

This is an English translation of a Hebrew immediate report that was published on November 10, 2024 (reference no.: 2024-01-614600) (hereafter: the “**Hebrew Version**”). This English version is only for convenience purposes. This is not an official translation and has no binding force. Whilst reasonable care and skill have been exercised in the preparation hereof, no translation can ever perfectly reflect the Hebrew Version. In the event of any discrepancy between the Hebrew Version and this translation, the Hebrew Version shall prevail.



TURPAZ

Turpaz Industries Ltd.
(the “**Company**”)

Company number: 514574524
Address: Halahav 2 Holon
Tel: 5560913-03; Fax: 5560915-03

To:
Israel Securities Authority (“**ISA**”)
Reported Via Magna

To:
Tel Aviv Stock Exchange Ltd. (“**TASE**”)
Reported Via Magna

November 10, 2024

Re: **Acquisition of a German company in the flavors sector**

Turpaz Industries Ltd. (“**Turpaz**” or the “**Company**”) is honored to announce that on November 7, 2024, through a wholly owned subsidiary, it signed an agreement to purchase 100% of the issued and paid-up share capital and voting rights in Schumann & Sohn GmbH (“**Schumann**”), from its shareholders (the “**Sellers**”), in exchange for a total payment of approx. 10.7 million euros (approx. 11.5 million dollars). The transaction was completed at the time of signing and financed through bank financing.

The Sellers will continue their current role for a transition period, and accompany and assist in the integration of Schuman into Turpaz.

Schumann, founded in 1948, has rich experience and expertise in the field of flavors, and is engaged in the development, production and marketing of flavors and quality solutions for the food industry and nutritional supplements. Schumann operates a production, R&D, applications and sales site in Karlsruhe, Germany. Schumann has a wide customer base, mostly in the German market. As of the date of the report, Schumann employs 21 people.

The entry of Turpaz into the German flavor market is another step towards strengthening the Company's leading position, and establishing its presence in Europe. Schumann's activity is synergistic to a large extent with Turpaz's activity, and it is expected to allow Turpaz to strengthen its product offering and leverage cross-selling options, both by expanding the customer base and by expanding the product portfolio.

According to the financial data received by Turpaz, which is not audited or reviewed, Schumann's sales turnover in the 9 months ending on September 30, 2024, amounted to approx. 6.7 million euros (7.3 million dollars), similar to their turnover in 2023. Schumann's turnover for the entire year of 2023 was approx. 9 million euros (approx. 9.7 million dollars). Schumann's profitability rate is similar to Turpaz's Taste division profitability rate.

It should be emphasized that the financial estimates included in this report are based on data that is not reviewed or audited and on the estimates of the Turpaz management, and therefore the actual results may differ from the financial data detailed above.

Sincerely,

Turpaz Industries Ltd.

Signed by: Karen Cohen Khazon, Chairperson of the Board and CEO