

Press Release

Strauss Group today signed an agreement with the non-controlling interest shareholders for the acquisition of full ownership of the subsidiary Strauss Water.

According to the agreement, Strauss Group is to acquire all shares of Strauss Water held by the minority shareholders, which constitute 12.44% of Strauss Water's issued and paid-up share capital.

Strauss is to pay USD 28 per share. In total, the Group will be paying the minority shareholders approximately NIS 66 million. The consideration will be paid in cash from the Company's own resources on the closing date.

Gadi Lesin, Strauss Group President and CEO, said today: "Strauss Water continues to be one of the Group's global growth drivers. The Group's investment today is part of our long-term strategy, which aims to continue to develop the category, as well as a reiteration of the Group's great belief in Strauss Water and its ability to continue to grow. Full ownership will enable the Group to fully exploit future business and operational synergies between Strauss Water and the rest of the Group. We would like to thank the partners, who were the heart of the company's growth and success."

About Strauss Water

Strauss Water is an international subsidiary of Strauss Group, specializing in high quality, great tasting purified drinking water solutions. The company develops, manufactures, and markets environmentally friendly water bars dispensing hot, cold and carbonated water for home and office use, on the highest of world standards. Strauss Water is the outcome of Strauss Group's investment in the H2Q technology venture (2007), in which framework Strauss entered into a partnership with private entrepreneurs founded on water purification technologies, and the subsequent acquisition of Tana Industries, owners of the Tami4 brand (2009). The company's products are sold abroad through business collaborations and local franchisees. In 2011 Strauss Water established local partnerships with the Chinese consumer electronics giant, Haier, and with the British Virgin Group. Over the years the company developed four product series based on its water purification technology, providing hot and cold drinking water, and in 2013, the company expanded into carbonated water. In 2015 Strauss Water's sales totaled NIS 482 million. In the first nine months of 2016 sales amounted to NIS 371 million, and in the third quarter of the year sales totaled NIS 133 million (8.6% growth). Since 2009, the company's sales have grown by an average of 9% each year.