

Fourth acquisition of Turpaz Industries in 2021: Turpaz signs an agreement to acquire the Latvian company, LORI, a company engaged in the development, production and marketing of perfume extracts, for the amount of EUR 3.14 million

Karen Cohen Khazon, Chairman and CEO of the Turpaz Group: "We are pleased to announce that Turpaz has signed an agreement to acquire the Latvian company, Lori. This acquisition is a continuation of the implementation of Turpaz's growth strategy and is an important step in the development of global activity in the sector of perfume extracts (fragrances) with an emphasis on emerging markets with high growth rates. This acquisition will expand the group's product portfolio and will be a platform for expanding the group's fragrance activities in eastern Europe alongside expanding our customer base."

Holon, Israel, December 12, 2021 - Turpaz Industries Ltd., a global company that develops and manufactures thousands of flavor and fragrance extracts, intermediates and unique raw materials and markets and sells them in more than 30 countries around the world, reports today that it has signed an agreement to acquire LORI, a company active in the sector of perfume extracts, for a total of € 3.14 million (\$ 3.5 million), plus net cash balances. Completion of the transaction is expected to take place at the beginning of the first quarter of 2022 and will be paid by Turpaz's independently.

LORI's sales turnover in 2020 and 2019 amounted to a total of € 4.7 and €4 million respectively. The acquisition will enable Turpaz to expand the group's sales in the field of fragrances through the development and marketing of products and extracts in central and eastern Europe, amongst others through leveraging the synergies and diverse cross-selling options that exist between the group's companies in Israel and around the world. The company intends to pay the consideration from its own resources.

LORI, which was established in 1992 and employs 50 people, is one of the leading manufacturers of fragrance extracts in Eastern Europe. LORI manufactures and markets their perfume extracts in Eastern Europe, and has research and development capabilities that enable it to offer customized solutions to its customers.

Karen Khazon, Chairparson and CEO of the Turpaz Group stated: "We continue to implement Turpaz's rapid growth strategy worldwide and are pleased to report the acquisition of LORI, which operates in the sector of perfume extracts mainly in central and eastern Europe. This acquisition will expand the group's product portfolio and will be a platform for expanding the group's fragrance activities in eastern Europe alongside expanding our customer base."

About Turpaz

Turpaz specializes in the development, production and marketing of fragrance and flavor extracts both natural and synthetic, sweet, and savory for the food, beverage, ice cream, confectionery, toiletries, cosmetics, home care and detergent industries. The company has a wide and diverse portfolio of products and the ability to develop and customize for customers. Turpaz develops, manufactures and markets unique raw materials with high added value, for the pharma, agro and aroma chemicals industries. Over the years, Turpaz has built a leading business and competitive position in major markets around the world, through the creation of

a development and production infrastructure and a marketing and sales system, worldwide in particular in Europe, North America and Southeast Asia. Turpaz's global position has intensified since 2016 through the acquisition of companies in various countries around the world. The company's business strategy is based on organic growth at a rate higher

than market growth, and successful and systematic implementation of strategic acquisitions.

To date, the company has made 12 strategic acquisitions, including: the acquisition of Pollena Aroma, the Polish company, which operates in the segments of fragrances and flavors, for its state-of-the-art plant, for around 7 million Euros; the acquisition of Chemada's activities for around 4.1 million dollars that enabled the company to enter the sectors of intermediates and unique raw materials; the acquisition of American Flavor Associates in the sectors of fragrances and flavors, which greatly strengthened the company's grip on the American market and its entry into the Chinese market; the acquisition of 60% of WFF shares in Vietnam which is the center of the company's operations in Southeast Asia; the acquisition of SDA from Kibbutz Sde Eliyahu in the sector of natural savory flavors and which enabled the company to enter the field of spice blend ;the acquisition of 60% of the Belgian company FIT, which produces savory flavors (Savory); the acquisition of the business activity and assets of Pilpel and Galilee Herbs, which establish and expand the product portfolio of Turpaz in the field of natural and organic flavors and raw materials and the shares acquisition of Lori, which enables the expansion of the group's sales in the fragrances field. These acquisitions have enabled Turpaz to accelerate the development of its global manufacturing infrastructure to 10 sites worldwide, and form the infrastructure for the company's continued expansion into additional international markets and to strengthen the company's global development, production, marketing and sales systems.

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