

## Third Quarter Revenue Update for the period ended 30 April 2020

### Schlieren/Switzerland, 26 May 2020 - Q3 revenue impacted by COVID-19; effective actions taken to mitigate challenging market conditions

- Group reported revenue in the quarter was €644.2m, representing a (21.5)% organic decline versus Q3 2019 as the effects of COVID-19 impacted revenue in the period, particularly in the second half of March and in April.
- The Group responded rapidly to the changed consumer environment. The primary focus was on protecting employees and supporting our customers, while maintaining a strong liquidity position during this very challenging period.
- Since mid-March the Group took decisive actions to maximise cash and reduce costs, resulting in increased liquidity since the beginning of the crisis.
- Q3 trading patterns had been in line with guidance up until 15 March. However, market conditions and prospects deteriorated sharply since that date, leading to a negative organic revenue evolution of (49)% in April. It is now clear that COVID-19 will have a material impact on Group performance in FY20. We cannot yet fully gauge the consequences that will result from the situation as the short and longer-term impact cannot be fully assessed at this point in time.
- Trading conditions in the month of May have seen some early signs of recovery and are now showing three consecutive weeks of revenue improvement leading to an organic evolution of c. (33)% vs prior year. In particular, improvements have been seen in the QSR and retail channels, while Foodservice continues to remain subdued due to continued restrictions in key markets.
- In April, the Board of ARYZTA appointed Rothschild & Co to undertake a review of all strategic and financial options available to the Group to maximise value for the benefit of all of the Group's stakeholders. The review is expected to be concluded at the latest by the end of July 2020.

### Revenue for the three months ended 30 April 2020

in EUR million	ARYZTA Europe	ARYZTA North America	ARYZTA Rest of World	ARYZTA Group
<b>Revenue</b>	303.9	287.9	52.4	644.2
<b>Organic movement</b>	(23.6)%	(20.4)%	(14.3)%	(21.5)%
Disposal movement	(5.4)%	-	-	(2.7)%
Currency movement	0.2%	1.9%	(8.0)%	0.2%
<b>Total revenue movement</b>	<b>(28.8)%</b>	<b>(18.5)%</b>	<b>(22.3)%</b>	<b>(24.0)%</b>

ARYZTA AG Chief Executive Officer, Kevin Toland, commented:

*“COVID-19 is unprecedented and has impacted the lives of people across the world. It will have a material impact on Group performance in 2020. At ARYZTA, while prioritising the health and safety of our colleagues, customers and suppliers, we have taken decisive action to protect the business and our cash resources. Our Q3 revenue has been strongly impacted by the pandemic but our facilities and products are positioned to recover and compete as economies stabilise and return to growth. Our management focus is on serving customers through this difficult period while preserving the value of our assets.”*

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### Quarterly organic revenue

	Q3 2019	Q4 2019	Q1 2020	Q2 2020	Q3 2020
<b>ARYZTA Europe</b>					
Volume %	0.7%	(3.3)%	(2.0)%	(3.7)%	(22.2)%
Price/Mix %	3.7%	2.7%	1.1%	0.7%	(1.4)%
<b>Organic movement %</b>	<b>4.4%</b>	<b>(0.6)%</b>	<b>(0.9)%</b>	<b>(3.0)%</b>	<b>(23.6)%</b>
<b>ARYZTA North America</b>					
Volume %	(4.9)%	(12.5)%	(6.0)%	(6.0)%	(20.4)%
Price/Mix %	1.1%	4.5%	(0.1)%	1.5%	0.0%
<b>Organic movement %</b>	<b>(3.8)%</b>	<b>(8.0)%</b>	<b>(6.1)%</b>	<b>(4.5)%</b>	<b>(20.4)%</b>
<b>ARYZTA Rest of World</b>					
Volume %	3.3%	6.0%	2.0%	6.2%	(18.0)%
Price/Mix %	5.6%	7.7%	5.5%	3.5%	3.7%
<b>Organic movement %</b>	<b>8.9%</b>	<b>13.7%</b>	<b>7.5%</b>	<b>9.7%</b>	<b>(14.3)%</b>
<b>ARYZTA Group</b>					
Volume %	(1.4)%	(6.3)%	(3.4)%	(3.8)%	(21.1)%
Price/Mix %	2.7%	3.8%	0.9%	1.2%	(0.4)%
<b>Organic movement %</b>	<b>1.3%</b>	<b>(2.5)%</b>	<b>(2.5)%</b>	<b>(2.6)%</b>	<b>(21.5)%</b>

### ARYZTA Europe

ARYZTA Europe reported an organic revenue decline of (23.6)%, comprising a (1.4)% price/mix decline and a volume decrease of (22.2)%. In addition, disposals had a negative impact of (5.4)%, while currency movement was positive by 0.2%. Large retail and small convenience stores continued to operate but revenue was impacted by social distancing regulations, labour constraints in servicing the stores' in-store-bakery operations and the change of consumer behaviour to more packaged goods and home-baking. The Foodservice channel has been severely impacted with an effective shutdown in key countries over a six-week period in the quarter. The QSR channel was also heavily impacted by the wide-spread closure of restaurants and public places due to COVID-19. Partial support of the channel has been helped where take-out and drive-thru was available.

### ARYZTA North America

ARYZTA North America reported an organic revenue decline of (20.4)%, which comprised entirely of volume decline with a flat price/mix. Currency movement was positive by 1.9%. QSR channel revenue decreased significantly as demand declined due to widespread COVID-19-related closures, limited menus and the move to drive-thru and delivery only by many key customers. The decline in Foodservice revenue was driven by the wide-spread closure of restaurants and public places due to COVID-19. The Retail channel remained stable in the period.

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### ARYZTA Rest of World

ARYZTA Rest of World reported an organic revenue decline of (14.3)% in the quarter, as a solid price/mix improvement of 3.7% was offset by a volume decline of (18.0)%. Currency movement had a negative impact of (8.0)%. COVID-19's impact adversely affected both the Foodservice and QSR Channels. In Australia, demand has held up better, relative to other key markets, due to drive-thru and delivery services remaining open and lock-down restrictions easing faster than in other markets.

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### Liquidity & Balance Sheet

ARYZTA has no material debt maturities over the coming 15 month period (€17m due March 2021). Reflecting the Group's decisive and effective focus on cash conservation, ARYZTA maintains liquidity of €389m as at 22 May versus €385m as at 30 April. Consistent with seasonal patterns, we expect a net cash outflow in Q4 but to conclude the year with a good overall liquidity position.

Last week, the Group executed final documentation with lenders on the amendment of financial covenants. The amendment shall apply to the next two covenant tests relating to the annual Financial Statements as of the end of July 2020 and the interim Financial Statements as of the end of January 2021. The Net Debt: EBITDA Coverage Ratio shall be lower or equal to 6.0x and the Net Interest Coverage Ratio shall be greater than 1.5x, which provides ARYZTA with increased headroom.

The Group's hybrids (Perpetual Callable Subordinated Instruments) have no contractual maturity date and are treated as equity under IFRS. The Group elected to defer dividend payments for the maturities in March and April and not to exercise its call option on any of the instruments in order to guarantee full financial flexibility. No hybrid dividend payments are currently planned. As previously stated, the hybrid instruments are excluded from the calculation of the Net Debt covenant.

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### Cost/Cash Management

In light of the COVID-19 crisis since mid-March, the Group has taken effective and decisive action to maximise cash and reduce costs. Actions to date include:

- Paused production in bakeries (eight as of 30 April) and temporarily closed further production lines within bakery plants, actively reducing capacity in line with demand;
- Furloughed c. 30% of headcount, including temporary staff;
- Suspended future capital expenditure with the exception of maintenance and health & safety
  - » reduction in spend versus plan in excess of €50m;
- Postponement of future Project Renew programmes where further cash was required;
- Eliminating discretionary costs to the maximum extent possible;

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### Cost/Cash Management (cont.)

- Utilising government support actions across our regions, including:
  - » Partial reimbursement of salary costs, social security and deferral of pension payment;
  - » Deferrals of payroll, corporation and other tax payments.

In addition, a three-month 30% salary reduction for the Executive Management Committee, a 15% salary reduction for the wider Leadership Team and a 30% reduction in fees for the Board of Directors has been implemented since the beginning of April 2020. All cost actions are being kept under constant review.

### Health & Safety

A key priority of the ARYZTA Board and the Executive Management Committee continues to be the health and wellbeing of our colleagues, customers and suppliers during this challenging period. We are continuously monitoring the situation with our key stakeholders and are actively assessing the consequences of government responses to COVID-19 within the different channels. Our focus remains the highest quality and product safety standards across all bakeries in full compliance with reinforced COVID-19 protocols.

### Business Continuity

ARYZTA has activated its full business continuity plans to maintain service levels and to meet our customers' expectations. We are fully committed to playing our part as an essential industry providing food at this difficult time.

### Employee Engagement

The Board and management would like to recognise and thank all our employees for their resilience and continuing commitment to our business during the uncertainty that COVID-19 brings. We are very proud of how all our 15,000+ employees across 29 countries are working together, keeping each other safe and going above and beyond our expectations on a daily basis.

### COVID-19 Impact

It is clear that COVID-19 will have a material impact on Group performance in FY20. We cannot yet fully gauge the consequences that will result from the situation as the short and longer-term impact cannot be fully assessed at this point in time.

### Revenue for the nine months ended 30 April 2020

in EUR million	ARYZTA Europe	ARYZTA North America	ARYZTA Rest of World	ARYZTA Group
<b>Revenue</b>	<b>1,111.2</b>	<b>991.9</b>	<b>197.3</b>	<b>2,300.4</b>
<b>Organic movement</b>	(9.1)%	(10.3)%	0.9%	(8.8)%
Disposal movement	(4.8)%	–	–	(2.4)%
Currency movement	0.3%	2.9%	(2.5)%	1.1%
<b>Total revenue movement</b>	<b>(13.6)%</b>	<b>(7.4)%</b>	<b>(1.6)%</b>	<b>(10.1)%</b>

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### Investor conference call today at 08:30 CET

Dial in numbers are: Switzerland: 031 580 0059; Ireland: 01 431 9615;  
USA: 1 631 510 7495; UK: 0844 571 8892; International: +44 (0) 2071 928000.  
Please provide the following code: **8476888** to access the call.

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### About ARYZTA

ARYZTA AG ('ARYZTA') is a global food business with a leadership position in speciality bakery. ARYZTA is based in Schlieren, Switzerland, with operations in North America, South America, Europe, Asia, Australia and New Zealand.

ARYZTA has a primary listing on the SIX Swiss Exchange and a secondary listing on the Euronext Dublin (ISE) (SIX: ARYN, ISE: YZA).

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### Forward looking statement

This document contains forward looking statements which reflect the Board of Directors' current views and estimates. The forward looking statements involve certain risks and uncertainties that could cause actual results to differ materially from those contained in the forward looking statements. Potential risks and uncertainties include such factors as general economic conditions, foreign exchange fluctuations, competitive product and pricing pressures, the effects of a pandemic or epidemic or a natural disaster, and regulatory developments. You are cautioned not to place undue reliance on any forward-looking statements. These forward-looking statements are made as of the date of this document. The Company expressly disclaims any obligation or undertaking to publicly update or revise any forward-looking statements other than as required by applicable laws.