Turpaz Industries Ltd.

Periodic report for the quarter ended September 30, 2024

This is an English translation of a Hebrew Periodic report that was published on November 18, 2024 (reference no.: 2024-01-616400) (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.

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Directors' Report on the State of the Corporation's Affairs

For the Period Ended September 30, 2024

The Company's Board of Directors is pleased to submit the Board of Directors' Report on the state of affairs of Turpaz Industries Ltd. (hereinafter - the "**Company**"), for the nine and three months ended September 30, 2024, all in accordance with the Securities Regulations (Periodic and Immediate Reports), 1970.

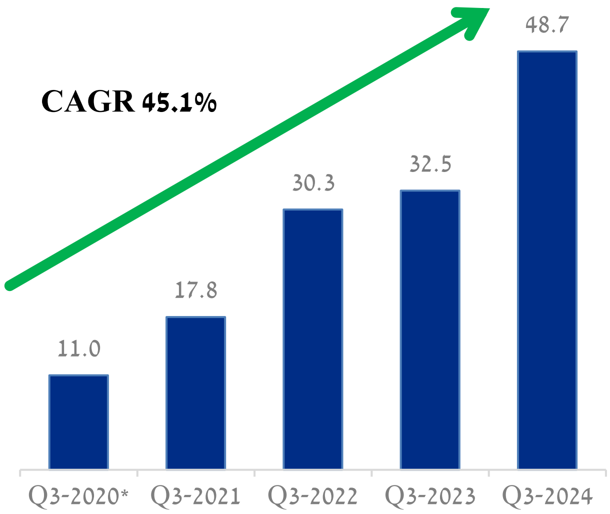
This report was drawn out assuming that the Description of the Corporation's Business chapter as included in Chapter A to the 2023 Periodic Report, which was published on March 19, 2024 (Ref. No.: 2024-01-023989) (hereinafter - the "**2023 Periodic Report**") is available to the reader. Unless otherwise stated, terms included in this report shall have the meaning assigned to them in the 2023 Periodic Report.

Turpaz mergers and acquisitions strategy, combined with organic growth, allowed the Company to present in the third quarter and the first nine months of 2024, a double-digit increase in sales, gross profit, operating profit and Adj. EBITDA:

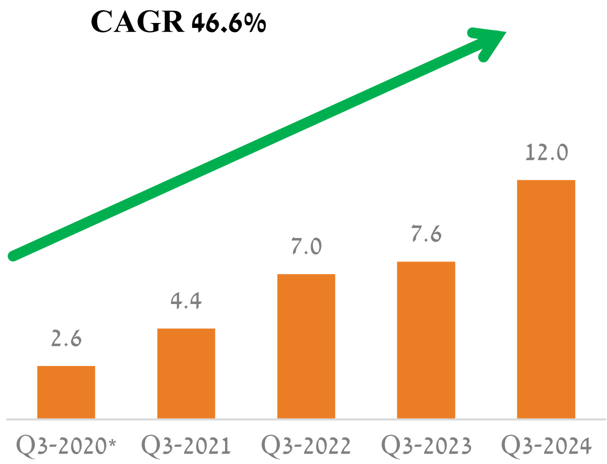
- **In the third quarter of 2024, Turpaz' sales increased** by approx**. 50.1%** and amounted to approx. **USD 48.7 million**, compared to a total of approx. **USD 32.5 million** in the corresponding quarter last year. **In the first nine months of 2024, Turpaz' sales** increased by approx. **43.1%** and amounted to approx**. USD 134.5 million**, compared to a total of approx. **USD 94.0 million** in the corresponding period last year.
- Sales on a proforma basis in the first nine months of 2024 amounted to approx. **USD 156 million**.
- **In the third quarter of 2024, Adj. EBITDA** increased by approx. **59.3%** and amounted to approx. **USD 12.0 million**, compared to approx. USD 7.6 million in the corresponding quarter last year. **In the first nine months of 2024, Adj. EBITDA** increased by approx. **50.3%** and amounted to approx. **USD 30.3 million**, compared to approx. **USD 20.2 million** in the corresponding period last year. **The rate of Adj. EBITDA**, which is one of the highest rates in the Company's area of activity, reached approx. **24.7%** and approx. **22.6%** in the third quarter and in the first nine months of 2024, respectively.

Third quarter 2020-2024 (USD million)

Sales

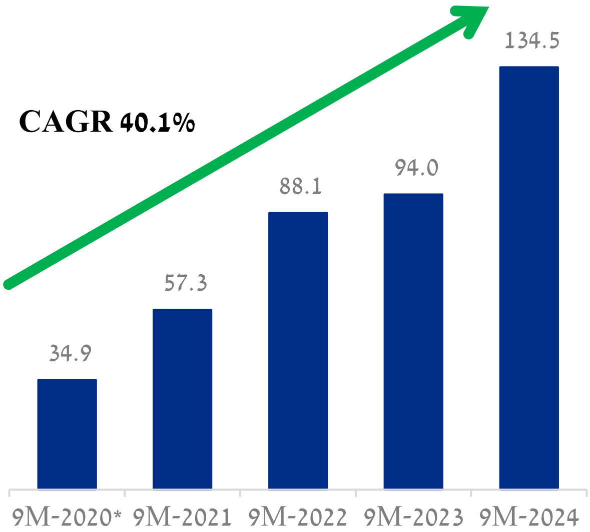


Adj. EBITDA

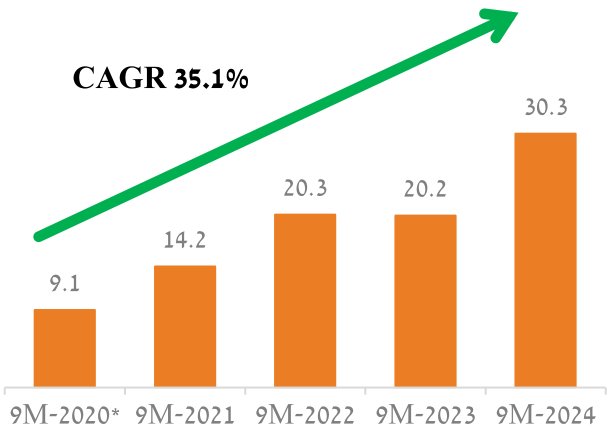


First nine months 2020-2024 (USD million)

Sales



Adj. EBITDA



*) The above data are based on internal Company data and are not reviewed or audited.

- **In the third quarter of 2024, operating profit** increased by approx. **48.0%** and amounted to approx. **USD 7.7 million**, compared to approx. **USD 5.2 million** in the corresponding quarter last year. **Operating profit** increased by approx**. 46.2%** and amounted to approx**. USD 19.1 million in the first nine months of 2024** compared to approx. **USD 13.1 million** in the corresponding period last year. **The rate of operating profit** reached approx. **15.8%** and approx. **14.2%** in the third quarter and in the first nine months of 2024, respectively.
- Since the beginning of 2024, Turpaz completed four strategic acquisitions, which are synergetic to the Group's activity- Sunspray in South Africa, Clarys & Willich group in Belgium and Germany, F&E in the UK and Schumann & Sohn GmbH in Germany.

- Turpaz Group's sales outside Israel and the Middle East constituted approx. **85%** of the Group's total sales.

Part A - Board of Directors' Explanations to the State of the Corporation's Affairs, Operating Results, Shareholders' Equity and Cash flows

1. General

The Company operates, independently and through its subsidiaries ("**Turpaz**" or the "**Group**"), in the development, production, marketing and sale of **Scents**, used in the production of cosmetics, toiletries, personal care, air care & odor neutralizers products; natural and synthetic sweet and savory **Taste** extracts, seasonings, unique functional solutions for the field of baking, specialty fine ingredients for the meat and baking industries, and gluten free flours, which are used mainly in the production of food and beverages, and vaping products and **Specialty fine ingredients** for the pharma industry, the agro and fine chemicals industry, the food supplements industry, and citrus products and aromatic chemicals for the taste and scent industries. For more information regarding those segments, see Section 1.3.2 to Chapter A to the 2023 Periodic Report.

The Turpaz Group has an extensive and diversified range of products, which are developed and produced in the Group's plants across the world.

As of the report's publication date, the Group develops, produces, markets and sells products to more than approx. 3,200 customers in more than 60 countries across the world, and operates 20 manufacturing facilities, including R&D centers, laboratories and sales, marketing and regulation offices in Israel, the USA, Poland, Germany, Belgium, Vietnam, Latvia, Romania, India, Hungary, the UK and South Africa which employ approx. 840 employees. The Company operates to merge the production sites in order to promote operational streamlining and synergies between Group companies.

Combined growth strategy:

Turpaz Group's strategy is based on combined growth that includes targets of double-digit growth and improvement of the Group's geographic deployment through M&As and acquisitions of activities that are synergetic to Turpaz's activity and organic growth, while leveraging the synergies between Group companies in the areas of cross sales, procurement, development, marketing and compliance with regulatory requirements, which contribute to the improvement in profits and profitability while increasing operational efficiency. The Company continues assessing options to acquire additional companies on a daily basis, noting the market conditions and the expected contribution from the acquisition, as estimated by the Company.

Turpaz Group operates in accordance with an orderly plan it developed to achieve the swift integration of the acquired company into the Group and the enhancement of the global management; this includes, among other things, retaining the existing managements of the acquired companies and integrating those managements into Turpaz's management, enhancing the product offering and customer base and integrating Turpaz Group's command and control systems in the cross-selling, R&D, procurement, and finance functions of the acquired companies, in order to achieve swift utilization of synergies. In the opinion of the Company, as of the date of this report, it has not yet utilized the full potential of the acquisitions it made in recent years, and that it is taking action on a current basis to fully utilize the potential of those acquisitions.

Company's assessments as to the Group's growth rate, the periods during which the potential embodied in the acquisitions will be fulfilled, and as to the integration of the acquired companies into the Group and the effects of the latest recruitments constitutes forward-looking information, as defined in The Securities Law, which is based on Group management's assessments, and may not materialize or materialize in a manner different than expected, as a result of incorrect assessments, changes to the work plan, changes in the market, or the materialization of all or some of the risk factors listed in Section 1.29 to Chapter A to the 2023 Periodic Report.

Acquisitions completed in the first nine months of 2024 and through the publication date of the report:

Acquisition of Schumann & Sohn GmbH

On November 7, 2024 the Company completed the acquisition of 100% of the issued and paid up share capital and voting rights of Schumann & Sohn GmbH (hereinafter - "**Schumann**") from its shareholders (hereinafter - the "**Sellers**"), in consideration for a total amount of EUR 10.7 million (approx. USD 11.5 million); Schumann was founded in 1948; it has extensive experience and expertise in the field of sweet tastes, and is engaged in the development, manufacturing and marketing of tastes and high-quality solutions for the food and nutritional supplements industries. Schumann operates a production and R&D facility, and apps and sales functions in Karlsruhe, Germany. Schumann has a wide customer base, mostly in the German market. As of the report date, Schumann employs 21 employees; Turpaz's entry to the German sweet tastes market constitutes a further step to strengthen the Company's position as a market leader and to establish its deployment in Europe. Schumann's activity is highly synergetic with that of Turpaz, and it is expected to enable Turpaz to broaden its product offering and leverage the cross-selling options, both by broadening the customer base, and by broadening the products range. For more information, see immediate report of November 10, 2024 (Ref. No.: 2024-01-614600). Schumann's results will be consolidated with the Group's financial statements as from November 2024.

Acquisition of Flavours and Essences UK Limited

On September 1, 2024, the Company completed - through a wholly-owned subsidiary - the acquisition of 100% of the issued and paid up share capital and voting rights in Flavours and Essences UK Limited, a privately-owned company incorporated in England (hereinafter - "**F&E**") in consideration for a total of GBP 22 million (approx. USD 29 million). F&E was established in 1998; it is engaged in the development, manufacturing and marketing of flavor extracts. F&E operates a production and R&D facility, and apps and sales functions in Blackburn the UK, and a sales office in Belgium, and sells mainly to players in the fields of electronic vaping products, baking products, drinks, and other food products. F&E has a broad customer base, mainly in the British Isles and other countries in Europe and

Asia. As of the report date, F&E employs 50 employees, which include a sales team in Belgium, which is in charge on sales outside the British Isles. The acquisition of F&E constitutes a strategic acquisition for Turpaz, which is part of the implementation of the Company's growth strategy, with an emphasis on strengthening its geographic deployment in Europe. Turpaz entry to the British tastes market - a key European market with a population of more than 70 million residents, in which Turpaz did not have a presence through the acquisition date - constitutes a strategic step aimed to strengthen the Company's position as an industry leader, and will constitute a platform for the management of the activity in the British market. F&E's activity is highly synergetic with that of Turpaz, and it is expected to enable Turpaz to broaden its product offering and leverage the cross-selling options, both by broadening the customer base, and by broadening the products range; for information regarding the bank financing used to execute the acquisition, see section 5 below. F&E's results were consolidated with the Company's financial statements as from September 2024. For more information, see immediate report of September 1, 2024 (Ref. No.: 2024-01-096823).

Acquisition of the Clarys & Willich group

On April 3, 2024, the Company completed - through the subsidiary Food Ingredients Technologies SA,[1] the acquisition of 100% of the issued and paid up share capital and voting rights of Cewecon GmbH, a privately-owned company incorporated in Germany, which holds a group of Belgian and German companies (hereinafter in this section - "**FIT**" and the "**Clarys & Willich group**" from its shareholders (hereinafter in this section - the "**Sellers**"), in consideration for approx. USD 47.7 million (approx. EUR 44 million), of which the sellers invested back in FIT a total of approx. USD 20.6 million (approx. EUR 19 million) against allocation to the Sellers of 24.5% of the issued and paid up share capital and voting rights in FIT. For information regarding arrangements between the shareholders, which confer upon the Company a majority in the Board of Directors of FIT and its voting rights, and a put/call option, see immediate reports of March 28, 2024 and August 29, 2024 (Ref. Nos.: 2024-01-027772 and 2024-01-096352, respectively). The Clarys & Willich group was founded in 1970; it is a leading company in the field of savory taste extracts, functional solutions and specialty fine ingredients for the meat and baking industries. Clarys & Willich group owns two plants and development laboratories in Belgium and Germany, covering an area of 19,000 sq. m, of which 12,500 sq. m is built area and 12,000 sq. m, of which 2,000 sq. m is built area, respectively. The largest site of the two is an innovative and advanced site in Belgium, whose construction was completed in 2022 with an investment of approx. EUR 12 million. Clarys & Willich group has a broad customer base in Europe, mainly in Benelux,[2] and a very extensive range of solutions and products. The transaction was funded out of own sources and bank financing. For information about bank financing used to execute the

[1] A Belgian privately-owned company, in which - prior to the completion of the transaction - the Company (through a wholly-owned subsidiary) held 60% of the issued and paid up share capital and voting rights; 40% of the issued and paid up share capital and voting rights in this company is held by Dandau Holding SRL - a Belgian privately-owned company held by FIT's CEO, Mr. David Landau (hereinafter - the "**Dandau**").

[2] Economic and political union in Western Europe, which includes Belgium, The Netherlands and Luxembourg.

acquisition, see Section 5 below. The results of the Clarys & Willich group have been consolidated with the Group's financial statements as from April 2024.

Acquisition of Sunspray

On February 13, 2024, the Company completed - through a wholly-owned subsidiary - the acquisition of 55% of the issued and paid up share capital and voting rights of Sunspray Solutions Proprietary Limited (hereinafter - "**Sunspray**"), a privately-owned company incorporated in South Africa from its shareholders - leading private equity funds in South Africa (hereinafter in this section - the "**Sellers**"), in consideration for approx. USD 14.1 million (approx. ZAR 267.8 million). The consideration is subject to adjustment in accordance with Sunspray's business performance based on the increase in EBITDA in 2024 and 2025, and the adjustment will not exceed approx. ZAR 52.4 million (approx. USD 2.8 million). In addition, the agreement includes contingent consideration to the Sellers, which is based on Sunspray's business performance based on the increase in the average EBITDA in 2023-2025 compared to an agreed amount of ZAR 79.4 million (approx. USD 4.2 million), with the increase being multiplied by 1.65. The agreement includes a (call/put) option to purchase Sunspray's remaining shares by Turpaz, which is exercisable as from January 1, 2027. The option's exercise price is based on Sunspray's business performance during the 12 quarters that preceded the option's exercise date. Sunspray is a leading company in its area of activity, which provides exclusive solutions to the food and beverages industry, while using a spray-drying technology that is tailored to the needs of multinational and local companies. Sunspray has two plants and innovative and advanced development laboratories in South Africa. Sunspray has hundreds of natural and artificial products, which are used, among other things, in the meat, baking, snacks, seasonings, beverages, sauces, dairy and animal food industries. For information about bank financing used to execute the acquisition, see Section 5 below. Sunspray's results were consolidated with the Group's results as from February 2024.

2. **Proforma data**

Had the acquisitions that were executed in 2023 and 2024 taken place on January 1, 2023, based on unaudited data provided by the sellers of the activities acquired during this period, the Group's revenues, net income and operating profit plus depreciation and amortization excluding none-recurring expenses (adjusted EBITDA[3]) as described in the following table (USD in thousands).

Proforma data	**Nine months ended September 30 2024**						
Unaudited	Core businesses*	% from sales	Specialty fine ingredients	% from sales	Unallocated shared expenses	Total	% from sales
Sales	142,841	91.6%	13,136	8.4%		**155,977**	100%
Net income	16,068	11.2%	1,100	8.4%	(4,558)	**12,610**	8.1%
Adj. EBITDA	37,201	26.0%	2,689	20.5%	(4,566)	**35,324**	22.6%

Proforma data	**Nine months ended September 30 2023**						
Unaudited	Core businesses*	% from sales	Specialty fine ingredients	% from sales	Unallocated shared expenses	Total	% from sales
Sales	135,565	86.6%	20,902	13.4%		**156,467**	100%
Net income	9,673	7.1%	3,788	18.1%	(3,493)	**9,968**	6.4%
Adj. EBITDA	32,499	24.0%	5,401	25.8%	(4,003)	**33,897**	21.7%

Proforma data	**Three months ended September 30 2024**						
Unaudited	Core businesses*	% from sales	Specialty fine ingredients	% from sales	Unallocated shared expenses	Total	% from sales
Sales	47,080	92.4%	3,851	7.6%		**50,931**	100%
Net income	5,099	10.8%	1,331	34.6%	(1,653)	**4,777**	9.4%
Adj. EBITDA	12,402	26.3%	1,951	50.7%	(1,616)	**12,737**	25.0%

Proforma data	**Three months ended September 30 2023**						
Unaudited	Core businesses*	% from sales	Specialty fine ingredients	% from sales	Unallocated shared expenses	Total	% from sales
Sales	46,508	86.6%	7,190	13.4%		**53,698**	100%
Net income	4,156	8.9%	1,172	16.3%	(1,076)	**4,252**	7.9%
Adj. EBITDA	11,761	25.3%	1,666	23.2%	(1,244)	**12,183**	22.7%

*The Scent and Taste segment of the Group.

The above data include expenses that would have been recorded accordingly had the acquisitions been carried out on January 1, 2023 - interest expenses in respect of loans to finance the acquisitions and in respect of updating non-cash put options, depreciation and amortization in respect of non-cash intangible assets, and excluding non-recurring expenses that were recorded. The data presented above in this section do not take into account synergies, which would have arisen from the merger of the acquisitions with the Company's activity.

It should be noted that the Company operates to change the products mix in the Specialty fine ingredients segment, while focusing on the introduction of citrus products and aromatic chemicals to the taste and

[3] See footnote 1 above.

scent industries. As part of this process, the Company completed the construction and conversion of existing production lines into production lines of aromatic chemicals, and is acting to commission them. The management estimation is that the expansion of the Specialty fine ingredients segment's product portfolio with citrus products and aromatic chemicals will drive its return to growth by 2025.

Company's assessments as to the growth of the Specialty fine ingredients segment, constitutes forward-looking information, as defined in The Securities Law, which is based on Group management's assessments, and may not materialize or materialize in a manner different than expected, as a result of incorrect assessments, changes to the work plan, changes in the market, or the materialization of all or some of the risk factors listed in Section 1.29 to Chapter A to the 2023 Periodic Report.

3. Material events in the reporting period and subsequent to balance sheet date

For information regarding material events during and subsequent to the reporting period, see Notes 3 and 4 to the financial statements.

4. Financial statements

Companies whose acquisition was completed in the first nine months of 2024 led to an increase in assets and liabilities.

Set forth below are key balance sheet data included in the Company's financial statements (in USD thousand)

	30.9.2024	30.9.2023	31.12.2023	Company's explanations compared to December 31, 2023
Current assets	104,796	77,916	79,782	The increase stems mainly from consolidation of companies acquired in the period.
Non-current assets	274,150	139,837	142,246	
Total assets	**378,946**	**217,753**	**222,028**	
Current liabilities	82,544	41,205	41,463	The increase stems mainly from a short-term loan of approx. USD 29.5 million and from the consolidation of companies acquired in the period.
Non-current liabilities	148,014	66,912	63,238	The increase stems mainly from taking long-term loans totaling approx. USD 44 million, from the recognition of a liability in respect of the put options for the purchase of the remaining shares of Sunspray and the Clarys & Willich group, whose acquisition was completed in 2024, and from long-term loans of those companies, offset against the classification of a liability in respect of a put option to the Company's capital.
Total equity	**148,388**	**109,636**	**117,327**	The increase arises mainly from the classification of a liability in respect of a put option to non-controlling interests and other capital reserves whose effect on the equity is approx. USD 21.6, net income in the period of approx. USD 11.4 million and exercise of non-marketable options offset against an approx. USD 4 million dividend to the shareholders in respect of 2023, which was paid in April 2024, and translation differences due to changes in exchange rates of currencies.
Total liabilities and equity	**378,946**	**217,753**	**222,028**	

5. Operating results

Set forth below is an analysis of the operating results for the nine months ended September 30, 2023 and 2024, in accordance with the financial statements, and the explanations for the key changes in those data (in USD thousand):

Line item	For the nine-month period ended September 30, 2024	For the nine-month period ended September 30, 2023	For the period ended December 31, 2023	Company's explanations compared to the corresponding period last year
Revenues from sales	**134,519**	**94,016**	**127,355**	Revenues from sales increased by approx. 43.1% - an increase that stems from organic growth[4] in the Group's core businesses - the taste and scent segments, at a rate of approx. 7.4% and approx. 7.6%, respectively, and from a growth arising from the acquisition of Food-Base, Sunspray, Clarys & Willich Group and F&E, which is offset against an organic decline of approx. 37.2% in the specialty fine ingredients segment (total organic growth of approx. 0.6%). The effect of exchange rates of foreign currencies contributed approx. 0.1% of sales.
Cost of sales	82,092	58,001	77,742	The gross profit increased by approx. 45.6%, mainly in view of the increase in sales. Gross profitability was mainly affected by a different sales mix.
Gross profit (% of sales)	52,427 39.0%	36,015 38.3%	49,613 39.0%	
Research and development expenses (% of sales)	5,118 3.8%	3,528 3.8%	4,923 3.9%	The increase in research and development expenses arises from acquisitions, which were completed during 2023 and in the first nine months of 2024, depreciation of intangible assets in respect of these acquisitions, and the recruitment of a Global Master Perfumer and a Global Senior Flavorist to manager and improve the Group's R&D function.
Selling and marketing expenses (% of sales)	11,280 8.4%	7,690 8.2%	10,358 8.1%	The increase in selling and marketing expenses arises mainly from the consolidation of companies, the acquisition of which was completed during 2023 and in the first nine months of 2024, and amortization of intangible assets in respect of those acquisitions.
General and administrative expenses (% of sales)	15,729 11.7%	11,386 12.1%	15,695 12.3%	The increase in general and administrative expenses arises from the consolidation of companies, the acquisition of which was completed during 2023 and in the first nine months of 2024.
Other expenses (income)	1,222	360	457	These expenses mainly include non-recurring expenses in respect of the acquisition of companies amounting to approx. USD 1.1 million.
Income from ordinary operations (% of sales)	**19,078 14.2%**	**13,051 13.9%**	**18,180 14.3%**	The increase stems mainly from an increase in sales and the steps taken to increase efficiency and synergies that were reflected in the first nine months of 2024 and from approx. USD 1.7 million in compensation from the Government in respect of the Iron Swords War.
Financing expenses, net	4,040	1,678	2,790	The increase stems mainly from interest expenses in respect of loans and non-cash finance expenses in respect of put options.
Taxes on income	3,661	1,849	2,496	The change arises from changes in the pre-tax profit mix between the different countries in which the Group operates.
Net income for the period (% of sales)	**11,377 8.5%**	**9,524 10.1%**	**12,894 10.1%**	The decrease in profitability arises from an increase in amortization expenses of intangible assets in respect of acquisitions, an increase in finance expenses, and an increase in tax expenses as a result of changes in the pre-tax profit mix as described above.
EBITDA[5]	29,200	19,801	27,277	The adjusted EBITDA increased by approx. 50.3% compared to the corresponding period last year. The increase in the rate of adjusted EBITDA stemmed from the reasons listed above in this table.
Adj. EBITDA[6] (% of sales)	**30,342 22.6%**	**20,181 21.5%**	**27,761 21.8%**	

[4] Organic growth/decline means – net of the effect of foreign currencies, on a proforma basis, assuming that the acquisitions that were completed in 2023 would have been consolidated since 1.1.2023, and the acquisitions that were completed in the first nine months of 2024 would have been consolidated in 2023 in a corresponding manner.

[5] EBITDA means - earnings before interest, taxes, depreciation and amortization. This is a data normally used to measure the operational efficiency of companies.

[6] See footnote 1 above.

5.1. Set forth below is an analysis of the operating results for the three months ended September 30, 2023 and 2024, in accordance with the financial statements, and the explanations for the key changes in those data (in USD thousand):

Line item	For the three-month period ended September 30, 2024	For the three-month period ended September 30, 2023	Company's explanations compared to the corresponding period last year
Revenues from sales	**48,738**	**32,476**	Revenues from sales increased by approx. 50.1% - an increase that stems mainly from organic growth[7] in the Group's core businesses - the taste and scent segments, at a rate of approx. 3.1% and approx. 2.2%, respectively, and from a growth arising from the acquisition of Food-Base, Sunspray, Clarys & Willich Group and F&E, which is offset against an organic decline of approx. 46.8% in the specialty fine ingredients segment (total organic decline of approx. 4.1%). The effect of exchange rates of foreign currencies contributed approx. 1.3% of sales.
Cost of sales	28,793	19,495	The gross profit increased by approx. 53.6%, mainly in view of the increase in sales.
Gross profit (% of sales)	19,945 40.9%	12,981 40.0%	
Research and development expenses (% of sales)	1,813 3.7%	1,231 3.8%	The increase in research and development expenses arises from the consolidation of the results of companies, whose acquisition was completed during 2023 and in the first nine months of 2024, amortization of intangible assets in respect of these acquisitions, and the recruitment of a Global Master Perfumer and a Global Senior Flavorist to manage and improve the Group's R&D function.
Selling and marketing expenses (% of sales)	4,330 8.9%	2,591 8.0%	The increase in selling and marketing expenses arises mainly from the consolidation of companies, the acquisition of which was completed during 2023 and in the first nine months of 2024, and amortization of intangible assets in respect of those acquisitions.
General and administrative expenses (% of sales)	5,502 11.3%	3,892 12.0%	The increase in general and administrative expenses arises from the consolidation of companies, the acquisition of which was completed during 2023 and in the first nine months of 2024.
Other expenses (income)	586	56	These expenses mainly include non-recurring expenses in respect of the acquisition of companies amounting to approx. USD 0.5 million.
Income from ordinary operations (% of sales)	**7,714** **15.8%**	**5,211** **16.0%**	The increase stems mainly from an increase in sales, the steps taken to increase efficiency and synergies that were reflected in the third quarter of 2024 and from approx. USD 1.7 million in compensation from the Government in respect of the Iron Swords War.
Financing expenses, net	1,581	409	The increase stems mainly from interest expenses in respect of loans and non-cash finance expenses in respect of put options.
Taxes on income	1,497	797	The change arises from changes in the pre-tax profit mix between the different countries in which the Group operates.
Net income for the period (% of sales)	**4,636** **9.5%**	**4,005** **12.3%**	The decrease in profitability arises from an increase in amortization expenses of intangible assets in respect of acquisitions, an increase in finance expenses, and an increase in tax expenses as a result of changes in the pre-tax profit mix as described above.
EBITDA[8]	11,595	7,458	The adjusted EBITDA increased by approx. 59.3% compared to the corresponding period last year. The increase in the rate of adjusted EBITDA stems from the reasons listed above in this table.
Adj. EBITDA[9] (% of sales)	**12,047** **24.7%**	**7,561** **23.3%**	

[7] See footnote 5 above.
[8] See footnote 6 above.
[9] See footnote 1 above.

5.2. Set forth below is an analysis of the operating results for the nine months ended September 30, 2023 and 2024, by segments (in USD thousand):

<table>
<tr><th colspan="2">Segment</th><th>For the nine-month period ended September 30, 2024</th><th>For the nine-month period ended September 30, 2023</th><th>For the 12 months period ended December 31, 2023</th><th>Company's explanations to the change between the first nine months of 2023 and the first nine months of 2024</th></tr>
<tr><td rowspan="2">Scents segment</td><td>Revenues (% of Group sales)</td><td>26,569
19.8%</td><td>24,635
26.2%</td><td>32,768
25.7%</td><td rowspan="2">Revenues increased by approx. 7.9%; the increase stems from organic growth, net of the effects of exchange rates of approx. 7.6%. The effect of exchange rates of foreign currencies contributed approx. 0.2% of sales.
The increase in profitability stems from operational streamlining in view of the increase in sales and the fixed expenses component.</td></tr>
<tr><td>Operating profit (% of sales)</td><td>7,288
27.4%</td><td>6,387
25.9%</td><td>8,025
24.5%</td></tr>
<tr><td rowspan="2">Taste segment</td><td>Revenues (% of Group sales)</td><td>94,817
70.5%</td><td>48,603
51.7%</td><td>65,361
51.3%</td><td rowspan="2">Revenues increased by approx. 95.1%, mainly as a result of acquisitions completed during 2023 and in the first nine months of 2024, and as a result of organic growth, net of the effects of exchange rates of approx. 7.4%. The effect of exchange rates of foreign currencies contributed approx. 0.1% of sales.</td></tr>
<tr><td>Operating profit (% of sales)</td><td>16,173
17.1%</td><td>6,887
14.2%</td><td>9,449
14.5%</td></tr>
<tr><td rowspan="2">Specialty ingredients segment</td><td>Revenues (% of Group sales)</td><td>13,136
9.8%</td><td>20,902
22.1%</td><td>29,367
23.0%</td><td rowspan="2">Revenues decreased by approx. 37.2% due to organic decline. The decline in sales stems mainly from the continued competition in the segment. The Company operates to change the products mix in this segment, while focusing on the introduction of citrus products and aromatic chemicals to the taste and scent industries. As part of this process, the Company completed the construction and conversion of existing production lines into production lines of aromatic chemicals, and is acting to commission them. The change in profitability stems mainly from a decline in sales and the fixed operating costs component, offset against an approx. USD 1.7 million in compensation from the Government in respect of the Iron Swords War.</td></tr>
<tr><td>Operating profit (% of sales)</td><td>1,536
11.7%</td><td>4,313
20.6%</td><td>6,702
22.8%</td></tr>
<tr><td rowspan="2">Unallocated joint expenses</td><td>Revenues</td><td>(3)</td><td>(124)</td><td>(141)</td><td rowspan="2">In the first nine months of 2024, the expenses constituted approx. 4.4% of the turnover, compared to approx. 4.8% in the corresponding period last year.</td></tr>
<tr><td>Operating profit</td><td>(5,919)</td><td>(4,536)</td><td>(5,996)</td></tr>
<tr><td rowspan="2">Total</td><td>Revenues</td><td>134,519</td><td>94,016</td><td>127,355</td><td rowspan="2"></td></tr>
<tr><td>Operating profit (% of sales)</td><td>19,078
14.2%</td><td>13,051
13.9%</td><td>18,180
14.3%</td></tr>
</table>

5.3. Set forth below is an analysis of the operating results for the three months ended September 30, 2023 and 2024, by segments (in USD thousand):

Segment		For the three-month period ended September 30, 2024	For the three-month period ended September 30, 2023	Company's explanations
Scent segment	Revenues (% of Group sales)	8,811 18.1%	8,528 26.3%	Revenues increased by approx. 3.3%; the increase stems from organic growth, net of the effects of exchange rates of approx. 2.2%. The effect of exchange rates of foreign currencies contributed approx. 1.1% of sales.
	Operating profit (% of sales)	2,415 27.4%	2,694 31.6%	
Taste segment	Revenues (% of Group sales)	36,076 74.0%	16,796 51.7%	Revenues increased by approx. 114.8%, mainly as a result of acquisitions completed during 2023 and in the first nine months of 2024, and as a result of organic growth, net of the effects of exchange rates of approx. 3.1%. The effect of exchange rates of foreign currencies contributed approx. 1.4% of sales.
	Operating profit (% of sales)	5,885 16.3%	2,612 15.6%	
Specialty fine ingredients segment	Revenues (% of Group sales)	3,851 7.9%	7,190 22.1%	Revenues declined by approx. 46.4%; the decrease stems mainly from an organic decline, net of the effects of exchange rates of approx. 46.8%. The decline in sales stems mainly from the continued competition in the segment. The Company operates to change the products mix in this segment, while focusing on the introduction of citrus products and aromatic chemicals to the taste and scent industries. As part of this process, the Company completed the construction and conversion of existing production lines into production lines of aromatic chemicals, and is acting to commission them. The effect of exchange rates increased sales by approx. 0.6%. The change in profitability stems mainly from the receipt of an approx. USD 1.7 million in compensation from the Government in respect of the Iron Swords War.
	Operating profit (% of sales)	1,561 40.5%	1,302 18.1%	
Unallocated joint expenses	Revenues	-	(38)	In the third quarter of 2024, the expenses constituted approx. 4.4% of the turnover, compared to approx. 4.3% in the corresponding period last year.
	Operating profit	(2,147)	(1,397)	
Total	**Revenues**	**48,738**	**32,476**	
	Operating profit (% of sales)	**7,714** **15.8%**	**5,211** **16.0%**	

6. Liquidity

As of September 30, 2024, the Company has a cash balance of approx. USD 23,172 thousand. Set forth below are the key components of the cash flows and the way they were utilized (in USD thousand):

Line item	For the nine-month period ended September 30, 2024	For the nine-month period ended September 30, 2023	For the 12 months period ended December 31, 2023	Company's explanations to the change between the first nine months of 2023 and the first nine months of 2024
Net cash provided by operating activities	15,697	6,588	14,709	The increase arises mainly from an increase in net income for the period and an improvement in working capital balances compared to the corresponding period last year.
Net cash used in investing activities	(72,928)	(11,970)	(13,601)	The change arises mainly from completion of acquisition of companies and repayment of an undertaking in respect thereof (totaling USD approx. 67.5 million) compared to approx. USD 8.6 million in the corresponding period last year, and from an approx. USD 5.5 million investment in property, plant and equipment compared to an approx. USD 3.5 million in the corresponding period last year.
Net cash provided by (used in) financing activities	56,306	(9,746)	(12,435)	The change stems mainly from receipt of an approx. USD 44 million in long-term loans, receipt of short-term credit totaling approx. USD 21.4 million compared to repayment of short-term credit of approx. USD 1 million in the corresponding period last year, an approx. USD 4 million in dividend paid compared to approx. USD 5 million in the corresponding period last year and exercise of non-marketable options amounting to approx. USD 0.6 million.
Exchange differences in respect of cash and cash equivalents	280	(1,230)	(531)	
Total change in cash and cash equivalents	**(645)**	**(16,358)**	**(11,858)**	

Line item	For the three-month period ended September 30, 2024	For the three-month period ended September 30, 2023	Company's explanations
Net cash provided by operating activities	4,443	6,370	The change arises mainly from an increase in net income for the period and a change in working capital balances compared to the corresponding period last year.
Net cash used in investing activities	(29,245)	(5,693)	The change arises mainly from completion of acquisition of companies and repayment of an undertaking in respect thereof (totaling USD approx. 28 million) compared to approx. USD 5 million in the corresponding period last year, and from an approx. USD 1.3 million investment in property, plant and equipment compared to an approx. USD 0.7 million in the corresponding period last year.
Net cash provided by financing activities	28,368	4,446	The change stems mainly from receipt of an approx. USD 8 million in a long-term loan, receipt of short-term credit totaling approx. USD 22.4 million compared to approx. USD 6.3 million in the corresponding period last year.
Exchange differences in respect of cash and cash equivalents	913	(770)	
Total change in cash and cash equivalents	**4,479**	**4,353**	

7. <u>Financing sources</u>

The Company funds its operating activities mainly from cash flows from operating activities; it finances the acquisition of the companies mainly through long-term loans and short-term interim financing. For information about the Company's main financing sources, see Section 1.20 to Chapter A (Description of the Company's Business), and Note 16 to the financial statements attached to the 2023 Periodic Report.

Line item	Data as of 30.9.2024		Data as of December 31, 2023	
	USD thousand	% of total balance sheet	USD thousand	% of total balance sheet
Equity	148,388	39.2%	117,327	52.8%
Other long-term liabilities	95,550	25.2%	59,799	26.9%
Long-term liabilities from banks, net of current maturities	52,464	13.8%	3,439	1.5%
Short-term credit	41,608	11.0%	10,977	4.9%
Suppliers credit	19,333	5.1%	14,679	6.6%
Other long-term payables	21,603	5.7%	15,807	7.1%
Total	**378,946**	**100%**	**222,028**	**100%**

The average amount of the long-term loans in the first nine months of 2024 was approx. USD 27,952 thousand.

The average amount of the short-term credit in the first nine months of 2024 was approx. USD 26,293 thousand.

As of September 30, 2024, the Company's working capital is approx. USD 22,252 thousand, compared to working capital of approx. USD 36,711 thousand as of September 30, 2023.

As of September 30, 2024, the Company's operating working capital[10] is approx. USD 56,138 thousand (approx. 27.5% of sales), compared to operating working capital of approx. USD 41,197 thousand (approx. 31.1% of sales) as of September 30, 2023.

As of September 30, 2024 the Company's net debt balance[11] is approx. USD 71,115 thousands.

The Group's strong equity structure, net debt coverage ratio lower than 1.6, the cash flows from operating activities, backing from leading financial institutions in Israel and across the world, the enhancement of management and the implementation of managerial infrastructures are expected to enable Turpaz the continued implementation of the Group's combined growth strategy, which is based on organic growth and mergers and acquisitions, which are synergistic to the Group's activity.

<u>Disclosure in accordance with the reportable credit directive:</u>

Original loan amount	**Balance of loan as of 30.9.2024**	**Date on which the loan was actually taken out**	**Amortization schedule (loan principal)**	**Interest**	**Collaterals provided in respect of the loan**	**Financial covenants in relation to loan**
Credit from an Israeli bank						
EUR 33,000 thousand	EUR 33,000 thousand	January 25, 2024	The loan term is 5 years. The principal of the loan shall be repaid in equal quarterly payments (as from April 29, 2025).	EURO LIBOR interest plus a margin of approx. 1.9%, which is paid on a quarterly basis	-	Equity to assets - the Company's equity shall not be lower than 25% of total assets at any given time. As of September 30, 2024, the equity amounts to 39.2% of total assets. Debt coverage ratio[12] - shall not exceed 3.5 at any given time.
EUR 25,000[13] thousand	-	-	The loan amount includes a secured amount of up to EUR 17.4 million (approx. USD 18.7 million), which may be withdrawn over a period of up to one year from May 8, 2024	EURO LIBOR interest plus a 1.65% margin, which will be paid on a semi-annual basis.	-	

[10] Operating working capital means - trade receivable plus the balance of inventory and net of trade payables.
[11] Debt net of cash of approx. USD 23.2 million.
[12] Net coverage ratio, that is to say - debt to banks, financial institutions, bond holders and other lenders, net of cash and cash equivalents as defined and their value in the financial statements divided by the annual EBITDA on a proforma basis.
[13] As of the report's publication date, a total of approx. EUR 10.7 million was withdrawn out of the secured amount.

Original loan amount	Balance of loan as of 30.9.2024	Date on which the loan was actually taken out	Amortization schedule (loan principal)	Interest	Collaterals provided in respect of the loan	Financial covenants in relation to loan
			(hereinafter - the "**Secured Amount**"), and a further amount of up to EUR 7.6 million (approx. USD 8.2 million), which is an optional amount, whose withdrawal will be subject to approval of the subsidiaries' request for the provision of the said amount by the banking corporation. The Secured Amount will be repaid in 8 semi-annual equal installments starting on the first interest payment date, that will be paid about a year from May 8, 2024.			As of September 30, 2024, the debt coverage ratio is 1.6.
GBP 22,000	GBP 22,000	29.8.2024	Its repayment date is November 28, 2024.[14]	SONIA plus a 1.9% margin, to be paid on the loan repayment date.	-	

[14] It is clarified that the original loan repayment date (October 2, 2024) was postponed to November 3, 2024, and then postponed again to November 28, 2024. Interest paid on the loan postponement dates.

8. Adjusted EBITDA

Adjusted EBITDA means - earnings before interest, taxes, depreciation and amortization, net of non-recurring expenses as described below.

Set forth below is a breakdown of the adjustments between the operating income and adjusted EBITDA (USD in thousands):

	For the nine-month period ended September 30		For the three-month period ended September 30	
Section	**2024**	**2023**	**2024**	**2023**
Operating profit presented in the financial statements	**19,078**	**13,051**	**7,714**	**5,211**
Depreciation expenses in respect of property, plant and equipment, intangible assets and leases	9,284	6,055	3,533	2,038
Depreciation expenses in respect of share-based payment to employees	838	695	348	209
Companies acquisition expenses	1,142	203	452	84
Site closure expenses	-	177	-	19
Adjusted EBITDA	**30,342**	**20,181**	**12,047**	**7,561**

Clarifications: This metric is based on data presented in the Company's financial statements as described above.

In the Company's area of activity, the valuation of companies' value is based on the Adjusted EBITDA metric. Turpaz Group's strategy is based, among other things, on improving its geographic deployment through mergers and acquisitions and acquisitions of activities that are synergetic to the Group's activities. The purchase price of the companies is determined mainly based on this metric, and therefore Company's management believes that it is essential to present it.

This metric is a generally accepted metric used to measure the operational efficiency of companies operating in the Company's area of activity; it is used by Company's management to assess its operational performance. In addition, the Adjusted EBITDA metric provides information in a transparent manner, which is useful for investors as part of the review of the Company's operational performance and its comparison to that of other companies operating in the same area of activity or in other industries with different capital structures, different debt levels and/or different tax rates.

9. The Iron Swords War

Further to what is stated in Section 1.8.5 to Chapter A to the 2023 Periodic Report in connection with the Iron Swords War, which broke out on October 7, 2023, as of the date of this report, the War is still ongoing both in the Gaza Strip and in the northern border in response to attacks from Lebanon and Syria, and the Company is unable to assess the duration, nature or extent of the war. This is an extraordinary event, which is characterized with a high level of uncertainty, and its short and long-term effects on the Israeli economy are unknown.

The Company assessed the effects of the war in terms of its production capacity, sales, purchase of raw materials, cash flows and financing resources, and processes for the expansion of its activity, including by way of purchasing further companies; in the Company's opinion, in view of its areas of activity, its global deployment, the fact that most of its sales are made to foreign customers, the identity of the customers and the quality of its products, as of the report date the war does not have a material effect on the Company's businesses and financial results. However, the escalation of the war and/or its spread to other fronts may have adverse effects, which may have a material effect on the Company's businesses; such effect cannot be estimated as present. For more information, see Section 1.8.5 to Chapter A to the 2023 Periodic Report and Section 6 to the Board of Directors' Report for the first quarter of 2024.

In October 2024, the Company received an approx. NIS 6.3 million (approx. USD 1.7 million) grant as an advance on account of a compensation claim it filed to the Government, in respect of the effect of the war on the activity of the subsidiary - Chemada Industries, which is located in Kibbutz Nir Yitzhak.

The Company has liquidity sources, available financial means and financing sources (as described in this report), which make it financially resilient and allow it to continue with its planned activities, including acquisitions of companies or activities.

The Company's assessments in this section above in connection with the effects of the war on the Company and its financial results constitute forward-looking information, as defined in Section 32A to the Securities Law, 1968; those assessments are based on information available to the Company as of the report's publication date, and the assumptions listed above. Those assessments may not materialize, in whole or in part, or materialize in a manner materially different than expected, since, among other things, they are impacted by factors outside the Company's control. Should the war continue, expand to other regions in the country and to other fronts, or if the guidance issued by the Israeli government and the Home Front Command change, the pace of recovery of the Israeli economy, the growth trends in Israel and across the world, as well as other changes that will stem from what is stated above, might impact the Company's activity and results of operations in a manner that is different than the assessments listed above.

10. The effect of inflation and interest rates

For more information regarding the effects of inflation and interest rates, see Section 1.8.6 to Chapter A to the 2023 Periodic Report.

11. Valuations and estimates

Information regarding appraisal of the acquisition of Sunspray, that was carried out by an external appraiser

Identifying the valuation's subject matter:	Purchase price allocation of Sunspray
Valuation date:	February 13, 2024
Value of the valuation's subject matter as per the valuation:	1. Total purchase consideration: ZAR 605,833 thousand a. Cash consideration - ZAR 267,825 thousand b. Contingent consideration – ZAR 31,128 thousand c. Value of purchase option - ZAR 306,880 thousand 2. Customer relations - ZAR 120,264 thousand 3. Knowhow - ZAR 113,448 thousand
Details about the appraiser:	This temporary appraisal was carried out by Ziv Haft Consulting and Management Ltd., BDO. The work was conducted by a team headed by Sagiv Mizrahi (CPA), a partner and team leader in the Corporate Finance Department; Mr. Mizrahi has a BA in Applied Mathematics and an MBA (specializing in finance management); he has more than ten years of experience in advising businesses. The team specializes in valuations, PPAs, impairment testing, financial instruments, due diligence works, accounting and economic consultation and more.
Is there an indemnification agreement with the appraiser?	In accordance with the engagement agreement, if the appraiser will be required to pay any amount to a third party in connection with the performance of the services, whether as part of a legal proceeding, or any other binding proceeding, the commissioner of the appraisal undertakes to indemnify the appraiser in respect of any such amount it will pay, in excess of an amount equal to three times the appraiser's fees, unless it is determined that the appraiser acted maliciously and/or negligently, in which case no indemnification obligation will apply.
The valuation model used by the appraiser:	The purchase price allocation was carried out in accordance with the provisions and principles of IFRS 3. Customer relations the income approach the MPEEM method. Knowhow the income approach the royalty relief method.
The assumptions, based on which the appraiser carried out the valuation, in accordance with the valuation model:	Key assumptions in the valuation of a customer relations intangible asset Discount rate 13.25% Attrition rate 20% Useful life - 10 years Key assumptions in the valuation of a knowhow intangible asset Discount rate 13.25% Royalties rate 5.5% Useful life - 20 years

<u>Information regarding temporary appraisal of the acquisition of Clarys & Willich, that was carried out by the Company*</u>

Identifying the valuation's subject matter:	Purchase price allocation of Clarys & Willich
Valuation date:	April 3, 2024
Value of the valuation's subject matter as per the valuation:	1. Total purchase consideration: EUR 52,086 thousand a. Cash consideration - EUR 25,000 thousand b. Value of purchase option - EUR 27,086 2. Customer relations: EUR 5,329 thousand 3. Knowhow: EUR 7,711 thousand
Details abut the appraiser:	Intrinsic value valuation.
The valuation model used by the appraiser:	The purchase price allocation was carried out in accordance with the provisions and principles of IFRS 3. Customer relations the income approach the MPEEM method. Knowhow the income approach the royalty relief method.
The assumptions, based on which the appraiser carried out the valuation, in accordance with the valuation model:	<u>Key assumptions in the valuation of a customer relations intangible asset</u> Discount rate 12% Attrition rate 20% Useful life - 10 years <u>Key assumptions in the valuation of a knowhow intangible asset</u> Discount rate 12% Royalties rate 5.5% Useful life - 20 years

* The final valuation shall be carried out by an external appraiser, and as of the date of this report it has not yet been completed.

Information regarding temporary appraisal of the acquisition of F&E, that was carried out by an external appraiser*

Identifying the valuation's subject matter:	Purchase price allocation of F&E
Valuation date:	1.9.2024
Value of the valuation's subject matter as per the valuation:	1. Total cash purchase consideration: GBP 22,000 thousand 2. Customer relations: GBP 4,496 thousand 3. Knowhow: GBP 2,946 thousand
Details abut the appraiser:	This temporary appraisal was carried out by Moore Corporate Finance Ltd., which specializes in valuations, due diligences, economic opinions on legal proceedings and other economic works, both for public companies and for private companies. The work was carried out by a team headed by Asaf Ravkaie (CPA), a partner in Moore Corporate Finance Ltd., who has more than 20 years of experience in advising local and international companies; Mr. Ravkaie has a BA in Economics and Accounting from the Tel Aviv University, and an MA in Economics from the Tel Aviv University.
Is there an indemnification agreement with the appraiser?	In accordance with the engagement agreement, if the appraiser will be required to pay any amount to a third party in connection with the performance of the services, whether as part of a legal proceeding, or any other binding proceeding, the commissioner of the appraisal undertakes to indemnify the appraiser in respect of any such amount it will pay, in excess of an amount equal to three times the appraiser's fees, unless it is determined that the appraiser acted maliciously and/or negligently, in which case no indemnification obligation will apply.
The valuation model used by the appraiser:	The purchase price allocation was carried out in accordance with the provisions and principles of IFRS 3. Customer relations the income approach the MPEEM method. Knowhow the income approach the royalty relief method.
The assumptions, based on which the appraiser carried out the valuation, in accordance with the valuation model:	<u>Key assumptions in the valuation of a customer relations intangible asset</u> Discount rate 13% Attrition rate 20% Useful life - 10 years <u>Key assumptions in the valuation of a knowhow intangible asset</u> Discount rate 13% Royalties rate 6.5% Useful life - 20 years

* The final valuation shall be carried out by the external appraiser, and as of the date of this report it has not yet been completed.

The Board of Directors wishes to thank the Company's management and its employees for the results achieved in the third quarter of 2024.

Karen Cohen Khazon, CEO and Chairperson of the Board of Directors

Dr. Israel Leshem, Director[15]

Date: November 17, 2024

[15] Director authorized by the Board of Directors to sign.

Chapter B

Financial Statements as of September 30, 2024

TURPAZ INDUSTRIES LTD.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

AS OF SEPTEMBER 30, 2024

UNAUDITED

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Building a better
working world

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Auditors' review report to the shareholders of Turpaz Industries Ltd.

Introduction

We have reviewed the accompanying financial information of Turpaz Industries Ltd. and its subsidiaries ("the Company" and "the Group", respectively), which comprises the condensed consolidated statement of financial position as of September 30, 2024 and the related condensed consolidated statements of profit or loss and other comprehensive income, changes in equity and cash flows for the periods of nine and three months then ended. The Company's board of directors and management are responsible for the preparation and presentation of interim financial information for these periods in accordance with IAS 34, "Interim Financial Reporting" and are responsible for the preparation of this interim financial information in accordance with Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970. Our responsibility is to express a conclusion on this interim financial information based on our review.

We did not review the condensed interim financial information of certain subsidiaries, whose assets included in consolidation constitute approximately 2.8% of total consolidated assets as of September 30, 2024, and whose revenues included in consolidation constitute approximately 4.6% and approximately 4.2% of total consolidated revenues for the periods of nine and three months then ended, respectively. The condensed interim financial information of those companies was reviewed by other auditors, whose review reports have been furnished to us, and our conclusion, insofar as it relates to the financial information in respect of those companies, is based on the review reports of other auditors.

Scope of review

We conducted our review in accordance with Standard on Review Engagements (Israel) 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity" of the Institute of Certified Public Accounts in Israel. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with generally accepted auditing standards in Israel and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review and the review reports of other auditors, nothing has come to our attention that causes us to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with IAS 34.

In addition to the abovementioned, based on our review and the review reports of other auditors, nothing has come to our attention that causes us to believe that the accompanying interim financial information does not comply, in all material respects, with the disclosure requirements of Chapter D to the Securities Regulations (Periodic and Immediate Reports), 1970.

Tel-Aviv, Israel
November 17, 2024

KOST FORER GABBAY & KASIERER
A Member of Ernst & Young Global

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	September 30,		December 31,
	2024	2023	2023
	Unaudited		Audited
	U.S. dollars in thousands		
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents	23,172	19,317	23,817
Trade receivables	36,535	28,790	28,165
Other accounts receivable	6,153	2,629	3,168
Inventories	38,936	27,180	24,632
	104,796	77,916	79,782
NON-CURRENT ASSETS:			
Deferred taxes	545	530	352
Property, plant and equipment	52,967	28,900	30,678
Right-of-use assets, net	16,910	18,595	16,541
Intangible assets, net	202,819	91,174	93,792
Financial assets	909	638	883
	274,150	139,837	142,246
	378,946	217,753	222,028

The accompanying notes are an integral part of the interim consolidated financial statements.

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION

	September 30, 2024	September 30, 2023	December 31, 2023
	Unaudited	Unaudited	Audited
	U.S. dollars in thousands		
LIABILITIES AND EQUITY			
CURRENT LIABILITIES:			
Credit from banks and current maturities of long-term loans from banks and others	41,608	11,750	10,977
Trade payables	19,333	14,773	14,679
Other accounts payable	15,678	11,820	11,773
Short-term liabilities in respect of acquisition of activity	3,350	1,061	1,723
Current maturities of lease liabilities	2,575	1,801	2,311
	82,544	41,205	41,463
NON-CURRENT LIABILITIES:			
Long-term loans from banks, less current maturities	52,464	3,687	3,439
Long-term loans from others, less current maturities	215	467	236
Provision for waste removal	413	3,397	455
Long-term lease liabilities	15,315	17,609	15,240
Long-term liabilities in respect of acquisition of activity	65,524	37,479	39,051
Deferred taxes	13,651	3,862	4,355
Employee benefit liabilities	429	302	409
Other long-term payables	3	109	53
	148,014	66,912	63,238
EQUITY:			
Equity attributable to equity holders of the Company:			
Share capital *)	1	1	1
Share premium	75,270	74,449	74,449
Other capital reserves	(6,304)	(4,295)	(4,136)
Reserve in respect of translation differences	(4,374)	(9,017)	(5,044)
Retained earnings	53,490	43,962	47,123
	118,083	105,100	112,393
Non-controlling interests	30,305	4,536	4,934
Total equity	148,388	109,636	117,327
	378,946	217,753	222,028

*) Less than $ 1 thousand.

The accompanying notes are an integral part of the interim consolidated financial statements.

November 17, 2024			
Date of approval of the financial statements	Karen Cohen Khazon Chair of the Board and CEO	Dr. Israel Leshem Director Authorized by the Board to sign the financial statements on November 17, 2024	Guy Gill CFO

CONSOLIDATED STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

	Nine months ended September 30,		Three months ended September 30,		Year ended December 31,
	2024	2023	2024	2023	2023
	Unaudited				Audited
	U.S. dollars in thousands (except per share data)				
Revenues from sales	134,519	94,016	48,738	32,476	127,355
Cost of sales	82,092	58,001	28,793	19,495	77,742
Gross profit	52,427	36,015	19,945	12,981	49,613
Research and development expenses	5,118	3,528	1,813	1,231	4,923
Selling and marketing expenses	11,280	7,690	4,330	2,591	10,358
General and administrative expenses	15,729	11,386	5,502	3,892	15,695
Other expenses, net	1,222	360	586	56	457
Operating income	19,078	13,051	7,714	5,211	18,180
Finance expenses, net	4,040	1,678	1,581	409	2,790
Income before taxes on income	15,038	11,373	6,133	4,802	15,390
Taxes on income	3,661	1,849	1,497	797	2,496
Net income for the period	11,377	9,524	4,636	4,005	12,894
Other comprehensive income (loss) (net of tax effect):					
Amounts that will not be reclassified subsequently to profit or loss:					
Adjustments arising from translating financial statements from functional currency to presentation currency	(3,561)	(13,475)	1,214	(7,390)	(3,733)
Amounts that will be or that have been reclassified to profit or loss when specific conditions are met:					
Adjustments arising from translating financial statements of foreign operations	4,359	10,795	1,583	4,716	5,259
Total comprehensive income	12,175	6,844	7,433	1,331	14,420
Total net income attributable to:					
Equity holders of the Company	10,369	9,295	4,127	3,830	12,393
Non-controlling interests	1,008	229	509	175	501
	11,377	9,524	4,636	4,005	12,894
Total comprehensive income attributable to:					
Equity holders of the Company	11,039	6,820	6,514	1,361	13,891
Non-controlling interests	1,136	24	919	(30)	529
	12,175	6,844	7,433	1,331	14,420
Net earnings per share attributable to equity holders of the Company (in U.S. dollars):					
Basic and diluted net earnings per share	0.10	0.09	0.04	0.04	0.12

The accompanying notes are an integral part of the interim consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to equity holders of the Company							
	Share capital	Share premium	Other capital reserves	Reserve in respect of translation differences	Retained earnings	Total	Non-controlling interests	Total equity
	Unaudited							
	U.S. dollars in thousands							
Balance as of January 1, 2024 (audited)	1	74,449	(4,136)	(5,044)	47,123	112,393	4,934	117,327
Net income	-	-	-	-	10,369	10,369	1,008	11,377
Total other comprehensive income	-	-	-	670	-	670	128	798
Total comprehensive income	-	-	-	670	10,369	11,039	1,136	12,175
Share-based payment	-	-	838	-	-	838	-	838
Exercise of options	-	821	(177)	-	-	644	-	644
Reclassification of put options to equity *)	-	-	(2,829)	-	-	(2,829)	24,449	21,620
Dividends to equity holders of the Company	-	-	-	-	(4,002)	(4,002)	(214)	(4,216)
Balance as of September 30, 2024	1	75,270	(6,304)	(4,374)	53,490	118,083	30,305	148,388

	Attributable to equity holders of the Company							
	Share capital	Share premium	Other capital reserves	Reserve in respect of translation differences	Retained earnings	Total	Non-controlling interests	Total equity
	Unaudited							
	U.S. dollars in thousands							
Balance as of January 1, 2023 (audited)	1	74,449	(4,857)	(6,542)	39,633	102,684	841	103,525
Net income	-	-	-	-	9,295	9,295	229	9,524
Total other comprehensive loss	-	-	-	(2,475)	-	(2,475)	(205)	(2,680)
Total comprehensive income (loss)	-	-	-	(2,475)	9,295	6,820	24	6,844
Share-based payment	-	-	695	-	-	695	-	695
Acquisition of non-controlling interests	-	-	(133)	-	-	(133)	(219)	(352)
Acquisition of non-controlling interests in initially consolidated subsidiaries	-	-	-	-	-	-	3,890	3,890
Dividends to equity holders of the Company	-	-	-	-	(4,966)	(4,966)	-	(4,966)
Balance as of September 30, 2023	1	74,449	(4,295)	(9,017)	43,962	105,100	4,536	109,636

*) See Note 3b regarding Dandau option updates.

The accompanying notes are an integral part of the interim consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to equity holders of the Company							
	Share capital	Share premium	Other capital reserves	Reserve in respect of translation differences	Retained earnings	Total	Non-controlling interests	Total equity
	Unaudited							
	U.S. dollars in thousands							
Balance as of July 1, 2024	1	75,270	(3,823)	(6,761)	49,363	114,050	5,151	119,201
Net income	-	-	-	-	4,127	4,127	509	4,636
Total other comprehensive income	-	-	-	2,387	-	2,387	410	2,797
Total comprehensive income	-	-	-	2,387	4,127	6,514	919	7,433
Share-based payment	-	-	348	-	-	348	-	348
Reclassification of put options to equity *)	-	-	(2,829)	-	-	(2,829)	24,449	21,620
Dividends to equity holders of the Company	-	-	-	-	-	-	(214)	(214)
Balance as of September 30, 2024	1	75,270	(6,304)	(4,374)	53,490	118,083	30,305	148,388

	Attributable to equity holders of the Company							
	Share capital	Share premium	Other capital reserves	Reserve in respect of translation differences	Retained earnings	Total	Non-controlling interests	Total equity
	Unaudited							
	U.S. dollars in thousands							
Balance as of July 1, 2023	1	74,449	(4,371)	(6,548)	40,132	103,663	895	104,558
Net income	-	-	-	-	3,830	3,830	175	4,005
Total other comprehensive loss	-	-	-	(2,469)	-	(2,469)	(205)	(2,674)
Total comprehensive income (loss)	-	-	-	(2,469)	3,830	1,361	(30)	1,331
Share-based payment	-	-	209	-	-	209	-	209
Acquisition of non-controlling interests	-	-	(133)	-	-	(133)	(219)	(352)
Acquisition of non-controlling interests in initially consolidated subsidiaries	-	-	-	-	-	-	3,890	3,890
Balance as of September 30, 2023	1	74,449	(4,295)	(9,017)	43,962	105,100	4,536	109,636

*) See Note 3b regarding Dandau option updates.

The accompanying notes are an integral part of the interim consolidated financial statements.

CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY

	Attributable to equity holders of the Company							
	Share capital	Share premium	Other capital reserves	Reserve in respect of translation differences	Retained earnings	Total	Non-controlling interests	Total equity
	Audited							
	U.S. dollars in thousands							
Balance as of January 1, 2023	1	74,449	(4,857)	(6,542)	39,633	102,684	841	103,525
Net income	-	-	-	-	12,393	12,393	501	12,894
Total other comprehensive income	-	-	-	1,498	-	1,498	28	1,526
Total comprehensive income	-	-	-	1,498	12,393	13,891	529	14,420
Share-based payment	-	-	854	-	63	917	-	917
Acquisition of non-controlling interests	-	-	(133)	-	-	(133)	(219)	(352)
Dividends distributed	-	-	-	-	(4,966)	(4,966)	(7)	(4,973)
Acquisition of non-controlling interests in initially consolidated subsidiaries	-	-	-	-	-	-	3,790	3,790
Balance as of December 31, 2023	1	74,449	(4,136)	(5,044)	47,123	112,393	4,934	117,327

The accompanying notes are an integral part of the interim consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Nine months ended September 30,		Three months ended September 30,		Year ended December 31,
	2024	2023	2024	2023	2023
	Unaudited				Audited
	U.S. dollars in thousands				
Cash flows from operating activities:					
Net income for the period	11,377	9,524	4,636	4,005	12,894
Adjustments to reconcile net income to net cash provided by operating activities (a)	4,320	(2,936)	(193)	2,365	1,815
Net cash provided by operating activities	15,697	6,588	4,443	6,370	14,709
Cash flows from investing activities					
Purchase of property, plant and equipment and other assets	(5,511)	(3,462)	(1,338)	(746)	(5,022)
Proceeds from sale of property, plant and equipment	129	87	101	23	97
Acquisition of initially consolidated subsidiaries (b)	(65,903)	(8,551)	(28,008)	(4,926)	(8,551)
Repayment of liability in respect of acquisition of activity	(1,643)	(44)	-	(44)	(125)
Net cash used in investing activities	(72,928)	(11,970)	(29,245)	(5,693)	(13,601)
Cash flows from financing activities					
Receipt (repayment) of short-term credit	21,367	(1,006)	22,433	6,285	(2,060)
Acquisition of shares from non-controlling interests	-	(352)	-	(352)	(352)
Dividend paid to equity holders of the Company	(4,002)	(4,966)	-	-	(4,966)
Dividend paid to holders of put option and to non-controlling interests in subsidiaries	(288)	(545)	(214)	(545)	(604)
Repayment of long-term lease liabilities	(2,121)	(1,551)	(850)	(539)	(2,128)
Repayment of long-term loans	(3,286)	(1,326)	(1,048)	(403)	(2,325)
Receipt of long-term loans	43,992	-	8,047	-	-
Exercise of options	644	-	-	-	-
Net cash provided by (used in) financing activities	56,306	(9,746)	28,368	4,446	(12,435)
Exchange rate differences on balances of cash and cash equivalents	280	(1,230)	913	(770)	(531)
Increase (decrease) in cash and cash equivalents	(645)	(16,358)	4,479	4,353	(11,858)
Cash and cash equivalents at the beginning of the period	23,817	35,675	18,693	14,964	35,675
Cash and cash equivalents at the end of the period	23,172	19,317	23,172	19,317	23,817

The accompanying notes are an integral part of the interim consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Nine months ended September 30, 2024	Nine months ended September 30, 2023	Three months ended September 30, 2024	Three months ended September 30, 2023	Year ended December 31, 2023
	Unaudited				Audited
	NIS in thousands				
(a) Adjustments to reconcile net income to net cash provided by operating activities:					
Adjustments to profit and loss items:					
Depreciation and amortization	9,284	6,055	3,533	2,038	8,180
Capital loss (gain) from sale of property, plant and equipment	(65)	4	(5)	(1)	(7)
Change in employee benefit liabilities, net	24	(1)	3	(5)	85
Cost of share-based payment	838	695	348	209	917
Finance expenses, net	4,040	1,678	1,581	409	2,790
Taxes on income	3,661	1,849	1,497	797	2,496
	17,782	10,280	6,957	3,447	14,461
Changes in asset and liability items:					
Decrease (increase) in trade receivables	2,138	(3,476)	(56)	(1,033)	(1,309)
Decrease (increase) in other accounts receivable	(1,618)	401	(1,300)	481	(83)
Decrease (increase) in inventories	(1,961)	689	(2,412)	610	4,246
Decrease in trade payables	(1,479)	(5,350)	(1,455)	(111)	(5,708)
Increase (decrease) in other accounts payable	(3,664)	(2,009)	20	201	(5,116)
	(6,584)	(9,745)	(5,203)	148	(7,970)
	11,198	535	1,754	3,595	6,491
Cash paid and received during the period for:					
Taxes paid	(4,412)	(2,482)	(868)	(977)	(3,302)
Interest paid, net	(2,466)	(989)	(1,079)	(253)	(1,374)
	(6,878)	(3,471)	(1,947)	(1,230)	(4,676)
	4,320	(2,936)	(193)	2,365	1,815

The accompanying notes are an integral part of the interim consolidated financial statements.

CONSOLIDATED STATEMENTS OF CASH FLOWS

	Nine months ended September 30, 2024	Nine months ended September 30, 2023	Three months ended September 30, 2024	Three months ended September 30, 2023	Year ended December 31, 2023
	Unaudited				Audited
	NIS in thousands				
(b) Acquisition of initially consolidated subsidiaries:					
The subsidiaries' assets and liabilities at date of acquisition:					
Working capital (excluding cash and cash equivalents)	8,437	773	1,804	448	990
Property, plant and equipment	19,824	6,842	126	6,539	6,625
Right-of-use assets	658	307	269	158	307
Intangible assets	106,267	11,568	28,592	6,097	11,500
Other long-term assets	-	672	-	672	672
Lease liabilities	(662)	(307)	(273)	(158)	(307)
Other non-current liabilities	(12,271)	(2,731)	-	(2,731)	(2,731)
Payables for acquisition of investments in subsidiaries	(46,878)	(3,988)	-	(1,806)	(3,770)
Deferred taxes	(9,472)	(695)	(2,510)	(403)	(945)
Non-controlling interests	-	(3,890)	-	(3,890)	(3,790)
	65,903	8,551	28,008	4,926	8,551
(c) Significant non-cash transactions:					
Right-of-use asset recognized with corresponding lease liabilities	1,989	2,565	881	(1,210)	1,089
Reclassification of put option to equity	21,620	-	21,620	-	-

The accompanying notes are an integral part of the interim consolidated financial statements.

NOTE 1:- GENERAL

a. General description of the Group and its activity:

Turpaz Industries Ltd. ("the Company") is an Israeli-based company. The condensed interim consolidated financial statements of the Company as of September 30, 2024 include those of the Company and its subsidiaries (collectively, "the Group").

The Group operates, by itself and through subsidiaries in Israel, the U.S., Southeast Asia, Europe and South Africa in the development, production and marketing in three operating segments: (1) Taste; (2) Scent; (3) Specialty fine ingredients (see Note 5).

These financial statements have been prepared in a condensed format as of September 30, 2024 and for the periods of nine and three months then ended ("interim consolidated financial statements"). These financial statements should be read in conjunction with the Company's annual financial statements as of December 31, 2023 and for the year then ended and accompanying notes ("annual consolidated financial statements").

b. The effects of the Swords of Iron War:

On October 7, 2023, the Swords of Iron war broke out in Israel ("the war"). As of the date of this report, the war is still unfolding, and it is impossible to assess its duration, nature or scope. This is an unusual event, which is characterized with high levels of uncertainty, and its short and long-term effects on the Israeli economy are unknown.

The Company is of the opinion that the temporary loss of farming areas due to the war and the cutdown in budgets by the Ministry of Agriculture and in research budgets by the Volcani Center have led to increased prices of crops in Israel and reduced availability of the needed farming areas. As a result, the Company continues to examine the profitability of the products of SDA, a wholly owned subsidiary of the Company. As the war drags on and farming areas continue to be affected, the Company is looking to find alternative resources for the supply of raw ingredients needed for SDA's operation. The Company is of the opinion that this will not have a material effect on the Group's financial results.

The Company has liquidity, available financial means and sources of financing (as described in this report), which give it financial resilience and allow it to continue with its planned activity, including executing the acquisition of companies or activities.

The Company assessed the war's impact so far and in the foreseeable future in terms of its manufacturing capacity, sales, purchase of raw materials, cash flow and financing sources, the processes designed to expand the Company's activity, including by way of acquisition of companies, and other activities. In view of the Company's areas of activity, its global deployment, the fact that most of its sales are made to foreign customers, the identity of its customers and the nature of its products, the Company believes that the war does not have, and is not expected to have, a substantial impact on the Company's business and financial results (assuming that no substantial changes will take place in the scope and intensity of its activities, and that no substantial geopolitical changes will take place).

NOTE 2:- ACCOUNTING POLICIES

a. Basis of preparation of the interim consolidated financial statements:

The interim consolidated financial statements have been prepared in accordance with IAS 34, "Interim Financial Reporting", and in accordance with the disclosure requirements of Chapter D of the Securities Regulations (Periodic and Immediate Reports), 1970. The accounting policies adopted in the preparation of the interim consolidated financial statements are consistent with those followed in the preparation of the annual consolidated financial statements as of December 31, 2023.

b. Disclosure of new financial reporting standard in the period before its adoption:

IFRS 18, "Presentation and Disclosure in Financial Statements":

In April 2024, the International Accounting Standards Board ("the IASB") issued IFRS 18, "Presentation and Disclosure in Financial Statements" ("IFRS 18") which replaces IAS 1, "Presentation of Financial Statements".

IFRS 18 is aimed at improving comparability and transparency of communication in financial statements.

IFRS 18 retains certain existing requirements of IAS 1 and introduces new requirements on presentation within the statement of profit or loss, including specified totals and subtotals. It also requires disclosure of management-defined performance measures and includes new requirements for aggregation and disaggregation of financial information.

IFRS 18 does not modify the recognition and measurement provisions of items in the financial statements. However, since items within the statement of profit or loss must be classified into one of five categories (operating, investing, financing, taxes on income and discontinued operations), it may change the entity's operating profit. Moreover, the publication of IFRS 18 resulted in consequential narrow scope amendments to other accounting standards, including IAS 7, "Statement of Cash Flows", and IAS 34, "Interim Financial Reporting".

IFRS 18 is effective for annual reporting periods beginning on or after January 1, 2027, and is to be applied retrospectively. Early adoption is permitted but will need to be disclosed.

The Company is evaluating the effects of IFRS 18, including the effects of the consequential amendments to other accounting standards, on its consolidated financial statements.

NOTE 3:- BUSINESS COMBINATIONS

a. Sunspray

On February 13, 2024, the Company, through a wholly owned subsidiary, completed the acquisition of 55% of the issued and outstanding share capital and voting rights of Sunspray Solutions Proprietary Limited, a private company incorporated in South Africa ("Sunspray"), from its shareholders, leading private equity funds in South Africa (in this paragraph - "the sellers") in return for approximately $ 14.1 million (approximately ZAR 267.8 million), subject to adjustment for Sunspray's business performance based on the growth in its EBITDA in 2024 and 2025. The adjustment will not exceed ZAR 52.4 million (approximately $ 2.8 million). The agreement consists of a contingent consideration payable to the sellers based on Sunspray's business performance based on the growth in its average EBITDA in 2023-2025 compared to an agreed amount of ZAR 79.4 million (approximately $ 4.2 million) with the growth rate multiplied by 1.65.

The agreement includes a put/call option for purchasing the remaining shares of Sunspray by the Company which is exercisable from January 1, 2027. The option's exercise price is based on Sunspray's business performance in the 12 quarters before the option exercise date.

In 2024, the Company made certain adjustments to the provisional amounts recognized following the provisional PPA on the purchase date. As a result, the Company reduced the liability for the put option in respect of the purchase of the remaining shares of Sunspray and contingent consideration amounting to approximately $ 3.7 million against goodwill amounting to $ 3.5 million and the balance against customer relations and product formulas.

The valuation was performed by an independent valuation expert. The purchase price was allocated to tangible assets, intangible assets and liabilities acquired at their fair value on the purchase date. The table below summarizes the purchase price and PPA:

	February 13, 2024
	U.S. dollars in thousands
Working capital, net	5,304
Right-of-use asset	81
Property, plant and equipment	6,195
Customer relations	6,326
Product formulas	5,966
Deferred taxes	(3,319)
Lease liabilities	(81)
Other non-current liabilities	(6,114)
Net identifiable assets	14,358
Goodwill arising from acquisition	16,621
Purchase price:	
Paid in cash less net cash in acquiree on acquisition date	13,200
Liability for symmetrical put option for non-controlling interests, contingent consideration and acquisition date adjustments	17,779
Total purchase price	30,979

NOTE 3:- BUSINESS COMBINATIONS (Cont.)

From the consolidation date through September 30, 2024, the acquired operation has contributed approximately $ 20,987 thousand to revenues and approximately $ 1,904 thousand to net income. If the business combination had been completed at the beginning of the year, the contribution to revenues would have been approximately $ 23,372 thousand.

The goodwill arising from the acquisition was allocated to the taste segment and consists of the projected benefits from the synergy of the combined operations of the Company and the acquiree.

b. Clarys & Willich

On April 3, 2024, the Company, through the subsidiary Food Ingredients Technology ("FIT"), completed the purchase of 100% of the issued and outstanding share capital and voting rights of Cewecon GmbH, a private company incorporated in Germany which holds a group of Belgian and German companies ("the Clarys & Willich Group") from the latter's shareholders (in this paragraph - "the sellers") in return for approximately $ 47.7 million (approximately € 44 million), of which the sellers reinvested in FIT approximately $ 20.6 million (approximately € 19 million) against the allocation of 24.5% of FIT's issued and outstanding share capital and voting rights. Following the purchase, the Company has a majority on FIT's board and is entitled to vote in decisions regarding the shares of Dandau (a private company held by FIT's CEO which has minority interests in FIT) in FIT's shareholders' meetings throughout the option period by continuing to control FIT and consolidating its results. As of the date of these interim consolidated financial statements, FIT's issued and outstanding share capital is held as follows: 45.3% by the Company, 30.2% by Dandau and 24.5% by the sellers.

The agreement consists of a symmetrical put/call option for the purchase of the sellers' remaining interests in FIT by the Company that can be exercised from the end of three years from the closing date until the end of five years from the closing date. The option exercise price is contingent on FIT's business performance from January 1, 2024 until the option exercise date, less FIT's net debt on the exercise date. On the date of exercise of the sellers' option, Dandau will purchase 9.8% of FIT's issued and outstanding share capital and voting rights for € 10 million with the addition of annual interest of 7% calculated from the closing date. In addition, a symmetrical put/call option has been given to Dandau that can be exercised from the end of five years from the closing date for that exercise price (instead of the former option detailed in Note 5g to the annual consolidated financial statements).

On August 29, 2024, the Dandau put/call option terms were updated so that each party may demand that the option exercise price be paid in Company shares based on the average quoted market price of the Company's share on the TASE in the 30 calendar days before the exercise notice date. As a result, the liability for the option and the financial asset representing Dandau's liability in a net amount of approximately $ 21.6 million was reclassified to non-controlling interests and other capital reserves and the Company's equity increased by the above amount.

NOTE 3:- BUSINESS COMBINATIONS (Cont.)

The purchase price was allocated to tangible assets, intangible assets and liabilities acquired at their fair value on the purchase date. The fair value measurement of the assets and liabilities is subject to a PPA of the fair value of the assets and liabilities, which has not yet been completed as of the date of approval of these financial statements. The table below summarizes the purchase price and provisional PPA:

	April 3, 2024
	U.S. dollars in thousands
Working capital, net	1,329
Right-of-use asset	308
Property, plant and equipment and other assets	13,769
Customer relations	5,725
Product formulas	8,284
Deferred taxes	(3,643)
Lease liabilities	(308)
Other non-current liabilities	(6,157)
Net identifiable assets	19,307
Goodwill arising on acquisition	34,487
Purchase price:	
Paid in cash less net cash in acquiree on acquisition date	24,695
Liability for symmetrical put option for non-controlling interests and acquisition date adjustments	29,099
Total purchase price	53,794

From the consolidation date through September 30, 2024, the acquired operation has contributed approximately $ 18,341 thousand to revenues and approximately $ 3,047 thousand to net income. If the business combination had been completed at the beginning of the year, the contribution to revenues would have been approximately $ 27,226 thousand.

The goodwill arising from the acquisition was allocated to the taste segment and consists of the projected benefits from the synergy of the combined operations of the Company and the acquiree.

NOTE 3:- BUSINESS COMBINATIONS (Cont.)

c. Flavours and Essences UK Limited

On September 1, 2024, the Company, through a wholly owned subsidiary, completed the purchase of 100% of the issued and outstanding share capital and voting rights of Flavours and Essences UK Limited, a private company incorporated in the UK which is a subsidiary of IFF ("F&E"), in return for £ 22 million (approximately $ 29 million). F&E develops, manufactures and markets flavors and essences.

The purchase price was allocated to tangible assets, intangible assets and liabilities acquired at their fair value on the purchase date. The fair value measurement of the assets and liabilities is subject to a final valuation of the PPA of the fair value of the assets and liabilities, which has not yet been completed as of the date of approval of these financial statements. The table below summarizes the purchase price and provisional PPA:

	September 1, 2024
	U.S. dollars in thousands
Working capital, net	1,804
Right-of-use asset	269
Property, plant and equipment	126
Customer relations	5,901
Product formulas	3,867
Deferred taxes	(2,510)
Lease liabilities	(273)
Net identifiable assets	9,184
Goodwill arising on acquisition	18,824
Purchase price:	
Paid in cash less net cash in acquiree on acquisition date	28,008

From the consolidation date through September 30, 2024, the acquired operation has contributed approximately $ 977 thousand to revenues and approximately $ 172 thousand to net income. If the business combination had been completed at the beginning of the year, the contribution to revenues would have been approximately $ 11,218 thousand.

The goodwill arising from the acquisition was allocated to the taste segment and consists of the projected benefits from the synergy of the combined operations of the Company and the acquiree.

NOTE 4:- EVENTS DURING AND AFTER THE REPORTING PERIOD

a. Merger between the Company and S.D.A Spice Industries Ltd.:

On September 7, 2023, a merger agreement was signed between the Company as the transferee and S.D.A Spice Industries Ltd. as the transferor in accordance with the provisions of Section 103C to Israeli Income Tax Ordinance (Revised), 1961 ("the Ordinance") after obtaining the approval by the board of directors of each company. As per the merger agreement, the companies will be merged by a share swap according to Section 103C to the Ordinance following which the transferor's entire operation will be transferred to the Company. The effective date of the merger is December 31, 2023. On April 11, 2024, a final approval for the merger was obtained from the Registrar of Companies and the transferor was merged into the Company's operations.

b. On January 25, 2024, a wholly owned subsidiary of the Company received a bank loan in a total of € 33 million (approximately $ 36 million) for financing the acquisition of companies and operations around the world, including the acquisition of Sunspray Solutions Proprietary Limited in South Africa. The loan is for a period of five years and bears interest of Euribor + about 1.9% payable on a quarterly basis. The loan principal is repayable in equal quarterly instalments beginning 15 months from the grant date. The loan is governed by certain financial covenants, as detailed in Note 16c to the annual consolidated financial statements and in Note 4j below.

c. On March 13, 2024, the Company increased its interests in the subsidiary Balirom by purchasing another 10% of its share capital from holders of non-controlling interests in return for approximately NIS 3,045 thousand (approximately $ 834 thousand). Following the purchase, the Company holds 70% of Balirom's share capital.

d. On March 19, 2024, the Company declared the distribution of a dividend of approximately $ 4 million, representing $ 0.040 per share. The dividend was distributed to the Company's entire shareholders on April 9, 2024.

e. Allocation of options to employees, officers and consultant in the Group:

In March 2024, the Company's Board approved the grant of 1,496,000 unregistered options, which are exercisable into an identical number of Ordinary shares, to employees, officers and a consultant in the Group. The exercise price of each option is NIS 14.16, representing the average share price in the 30 trading days before the Board's grant approval date plus 5%.

Moreover, in April 2024, the Company's Board approved the grant of 210,000 unregistered options, which are exercisable into an identical number of Ordinary shares, to Mr. Shay Khazon, the spouse of the controlling shareholder in the Company, and VP Israeli Taste Division, and to Ms. Shir Kesselman, the daughter-in-law of the controlling shareholder in the Company, and VP Global Fragrance Division. The grant was approved by the meeting of the Company's shareholders of May 2024. The exercise price of each option is NIS 15.96, representing the average share price in the 30 trading days before the Board's grant approval date plus 5%.

NOTE 4:- EVENTS DURING AND AFTER THE REPORTING PERIOD (Cont.)

The options were granted in accordance with a share-based payment plan adopted by the Company and related companies for employees, consultants, service providers and officers pursuant to the provisions of Sections 102 and 3(i) to the Ordinance. The options were allocated to a trustee on April 11, 2024.

The options vest over four years from the allocation date in two portions: the first portion (66.66% of the options) shall vest at the end of three years from the allocation date, and the second portion of the remaining options (33.33% of the options) shall vest at the end of four years from the allocation date. The first portion is exercisable over two years from the vesting date and the second portion is exercisable for one year from the vesting date on a cashless basis. The options are subject to various adjustments. Any options not exercised by the end of said period will expire, and no rights shall be conferred upon their holders.

The following table presents the inputs used in the measurement of the fair value of the Company's equity-settled financial instruments using the Black & Scholes model:

Expected volatility in share price (%)	43.76%
Risk-free interest rate (%)	3.97%
Expected life of the share options (in years)	5 years
Share price (NIS)	NIS 14.26
Exercise price (NIS)	NIS 14.16

Based on the above inputs, the fair value of the options was determined at approximately $ 2,560 thousand on the grant date.

The fair value of the options granted to Mr. Shay Khazon and Ms. Shir Kesselman was determined at approximately $ 417 thousand on the grant date.

Total salary expenses carried by the Company in the periods of nine and three months ended September 30, 2024 in respect of the above plans approximated $ 479 thousand and $ 230 thousand, respectively.

f. In the reporting period, 284 thousand options were exercised into shares as part of the option grant to a director in the Company in May 2021. After the reporting date, another 95 thousand options were exercised.

g. On May 8, 2024, wholly owned subsidiaries of the Company entered into a loan agreement with a European banking corporation for receiving a loan of up to € 25 million (approximately $ 26.9 million) to be mainly used for financing the acquisition of companies, working capital and investments in property, plant and equipment. The loan includes a secured amount of up to € 17.4 million (approximately $ 18.7 million) that can be withdrawn over a maximum period of one year from the signing date and another amount of up to € 7.6 million (approximately $ 8.2 million) that is optional and can be withdrawn at the subsidiaries' request subject to obtaining the lender's consent.

NOTE 4:- EVENTS DURING AND AFTER THE REPORTING PERIOD (Cont.)

The secured amount is repayable in eight equal semiannual instalments from the first interest payment date about a year from the signing date. The optional amount is repayable based on the amortization schedule agreed with the banking corporation on the actual date of receiving the loan. The loan amounts bear annual interest of Euribor plus a margin of 1.65% to be paid semiannually. The loan is governed by financial covenants as described in Note 16c to the annual consolidated financial statements and in Note 4j below. In November 2024, the Company withdrew approximately € 10.7 million from the secured loan amount.

h. On May 26, 2024, the meeting of the Company's shareholders approved an adjustment of the monthly management fees paid to Mr. Shay Khazon, the spouse of the controlling shareholder in the Company, to NIS 61,740, linked to the Israeli CPI for April 2024 including reimbursement of vehicle upkeep expenses for a period of three years from the date of the meeting's approval. The shareholders' meeting also approved an adjustment of the monthly salary paid to Ms. Shir Kesselman, the daughter-in-law of the controlling shareholder in the Company, to NIS 55,000 for a period of three years from the date of the meeting's approval.

i. On August 29, 2024, a wholly owned subsidiary of the Company received a short-term bank loan of £ 22 million (approximately $ 29 million) as short-term interim financing (intended to be refinanced into a long-term loan) for the purchase of companies in keeping with the Company's business strategy. The original maturity date of the loan, October 2, 2024, was extended to November 28, 2024. The loan bears interest of SONIA plus a margin of about 1.9% to be paid on the loan maturity date. The loan is governed by financial covenants as described in Note 16c to the annual consolidated financial statements and in Note 4j below.

j. In continuation of the matters discussed in Note 16c to the annual consolidated financial statements regarding financial covenants, the Company is meeting all its financial covenants.

In the first quarter of 2024, a financial covenant was updated to change the DSCR towards lending banks, financial institutions, holders of bonds and other lenders less cash and cash equivalents, as defined and carried in the financial statements.

k. In October 2024, the Company received approximately NIS 6.3 million (approximately $ 1.7 million) from the State as prepayment for indemnification claim filed by it for war related damages caused to the subsidiary, Chemada Industries Ltd., which is located in Kibbutz Nir Yitzhak in the midst of the war zone.

NOTE 4:- EVENTS DURING AND AFTER THE REPORTING PERIOD (Cont.)

l. Acquisition of Schumann & Sohn GmbH:

On November 7, 2024, the Company completed the purchase of 100% of the issued and outstanding share capital and voting rights of Schumann & Sohn GmbH ("Schumann") from its shareholders for approximately € 10.7 million (approximately $ 11.5 million). Schumann was founded in 1948 and has vast experience and expertise in the field of sweet 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. Schumann's operating results will be consolidated into the Group's financial statements from November 2024.

NOTE 5:- OPERATING SEGMENTS

a. General:

As described in the annual consolidated financial statements, the Group discloses three operating segments: (1) Taste; (2) Scent; and (3) Specialty fine ingredients.

The segments' performances (segment profits) are estimated based on operating income (income before net finance expenses and unallocated expenses), as presented in the financial statements.

b. Reporting on operating segments:

	Nine months ended September 30, 2024				
	Taste	Scent	Specialty Fine Ingredients	Adjustments	Total
	Unaudited				
	U.S. dollars in thousands				
Revenues from external customers	94,817	26,569	13,133	-	134,519
Intersegment revenues	-	-	3	(3)	-
Total revenues	94,817	26,569	13,136	(3)	134,519
Segment operating income net of unallocated joint expenses	16,173	7,288	1,536	-	24,997
Unallocated joint expenses					5,919
Finance expenses, net					4,040
Income before taxes on income					15,038

NOTE 5:- OPERATING SEGMENTS (Cont.)

	Nine months ended September 30, 2023				
	Taste	Scent	Specialty Fine Ingredients	Adjustments	Total
	Unaudited				
	U.S. dollars in thousands				
Revenues from external customers	48,603	24,635	20,778	-	94,016
Intersegment revenues			124	(124)	-
Total revenues	48,603	24,635	20,902	(124)	94,016
Segment operating income net of unallocated joint expenses	6,887	6,387	4,313	-	17,587
Unallocated joint expenses					4,536
Finance expenses, net					1,678
Income before taxes on income					11,373

	Three months ended September 30, 2024				
	Taste	Scent	Specialty Fine Ingredients	Adjustments	Total
	Unaudited				
	U.S. dollars in thousands				
Revenues from external customers	36,076	8,811	3,851	-	48,738
Intersegment revenues	-	-	-	-	-
Total revenues	36,076	8,811	3,851	-	48,738
Segment operating income net of unallocated joint expenses	5,885	2,415	1,561	-	9,861
Unallocated joint expenses					2,147
Finance expenses, net					1,581
Income before taxes on income					6,133

NOTE 5:- OPERATING SEGMENTS (Cont.)

	Three months ended September 30, 2023				
	Taste	Scent	Specialty Fine Ingredients	Adjustments	Total
	Unaudited				
	U.S. dollars in thousands				
Revenues from external customers	16,796	8,528	7,152	-	32,476
Intersegment revenues			38	(38)	-
Total revenues	16,796	8,528	7,190	(38)	32,476
Segment operating income net of unallocated joint expenses	2,612	2,694	1,302	-	6,608
Unallocated joint expenses					1,397
Finance expenses, net					409
Income before taxes on income					4,802

	Year ended December 31, 2023				
	Taste	Scent	Specialty Fine Ingredients	Adjustments	Total
	Audited				
	U.S. dollars in thousands				
Revenues from external customers	65,361	32,768	29,226	-	127,355
Intersegment revenues	-	-	141	(141)	-
Total revenues	65,361	32,768	29,367	(141)	127,355
Segment operating income net of unallocated joint expenses	9,449	8,025	6,702	-	24,176
Unallocated joint expenses					5,996
Finance expenses, net					2,790
Income before taxes on income					15,390

NOTE 5:- OPERATING SEGMENTS (Cont.)

c. Geographic information:

Breakdown of the Company's revenues based on the location of the customers:

	Nine months ended September 30, 2024	Nine months ended September 30, 2023	Three months ended September 30, 2024	Three months ended September 30, 2023	Year ended December 31, 2023
	Unaudited				Audited
	U.S. dollars in thousands				
Israel and the Middle East	23,449	24,392	7,420	8,403	32,435
Europe	67,570	44,954	24,847	15,909	61,076
North America	12,689	12,955	4,427	4,130	17,197
Africa	20,996	-	8,346	-	-
Asia and other	9,815	11,715	3,698	4,034	16,647
	134,519	94,016	48,738	32,476	127,355

NOTE 6:- FINANCIAL INSTRUMENTS

a. Fair value:

In the reporting period, the Company measured the fair value of financial assets and liabilities measured at amortized cost and concluded that their fair value is not materially different from their carrying amount.

b. Liabilities in respect of put options and contingent consideration:

Some of the business combinations executed by the Company include a mechanism whereby the previous owners have a put option to sell their remaining shares and the Company has a call option to buy those shares (symmetrical put-call options) while others include a contingent consideration mechanism based on the future operating results of the acquirees.

As of September 30, 2024, total liabilities amounted to $ 68,232 thousand. The value of the liabilities was estimated in accordance with the average EBITDA achieved over the term of the agreement. The weighted annual discount rate of the options is 9.9%. The fair value is measured at level 3 in the fair value hierarchy.

The key non-observable input used by the Company to assess the value of the option is the future EBITDA that will be achieved; in order to assess the liabilities in respect of the options and update their value, the Company used the companies' ongoing results and updated forecasts.

NOTE 6:- FINANCIAL INSTRUMENTS (Cont.)

Adjustment for fair value measurements classified at Level 3 in the fair value hierarchy:

	Nine months ended September 30,		Three months ended September 30,		Year ended December 31,
	2024	2023	2024	2023	2023
	Unaudited				Audited
	U.S. dollars in thousands				
Balance at beginning of period	(39,051)	(34,627)	*(96,772)	(37,867)	(34,627)
Repayments	834	589	-	589	648
In profit or loss	(1,014)	(817)	(334)	(143)	(1,681)
In other comprehensive income (loss)	(3,743)	535	(4,024)	919	(952)
Update of terms of symmetrical put/call option for non-controlling interests**	(11,278)	-	-	-	-
Reclassification of symmetrical put/call options for non-controlling interests**	32,898	-	32,898	-	-
In business combinations	(46,878)	(2,439)	-	(257)	(2,439)
Balance at end of period	(68,232)	(36,759)	(68,232)	(36,759)	(39,051)

* Restated, see Note 3a above.

** Concurrently with the adjustment of the terms of symmetrical put/call options, as discussed in Note 3b regarding the acquisition of the Clarys & Willich Group, on the date of exercise of the option by the sellers, Dandau will purchase 9.8% of FIT's issued and outstanding share capital and voting rights for € 10 million with the addition of annual interest of 7% calculated from the closing date. This amount was presented in financial assets in the statement of financial position as of June 30, 2024.

In view of the update of the Dandau options terms as described in Note 3b above, the liability for the option and financial asset representing Dandau's liability in a net amount of approximately $ 21.6 million was reclassified to the Company's equity.

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Turpaz Industries Ltd.

Chapter C

Managers' statements

Quarterly report regarding the effectiveness of internal control over financial reposting and disclosure in accordance with Regulation 38C to the Securities Regulations (Periodic and Immediate Reports), 1970, for the third quarter of 2024:

Turpaz Industries Ltd.'s management (hereinafter - the "Corporation"), under the supervision of the Board of Directors, is responsible for maintaining and implementing appropriate internal control over financial reporting and disclosure in the Corporation.

For that purpose, members of management are:

1. Karen Cohen Khazon, CEO and Chairperson of the Board of Directors

2. Guy Gill, Chief Financial Officer

3. Shauli Eger, VP IT

4. Yoni Adini, Legal Counsel and Company Secretary

5. Idan Shabtay, Group Comptroller

6. Ariel Lavi, VP legal and M&A

Internal control over financial reporting and disclosure includes controls and procedures maintained by the Corporation, and designed by the CEO and the most senior financial officer or under their supervision, or by those who effectively execute the said offices, under the supervision of the Corporation's Board of Directors, which were designed to obtain reasonable assurance as to the reliability of the financial reporting and preparation of the reports in accordance with the provisions of the law, and to ensure that information that the Corporation is required to disclose in the reports it publishes in accordance with the provisions of the law is collected, processed, summarized and reported on the date and in the format prescribed by law.

The internal control, includes, among other things, controls and procedures that were designed to ensure that information that the Corporation is required to disclose as stated above, is collected and transferred to the Corporation's management, including to the CEO and to the most senior financial officer, or to those who effectively execute the said offices, in order to allow making decisions in the appropriate date in connection with the disclosure requirements.

Due to its inherent limitations, internal control over financial reporting and disclosure is not designed to provide absolute assurance that a misstatement or omission of information in the reports will be prevented or detected.

In the annual report regarding the effectiveness of the internal control over the financial reporting and the disclosure, which was attached to the Periodic Report for the period ended December 31, 2023 (hereinafter – "**the Latest Annual Report regarding Internal Control**"), the Board of Directors and Management assessed the corporation's internal control; based on this assessment, the corporation's Board of Directors and Management reached the conclusion that the internal control as stated, as of December 31, 2023, is effective.

Through the date of the report, no event or matter was brought to the attention of the Board of Directors or Management that may change the assessment of the effectiveness of internal control, as presented in the Latest Annual Report regarding Internal Control.

As at the date of the report, based on the assessment of the effectiveness of internal control in the Latest Annual Report regarding Internal Control, and based on information brought to the attention of Management and the Board of Directors as stated above, the internal control is effective.

Statement of the Chief Executive Officer in accordance with Regulation 38C(D)(1):

Statement of the Chief Executive Officer

I, Karen Cohen Khazon, hereby declare that:

(1) I have reviewed the quarterly report of Turpaz Industries Ltd. (hereafter – the "**Corporation**") for the third quarter of 2024 (hereafter – the "**Reports**").

(2) To the best of my knowledge, the Reports do not include any misrepresentation of a material fact, nor do they omit any representation of a material fact so that the representations included therein, in view of the circumstances in which such representations have been included, shall not be misleading with regard to the period covered by the Reports;

(3) To the best of my knowledge, the financial statements and other financial information included in the reports, reflect fairly, in all material respects, the financial position, results of operations and cash flows of the Corporation as of the dates and periods covered by the Reports;

(4) I have disclosed to the independent auditor of the corporation, the Board of Directors, and the Board of Directors' Audit committee, based on my most recent evaluation of the internal control over financial reporting and disclosure, the following:

(a)All significant deficiencies and material weaknesses in the establishment or implementation of the internal controls over financial reporting and disclosure that may adversely affect, in a reasonable manner, the Corporation's ability to collect, process, summate or report financial information in a manner that may give rise to doubt as to the reliability of financial reporting and preparation of the financial statements in accordance with the provisions of the law; and -

(b) any fraud, whether material or immaterial, in which the Chief Executive Officer, or anyone directly reporting to him, or any other employees are involved who have a significant function in the corporation's financial reporting and in internal control over financial reporting and disclosure thereof.

(5) I, severally or jointly with others in the corporation:

(a) have established such controls and procedures, or ensured that such controls and procedures under my supervision be established and in place, designed to ensure that material information relating to the corporation, including its consolidated companies as defined in the Securities Regulations (Preparation of Annual Financial Statements), 2010, is brought to my attention by others in the corporation and the consolidated companies, particularly during the Reports' preparation period; and

(b) have established controls and procedures, or ensured that such controls and provisions under my supervision be established and in place, designed to ensure, in a reasonable manner, the reliability of financial reporting and preparation of financial statements in accordance with the provisions of the law, including in accordance with generally accepted accounting principles;

(c) No event or matter that occurred during the period between the date of the latest Periodic Report and the date of this report was brought to my attention that may change the conclusion of the Board of Directors and Management regarding the effectiveness of the internal control over the corporation's financial reporting and disclosure.

The aforesaid does not derogate from my responsibility or from the responsibility of any other person, pursuant to any law.

November 17, 2024

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Karen Cohen Khazon,

CEO and Chairperson of the Board of Directors

Statement of the Most Senior Financial Officer Pursuant to Regulation 38C(D)(2):

Statement of the Most Senior Financial Officer:

I, Guy Gill, hereby declare that:

(1) I have reviewed the interim financial statements and the other financial information included in the interim reports of Turpaz Industries Ltd. for the third quarter of 2024 (hereafter – the "**Interim Reports**");

(2) To the best of my knowledge, the interim financial statements and other financial information included in the Interim Reports do not include any misrepresentation of a material fact, nor do they omit any representation of a material fact so that the representations included therein, in view of the circumstances in which such representations have been included, shall not be misleading with regard to the period covered by the Reports;

(3) To the best of my knowledge, the interim financial statements and other financial information included in the Interim Reports, reflect fairly, in all material respects, the financial position, results of operations and cash flows of the Corporation as of the dates and periods covered by the Reports;

(4) I have disclosed to the independent auditor of the corporation, the Board of Directors, and the Board of Directors' Audit committee, based on my most recent evaluation of the internal control over financial reporting and disclosure, the following:

(a)All significant deficiencies and material weaknesses in the establishment or implementation of the internal controls over financial reporting and disclosure that may adversely affect, in a reasonable manner, the Corporation's ability to collect, process, summate or report financial information in a manner that may give rise to doubt as to the reliability of financial reporting and preparation of the financial statements in accordance with the provisions of the law; and -

(b) any fraud, whether material or immaterial, in which the Chief Executive Officer, or anyone directly reporting to him, or any other employees are involved who have a significant function in the corporation's financial reporting and in internal control over financial reporting and disclosure thereof.

(5) I, severally or jointly with others in the corporation:

(a) have established such controls and procedures, or ensured that such controls and procedures under my supervision be established and in place, designed to ensure that material information relating to the corporation, including its consolidated companies as defined in the Securities Regulations (Preparation of Annual Financial Statements), 2010, is brought to my attention by others in the corporation and the consolidated companies, particularly during the Reports' preparation period; and

(b) have established controls and procedures, or ensured that such controls and provisions under my supervision be established and in place, designed to ensure, in a reasonable manner, the reliability of financial reporting and preparation of financial statements in accordance with the provisions of the law, including in accordance with generally accepted accounting principles;

(c) No event or matter that occurred during the period between the date of the latest report (quarterly or periodic, as the case may be) and the date of this report, which relates to interim financial statements and to any other financial information including in the interim reports was brought to my attention that may - in my opinion - change the conclusion of the Board of Directors and Management regarding the effectiveness of the internal control over the corporation's financial reporting and disclosure.

The aforesaid does not derogate from my responsibility or from the responsibility of any other person, pursuant to any law.

November 17, 2024

Guy Gill, Chief Financial Officer