>
<td>198</td>
<td>27.8%</td>
<td>14.8%</td>
</tr>
<tr>
<td>Q4'16</td>
<td>228</td>
<td>24.4%</td>
<td></td>
</tr>
</tbody>
</table>

EBIT and EBIT Margins (1)

<table>
<thead>
<tr>
<th>Quarter</th>
<th>EBIT (mm)</th>
<th>GM (%)</th>
<th>Growth %</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4'14</td>
<td>23</td>
<td>44</td>
<td>47.6%</td>
</tr>
<tr>
<td>Q4'15</td>
<td>13</td>
<td>65</td>
<td>7.4%</td>
</tr>
<tr>
<td>Q4'16</td>
<td>69</td>
<td>7.4%</td>
<td></td>
</tr>
</tbody>
</table>

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 September 30th, 2016.
(1) EBIT before Other Expenses/ Income.
STRAUSS COFFEE TO ACQUIRE TPG’S STAKE

March 2017
Strauss Group *continues its journey* to become a global food & beverage company that *improves people’s lives*.

Strauss has been a *significant player* in the coffee market for the *past 50 years*. 

50
After 8.5 years of partnering with TPG in the coffee business TPG sought to realize its investment, as appropriate for a private equity company.

The Company has carried out an in-depth analysis of its options and has come to the conclusion that a buyout of TPG’s shares is the preferred strategic option.
Why We Like The Coffee Market

1. BIG $75 Billion
2. Fast Growing And Resilient
3. Mostly Fragmented
4. Brazil, Emerging Asia & Single Serve Drive Market Growth
5. Coffee Culture Driving & Securing Long-Term Premiumization & Innovation
Coffee is a core business for SG

Net Sales

- S. Israel: 37%
- Coffee w/o Coffee Israel: 38%
- Coffee Israel: 8%
- Dips & Spreads: 8%
- Other: 9%

SC
Strauss Coffee to acquire TPG’s shares (25.1%)

Key Metrics

Strauss Coffee will pay €257m for TPG’s stake

Closing 27th March 2017

First payment at closing – 66%; remainder mid August
The deal is attractive to Strauss

• The deal is accretive and creates shareholder value
• Increases our foothold in the attractive Coffee market – large, growing, resilient, healthy and safe
• Strengthens our position in Brazil, the combined largest and fastest growing coffee market in the world.
• Deal delivers SC & SG full strategic flexibility and is the right decision from all strategic, financial, managerial and operational aspects.
• Deal is aligned with SG’s long-term strategy to become a global food & beverage company.
Total production capacity: ~300,000 MT
- GC procurement – Switzerland, Vietnam and Brazil
- 8 R&G factories
- 1 instant plant
- 2 facilities for other products
### Strong Track Record of Financial Performance

#### Net Sales & EBITDA 2004-2016 (€m)

<table>
<thead>
<tr>
<th>Year</th>
<th>Net Sales</th>
<th>EBITDA</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>242</td>
<td>31.1</td>
</tr>
<tr>
<td>2005</td>
<td>290</td>
<td>38.8</td>
</tr>
<tr>
<td>2006</td>
<td>419</td>
<td>46.5</td>
</tr>
<tr>
<td>2007</td>
<td>516</td>
<td>53.7</td>
</tr>
<tr>
<td>2008</td>
<td>616</td>
<td>63.0</td>
</tr>
<tr>
<td>2009</td>
<td>613</td>
<td>62.9</td>
</tr>
<tr>
<td>2010</td>
<td>687</td>
<td>63.2</td>
</tr>
<tr>
<td>2011</td>
<td>789</td>
<td>64.9</td>
</tr>
<tr>
<td>2012</td>
<td>851</td>
<td>77.9</td>
</tr>
<tr>
<td>2013</td>
<td>824</td>
<td>99.4</td>
</tr>
<tr>
<td>2014</td>
<td>807</td>
<td>88.2</td>
</tr>
<tr>
<td>2015</td>
<td>797</td>
<td>78.3</td>
</tr>
<tr>
<td>2016</td>
<td>867</td>
<td>100.1</td>
</tr>
</tbody>
</table>
THE FUTURE IS HERE
It's Just Not Very Evenly Distributed

Developing Fast Growing Fast
- North America
- Australia
- West Europe, incl. UK
- Japan, Korea
- Israel (SP)

Catching-up
- Latin America
- East Europe (incl. Russia, Poland, Romania)
- Emerging Asia

Early Days
- China
- India
- Africa

COFFEE CULTURE IS EMERGING GLOBALLY, WE HAVE A FEEL FOR WHAT’S COMING...
The objective – increase NVP share of business while creating synergies and improving the traditional core

Invest in SC Granular data driven mgmt Sales execution
Brands Performance Excellence Organization Knowhow Culture
Invest in NVP initiatives New capabilities

Source: Euromonitor 2016, internal analysis.
New includes: Pods, Micro-Grinding, Specialty, Cold RTD, mixes, flavors, wellness
Strauss Coffee 2015-2020 - Main initiatives
Transforming to: Innovative, High Growth, Consumer Driven, Excellent Brand-Builder

Consumer Experience
- Single Portion
- Digital
- Tech driven Innovation
- Deals

Consumer Brands
- New
- BeanZ
- NG
- NDKW (Tunnel and MG)
- eCom
- AFH
- IT
- BRAZIL
- IL

Countries Strategies
- Leaderships Org functions & Capabilities
- Performance Mgmt
- Passion For Coffee
- GC Program
- CEE
- CIS
- Cold

Digital
- Tech driven Innovation
- Deals
- New

Single Portion
- Fresh
- New

Passion For Coffee
- GC Program
- CIS
- Cold

IT
- BRAZIL
- IL
- New

Leadership Org functions & Capabilities
- CEE
- CIS
- Cold

BRAZIL
- CIS
- Cold

Countries Strategies
- Leaderships Org functions & Capabilities
- Performance Mgmt
- Passion For Coffee
- GC Program
- CEE
- CIS
- Cold
Deal Financials
Deal’s financial implications
(illustrative view based on 2016 Pro-forma figures)

<table>
<thead>
<tr>
<th>Strauss Group NIS ‘000</th>
<th>2016 TPG shares bought on 1/1/16</th>
<th>2016 reported</th>
<th>% diff</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales</td>
<td>7,943</td>
<td>7,943</td>
<td></td>
</tr>
<tr>
<td>EBIT</td>
<td>744</td>
<td>744</td>
<td></td>
</tr>
<tr>
<td>Net profit to Shareholders</td>
<td>388</td>
<td>335</td>
<td>15.9%</td>
</tr>
<tr>
<td>EPS*</td>
<td>3.42</td>
<td>3.12</td>
<td>9.7%</td>
</tr>
<tr>
<td>Net Debt</td>
<td>2,165</td>
<td>1,428</td>
<td></td>
</tr>
</tbody>
</table>

*EPS calculation based on SCBV buy-out; Deal will be partially financed by SG equity raise
Deal is financially viable

- Ability to serve the additional debt whilst containing financial risk
- Debt will be financed by company’s future cash generation
- Net debt will increase initially in 2017 and return to normal levels in 2019 - 2020
- Net debt/EBITDA will increase to c2.2x during 2017 from 1.5x currently
## Recent Coffee Deals

**EV/EBITDA Multiples**

<table>
<thead>
<tr>
<th>Date</th>
<th>Acquiror</th>
<th>Target</th>
<th>Multiple*</th>
</tr>
</thead>
<tbody>
<tr>
<td>11/2016</td>
<td>JAB</td>
<td>Super Group</td>
<td>15.7x</td>
</tr>
<tr>
<td>12/2015</td>
<td>JAB</td>
<td>Keurig Green Mountain</td>
<td>13.6x</td>
</tr>
<tr>
<td>07/2015</td>
<td>Lavazza</td>
<td>Carte Noire</td>
<td>11.7x</td>
</tr>
<tr>
<td>05/2014</td>
<td>D.E Masters Blenders</td>
<td>Mondelez Coffee</td>
<td>13.5x</td>
</tr>
<tr>
<td>05/2014</td>
<td>Massimo Zanetti</td>
<td>BONCAFE</td>
<td>12.1x</td>
</tr>
<tr>
<td>11/2013</td>
<td>D.E Masters Blenders</td>
<td>Friele</td>
<td>12.0x</td>
</tr>
<tr>
<td>04/2013</td>
<td>JAB</td>
<td>D.E Masters Blenders</td>
<td>16.6x</td>
</tr>
<tr>
<td>12/2012</td>
<td>JAB</td>
<td>Caribou Coffee</td>
<td>11.5x</td>
</tr>
<tr>
<td>07/2012</td>
<td>JAB</td>
<td>Peet's Coffee &amp; Tea</td>
<td>21.3x</td>
</tr>
<tr>
<td>04/2012</td>
<td>UCC</td>
<td>United Coffee</td>
<td>9.3x</td>
</tr>
<tr>
<td>05/2011</td>
<td>J.M. Smucker</td>
<td>Rowland</td>
<td>11.5x</td>
</tr>
<tr>
<td>09/2010</td>
<td>GMCR</td>
<td>Van Houtte</td>
<td>9.9x</td>
</tr>
<tr>
<td>11/2009</td>
<td>GMCR</td>
<td>Timothy's</td>
<td>16.9x</td>
</tr>
<tr>
<td>05/2008</td>
<td>J.M. Smucker</td>
<td>Folgers</td>
<td>8.5x</td>
</tr>
<tr>
<td>01/2008</td>
<td>CapVest</td>
<td>Drie Mollen</td>
<td>8.0x</td>
</tr>
<tr>
<td>05/2007</td>
<td>LittleJohn</td>
<td>Van Houtte</td>
<td>8.7x</td>
</tr>
<tr>
<td>06/2006</td>
<td>Tata Coffee</td>
<td>Eight O’Clock Coffee</td>
<td>8.1x</td>
</tr>
<tr>
<td>10/2005</td>
<td>Segafredo Zanetti</td>
<td>Sara Lee U.S retail coffee</td>
<td>7.9x</td>
</tr>
</tbody>
</table>

*Source: Deutsche Bank, Centerview, Bloomberg*
Summary

• We believe in the coffee market, in Strauss Coffee, its leadership and people.
• We believe that pursuing a buyout is the right decision strategically and financially both for SC & SG.
• Accretive deal, benefits shareholders
• The deal is the right decision from all strategic, financial, managerial and operational aspects for both SC & SG.
Thank You