ARYZTA AG – H1 2022 Results

7 March 2022

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, or war 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 law.

Strong top- and bottom-line acceleration confirming confidence in turnaround plan

- Strong double digit organic revenue growth of 13.3% ahead of expectations
- Underlying EBITDA acceleration of 240bps to 12.5% supported by disciplined costs management
- Capital structure improved further, deferred hybrids dividend paid and Brazilian disposal completed
- Turnaround plan on track and important steps taken to participate in future APAC market growth

Key achievements of turnaround plan

- **Reinvigorating profitable Growth**
  - Multi-local approach fully gaining traction → businesses representing more than 30% of revenue ahead of 2019
  - Portfolio transformation roadmap established → significant increase in value added share of revenues
  - First business strategy assessment concluded → key drivers for future growth identified
- **Disciplined Costs Management**
  - Delivering operational efficiency plan → €17m delivered in H1
  - Significant improvement of capacity utilization → improvement from 68% to 73%
- **Improved Capital Structure**
  - Divestment of targeted business concluded → above €800m gross proceeds generated
  - Hybrid bonds → €172m of deferred and compounded hybrid dividends paid

Strengthening our footprint in fast growing South East Asia Market

- South East Asia bakery market forecasted to grow 7%-8% year on year
- Exercised option to purchase bakery from co-manufacturer DeLuxe
- More than doubled manufacturing capacity
- Strengthening our relevant position in Foodservice and QSR
- Expand capability in breads, buns and pastries including new product filling capacity
- Significantly improves the resilience of ARYZTA's supply chain in the region

Managing Business Risks

- Inflation across all cost inputs including raw material, labour, logistics and services
- Price volatility very evident in commodities especially wheat and energy
- Supply chain disruptions also significantly elevated

- Actively managing the entire business risks on a daily basis
- Contracts are largely covered; new tenders are being priced at market price
- Strengthening of process governance for customer tenders
- Result is increased frequency in contract renewal/pricing discussions with customers to manage risk
- Product innovation/renovation and customisation
- Focus is on disciplined cost management, efficiences and automation

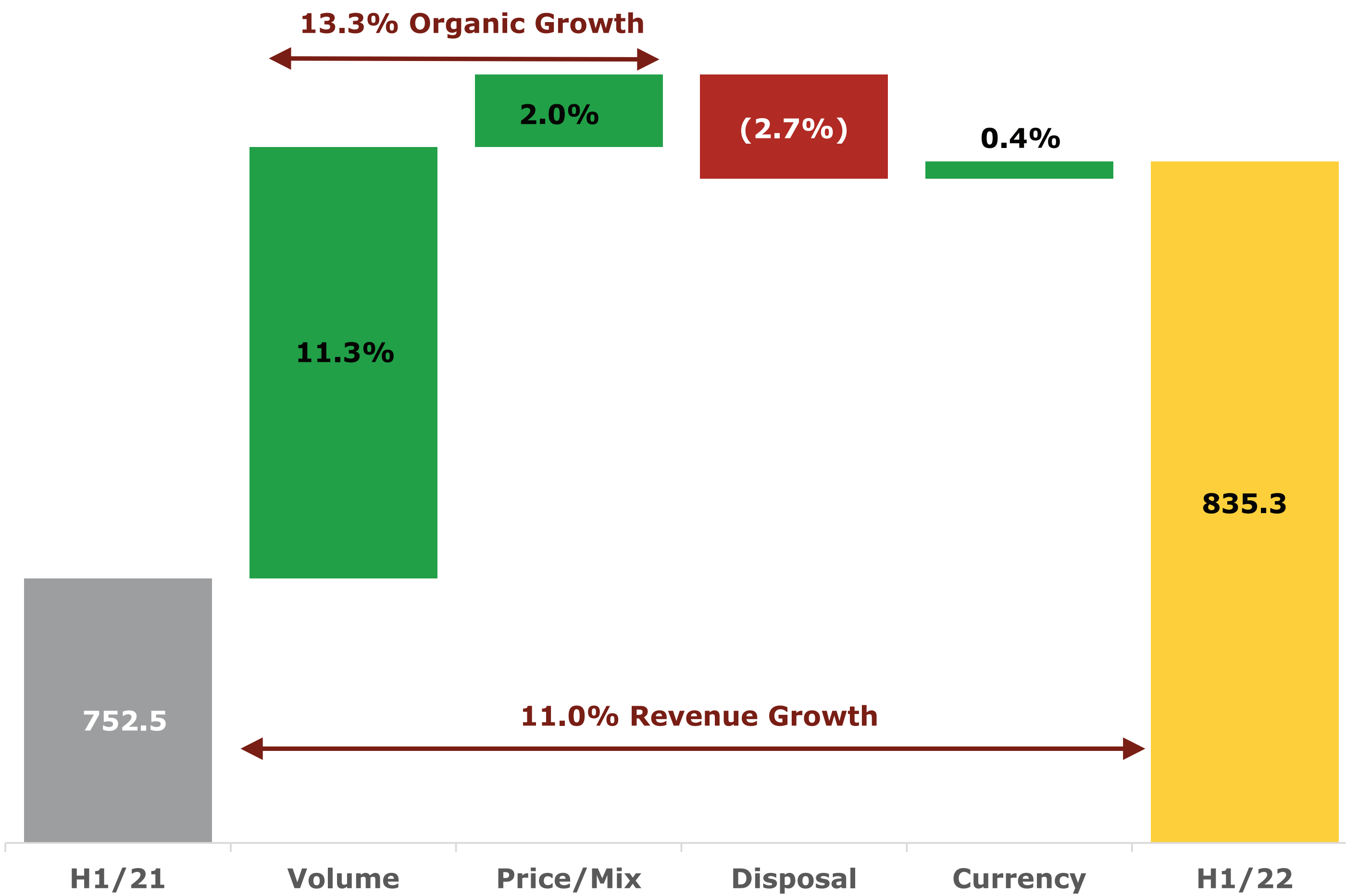
Guidance FY2022

- Expectation full year 2022 for organic revenue growth in a range of 12% to 14%
- Reiterate underlying EBITDA margin guidance

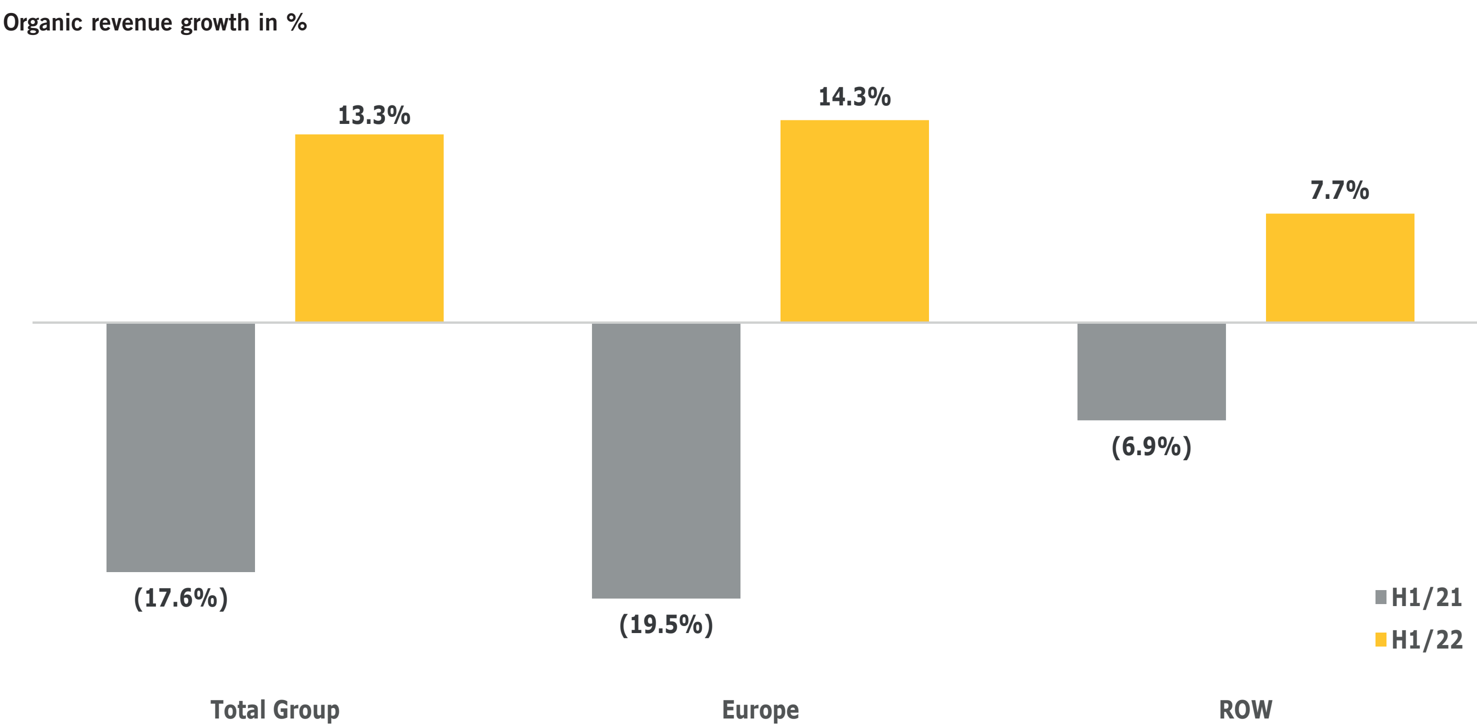
Financial Review

Double-digit Organic Revenue Growth driven by volume recovery

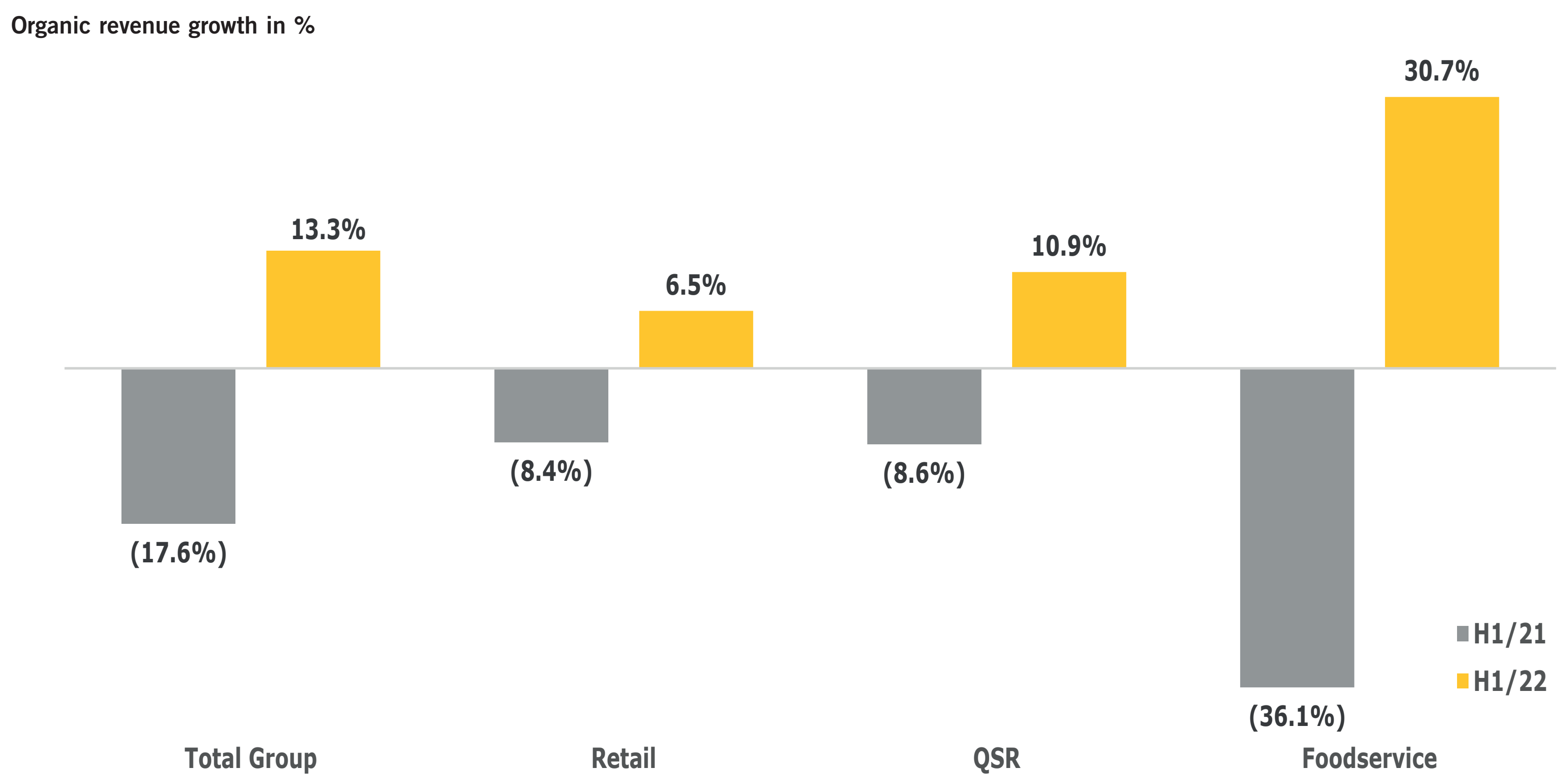
in €m / % of revenue



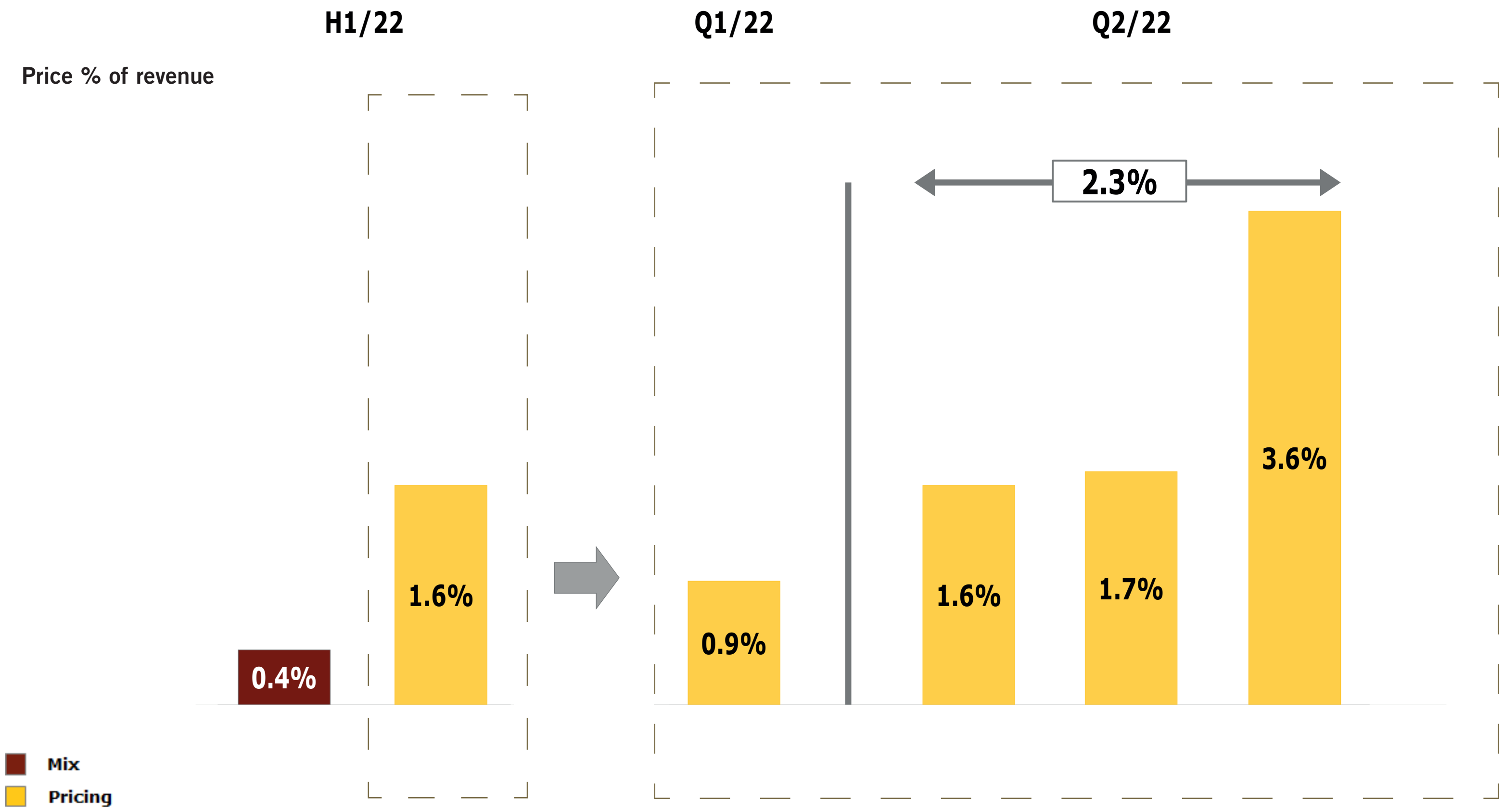
Strong momentum in Europe and resilient growth in ROW



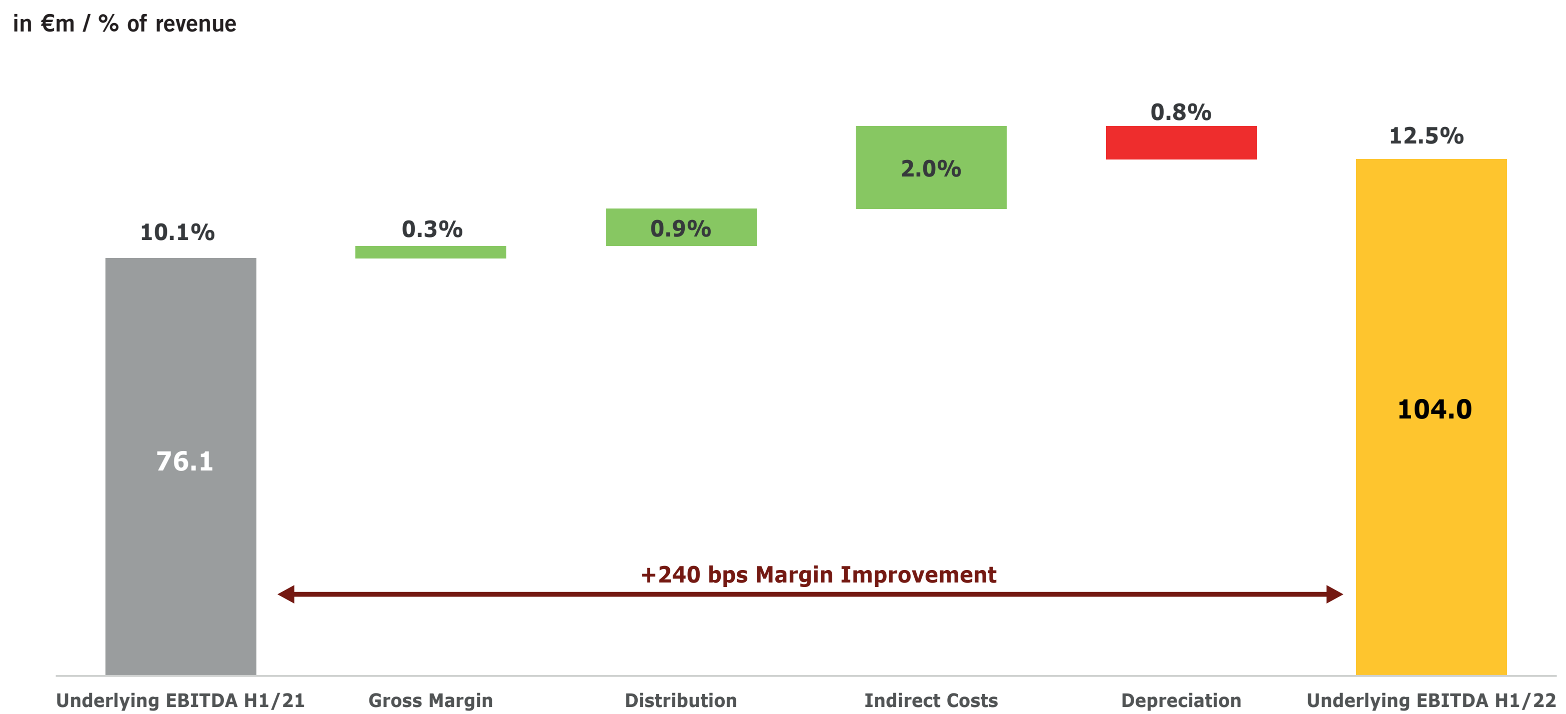
All channels supporting growth, Foodservice with strong recovery



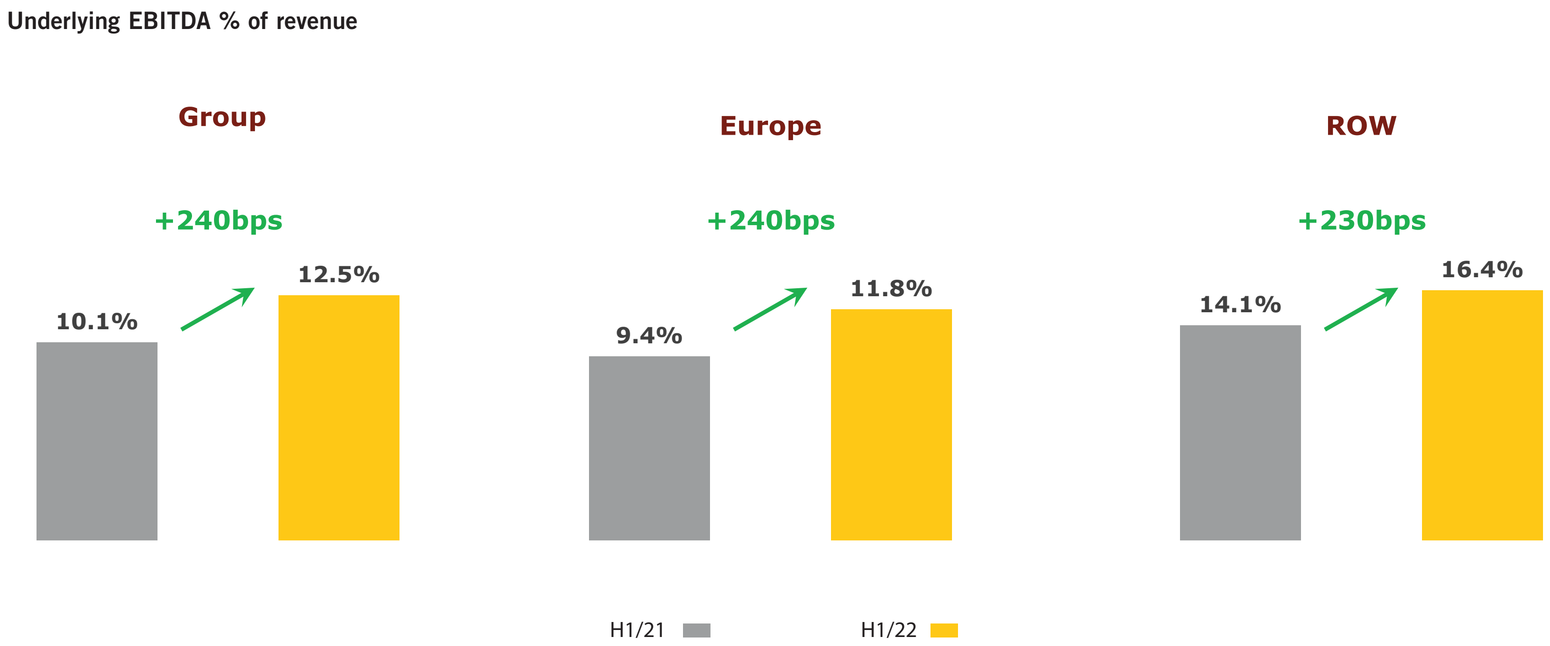
Pricing contribution ramping up in line with plan



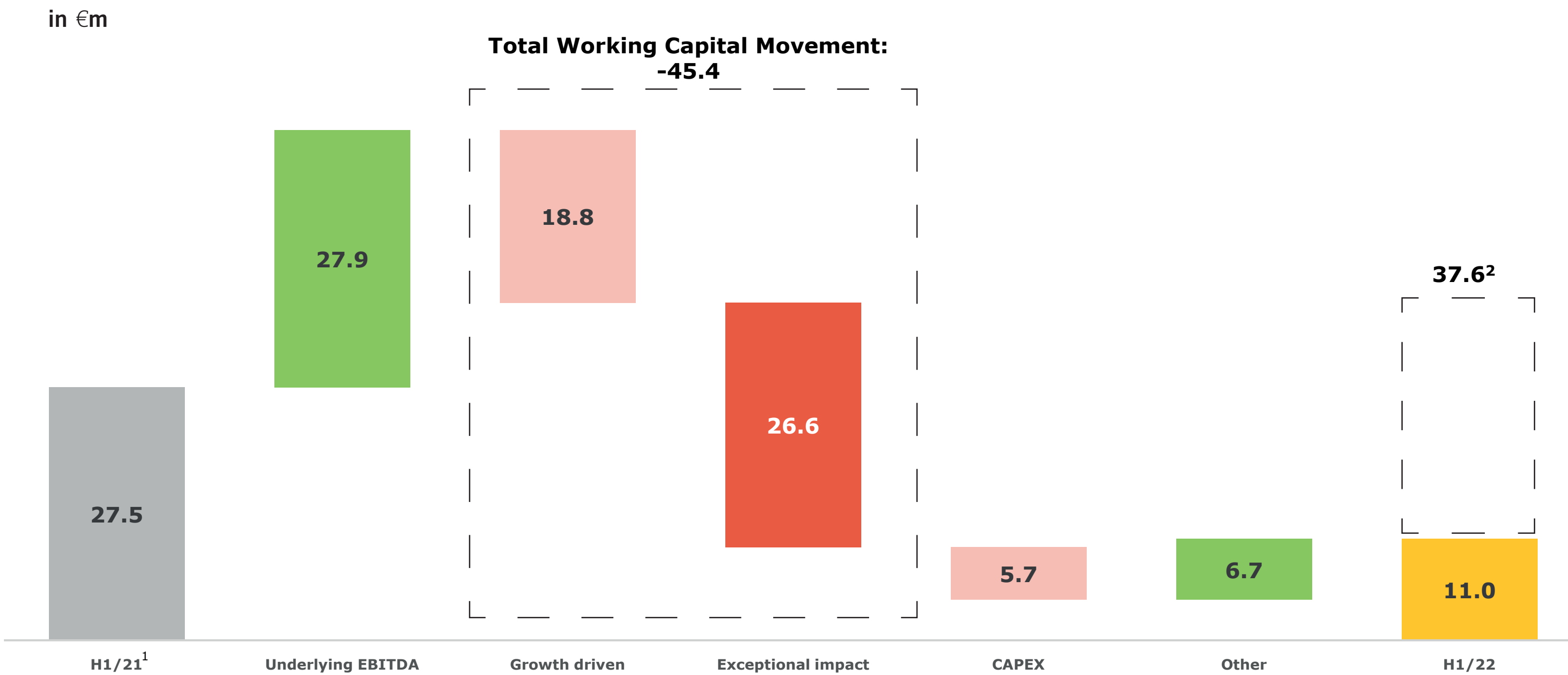
Strong leverage contribution and gross margin protection driving profitability



Broad based margin improvement in Europe and ROW



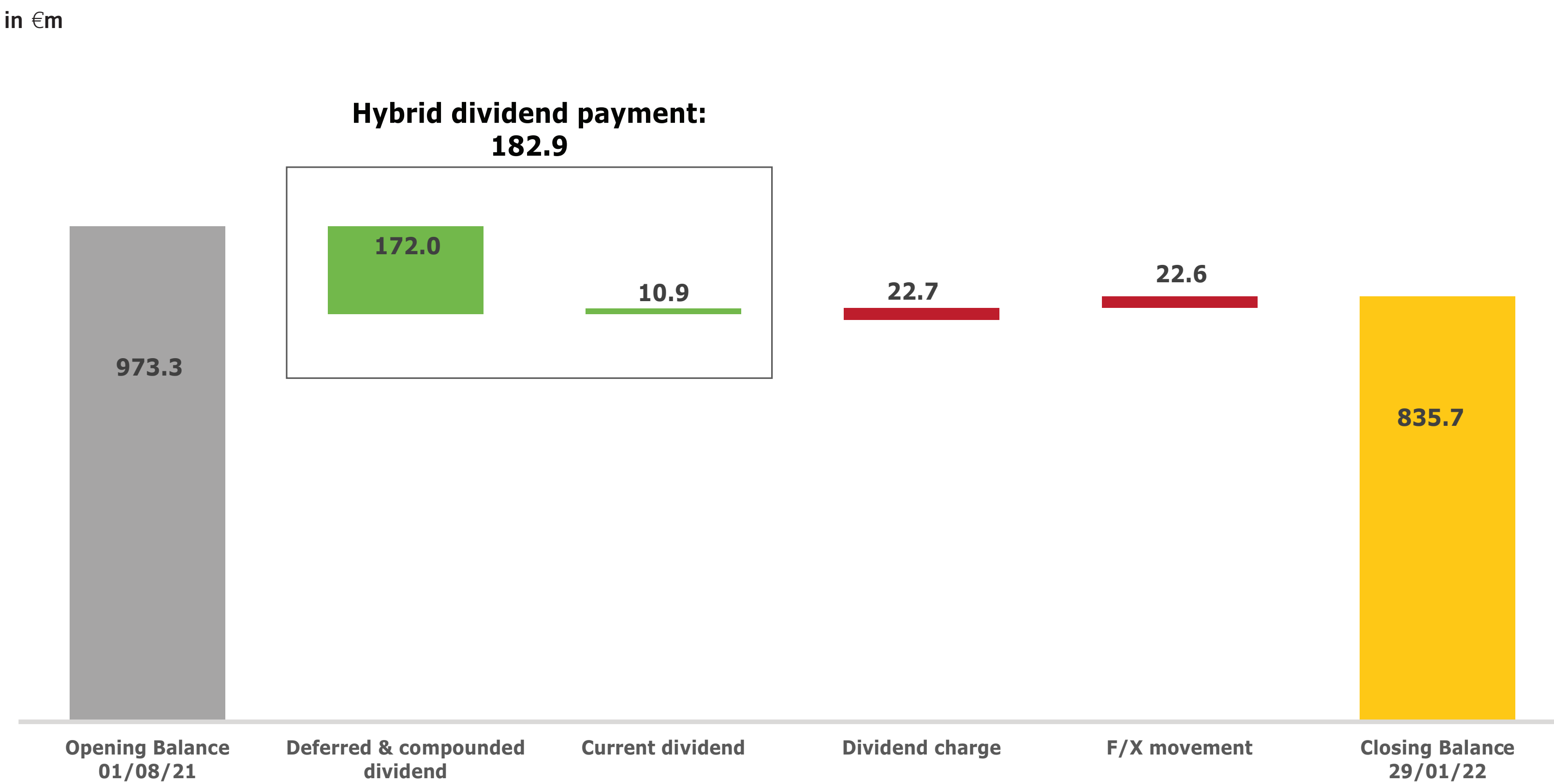
Operating free cash flow improving net of exceptional impacts



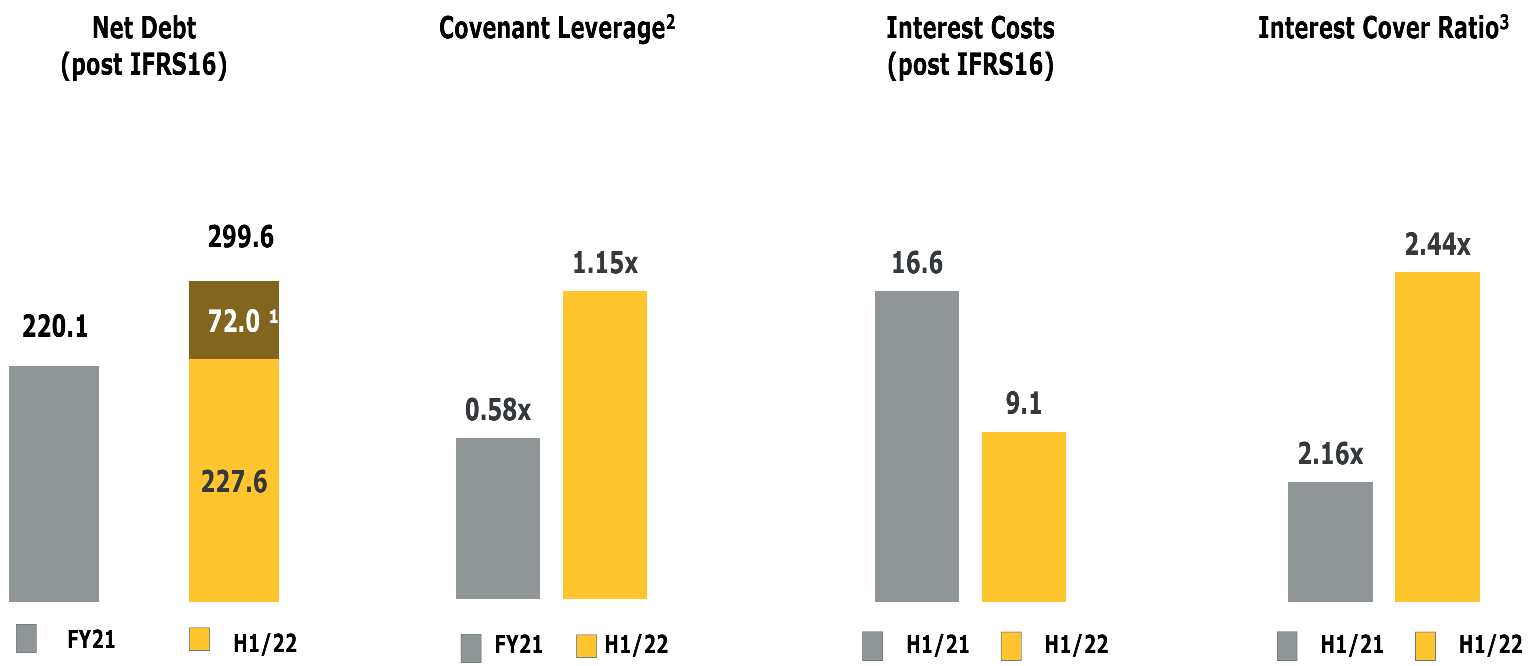
1 Operating Free Cash Flow for continuing operations, see page 36

2 Operating Free Cash Flow excluding exceptional impact (one-off effects including calendar timing, temporary COVID restrictions and the Brazil disposal)

Hybrid dividend payment of €182.9m in H1



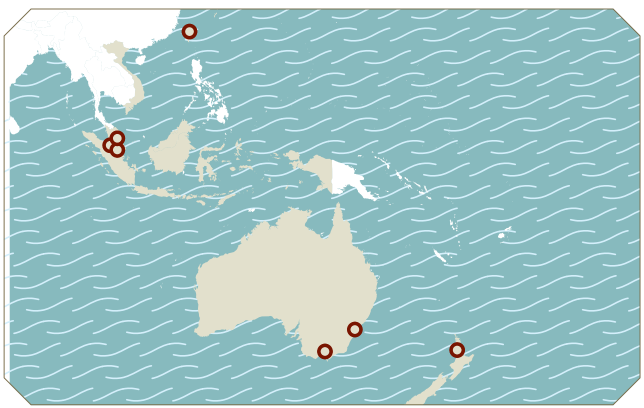
Net debt and interest well within covenant ratios



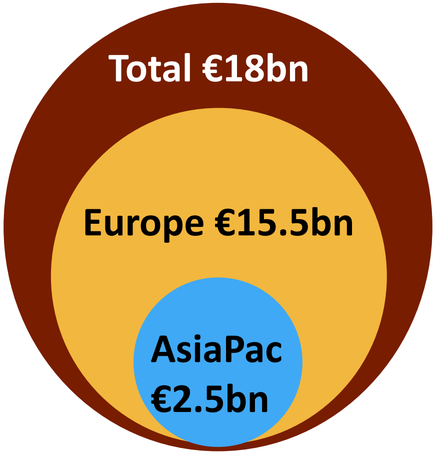
1 Increase of net debt driven by net-effect of hybrid dividend payment and proceeds of disposals
2 Covenant leverage in accordance with bank agreement (EBITDA & Net Debt calculated pre IFRS16)
3 Interest cover in accordance with bank agreement (EBITDA & Interest calculated pre IFRS16 + annual hybrid dividend charge)

- **Markets**
- **Business Model**
- **Innovation**
- **Outlook**

International Bakery Company with Local Focus



ARYZTA Adressable Market (bake-off)



Annual Growth Rates
Total 1-2%
Europe 1-2%
AsiaPac 3-4%

Market growing between 3-5%, depending on category

ARYZTA Market Share 9-11%

Source: Gira, GFK, Company and Other

ARYZTA Business Model - Four Revenue Drivers

Excellence in
Channel Solutions

Channels: Food Service, Convenience, Bakery, Retail, QSR

Excellence in
Innovation / Category Know-how

Within 6 Product Groups

Proposition
Gold Standard for ovenbaked freshness

Excellence in
Quality & Efficiency
(Operations / Logistics / Sourcing / Sales & Marketing)

Continuous improvement in quality & efficiency across the entire value chain

Excellence in
Customer Development

Strong customer focus and dedication to customers needs

Leading Bakery Brands

Hiestand®
OFENFRISCHE – UNSER HANDWERK

Mette Munk®

Coup de pates®
TRADITION & INNOVATION

Cuisine de France®

FORNETTI®

Pré Pain
WE MAKE. YOU BAKE.

Excellence in innovation within six food categories

Consumer trends driving bakery Innovation/Renovation to meet consumer trends/needs

- Consumers looking for:
  - Wholegrain, Seeded, Sourdough, Artisan
  - High-fibre, Low Protein and Low Carb

- Recent sucessful NPD innovations:
  - High protein/high fibre bread
  - Vegan plant-based savory “Chicken" pastry
  - New range of artisan sourdough breads

Guidance FY 2022

- Expectation full year 2022 for organic revenue growth in a range of 12% to 14%
- Reiterate underlying EBITDA margin guidance

- Strategic growth plan and mid-term guidance expected to be finalised during Q3
- ESG roadmap also to be finalised during Q3

Thank You

Appendix

ARYZTA Group Underlying Income Statement

26 week period ended 29 January 2022

	January H1 22 €m	January H1 21 €m	% Change
Continuing Operations			
Group revenue	835.3	752.5	11.0%
Underlying EBITDA[1]	104.0	76.1	36.7%
Underlying EBITDA margin	12.5%	10.1%	240 bps
Underlying net profit /(loss)- continuing operations	**9.6**	**(30.8)**	
Underlying net profit - discontinued operations	–	14.4	(100.0%)
Underlying net (loss)/profit - total[1]	**9.6**	**(16.4)**	
Underlying diluted EPS (cent) - continuing operations[2]	**1.0**	**(3.1)**	
Underlying diluted EPS (cent) - total[2]	**1.0**	**(1.7)**	
IFRS EBITDA - continuing operations	**59.7**	32.5	83.7%
IFRS EBITDA - discontinued operations	1.5	(17.1)	
IFRS EBITDA - total[4]	**61.2**	15.4	397.4%
IFRS loss for the period from continuing operations	**(40.7)**	**(48.8)**	**16.6%**
IFRS profit / loss for the period from discontinued operations	1.5	(76.6)	
IFRS loss for the period	**(39.2)**	**(125.4)**	**69.2%**
IFRS diluted loss per share (cent) - continuing operations[3]	**(6.4) cent**	**(7.2) cent**	**11.1%**
IFRS diluted loss per share (cent)[3]	**(6.2) cent**	**(15.0) cent**	**58.7%**

1 Underlying EBITDA from continuing operations includes central costs previously allocated to discontinued operations. Certain financial alternative performance measures, that are not defined by IFRS, are used by management to assess the financial and operational performance of ARYZTA. See glossary on page 45.

2 The 29 January 2022 weighted average number of ordinary shares used to calculate underlying earnings per share is 991,928,700 (H1 2021: 991,206,398).

3 The 29 January 2022 weighted average number of ordinary shares used to calculate IFRS diluted loss per share is 991,830,010 (H1 2021: 991,206,398).

4 Certain financial alternative performance measures, that are not defined by IFRS, are used by management to assess the financial and operational performance of ARYZTA. See glossary on page 45.

Underlying Income Statement Reconciliation to IFRS
26 week period ended 29 January 2022

	January 2022 €m	January 2021 €m	% Change
Continuing Operations			
Group revenue	835.3	752.5	11.0%
Underlying EBITDA[1]	104.0	76.1	36.7%
Underlying EBITDA margin	12.5%	10.1%	240 bps
Depreciation and ERP amortisation	(53.2)	(54.4)	2.2%
Underlying EBITA[1]	50.8	21.7	134.1%
Finance cost, net	(9.1)	(16.6)	45.2%
Hybrid instrument dividend	(22.7)	(23.0)	1.3%
Underlying pre-tax profits/(loss)	19.0	(17.9)	
Income tax	(9.4)	(12.9)	27.1%
Underlying net profit/(loss) - continuing operations[1]	**9.6**	**(30.8)**	
Underlying net profit - discontinued operations[1,2]	–	14.4	(100.0)%
Underlying net profit/(loss) - total[1]	**9.6**	**(16.4)**	
Underlying diluted EPS (cent) - continuing operations[3]	**1.0**	**(3.1)**	
Underlying diluted EPS (cent) - total[3]	**1.0**	**(1.7)**	

1 Certain financial alternative performance measures, which are not defined by IFRS, are used by management to assess the financial and operational performance of ARYZTA. See glossary on page 45 for definitions of financial terms and references used in the financial and business review.

2 Following the reclassification of the Group's North America segment to disposal group held-for-sale in January 2021, its results have been presented separately as discontinued operations.

3 The 29 January 2022 weighted average number of ordinary shares used to calculate underlying earnings per share is 991,928,700 (H1 2021: 991,206,398).

Reconciliation of Underlying EBITDA to IFRS result

26 week period ended 29 January 2022

	January 2022 €m	January 2021 €m
Continuing Operations		
Underlying EBITDA	**104.0**	76.1
Depreciation	**(47.9)**	(49.1)
ERP amortisation	**(5.3)**	(5.3)
Underlying EBITA	**50.8**	21.7
Amortisation of other intangible assets	**(8.2)**	(8.8)
Net loss on disposal of businesses	**(40.2)**	–
Loss on fixed asset disposals and impairments	**(0.2)**	(2.8)
Restructuring-related costs	**(3.9)**	(39.7)
COVID-19 related costs	**–**	(1.1)
IFRS operating loss	**(1.7)**	(30.7)
Gain on equity instruments at fair value through profit or loss	**–**	8.6
RCF termination costs	**(7.7)**	–
Finance cost, net	**(9.1)**	(16.6)
Loss before income tax	**(18.5)**	(38.7)
Income tax expense	**(22.2)**	(10.1)
IFRS loss for the period from continuing operations	**(40.7)**	(48.8)
IFRS profit/(loss) for the period from discontinued operations	**1.5**	(76.6)
IFRS loss for the period	**(39.2)**	(125.4)
Hybrid instrument dividend	**(22.7)**	(23.0)
Loss used to determine basic EPS	**(61.9)**	(148.4)
IFRS diluted loss per share (cent) - continuing operations[1]	**(6.4) cent**	(7.2) cent
IFRS diluted loss per share (cent)[1]	**(6.2) cent**	(15.0) cent

1 The 29 January 2022 weighted average number of ordinary shares used to calculate IFRS diluted loss per share is 991,830,010 (H1 2021: 991,206,398).

Reconciliation of Underlying EBITDA to IFRS EBITDA

26 week period ended 29 January 2022

	Continuing Operations		Discontinued Operations		ARYZTA Group	
	January 2022 €m	January 2021 €m	**January 2022 €m**	January 2021 €m	**January 2022 €m**	January 2021 €m
Underlying EBITDA	**104.0**	**76.1**	**-**	**48.7**	**104.0**	**124.8**
Net loss on disposal of businesses and impairment of disposal groups held-for-sale	**(40.2)**	-	**1.6**	(57.7)	**(38.6)**	(57.7)
Net loss on fixed asset disposals and impairments	**(0.2)**	(2.8)	-	(0.2)	**(0.2)**	(3.0)
Disposal and restructuring-related costs	**(3.9)**	(39.7)	**(0.1)**	(3.3)	**(4.0)**	(43.0)
COVID-19 related costs	**-**	(1.1)	**-**	(4.6)	**-**	(5.7)
IFRS EBITDA[1]	**59.7**	**32.5**	**1.5**	**(17.1)**	**61.2**	**15.4**

1 See glossary on page 45 for definitions of financial terms and references used in the financial and business review.

Organic revenue
26 week period ended 29 January 2022

	ARYZTA Europe €m	ARYZTA Rest of World €m	Total Continuing Operations €m
Group revenue	**721.5**	**113.8**	**835.3**
Organic movement	14.3%	7.7%	13.3%
Disposals movement	(0.4)%	(15.2)%	(2.7)%
Currency movement	0.3%	1.7%	0.4%
Total revenue movement	**14.2%**	**(5.8)%**	**11.0%**

Quarterly organic revenue

	Q3 2021	Q4 2021	Q1 2022	Q2 2022	H1 2022
ARYZTA Europe					
Volume %	(0.3%)	20.5%	8.6%	16.4%	12.3%
Price/Mix %	0.9%	2.0%	1.5%	2.7%	2.0%
Organic movement %	**0.6%**	**22.5%**	**10.1%**	**19.1%**	**14.3%**
ARYZTA Rest of World					
Volume %	14.8%	20.8%	4.3%	7.0%	5.7%
Price/Mix %	(0.7%)	4.1%	3.6%	0.6%	2.0%
Organic movement %	**14.1%**	**24.9%**	**7.9%**	**7.6%**	**7.7%**
Total Continuing Operations					
Volume %	1.9%	20.6%	8.0%	14.8%	11.3%
Price/Mix %	0.7%	2.2%	1.8%	2.2%	2.0%
Organic movement %	**2.6%**	**22.8%**	**9.8%**	**17.0%**	**13.3%**

Segmental Underlying EBITDA

26 week period ended 29 January 2022

Underlying EBITDA	January 2022 €m	January 2021 €m	% Change
ARYZTA Europe	85.3	59.1	44.3%
ARYZTA Rest of World	18.7	17.0	10.0%
Continuing Operations	**104.0**	**76.1**	**36.7%**

Underlying EBITDA margin	January 2022 €m	January 2021 €m	% Change
ARYZTA Europe	11.8%	9.4%	240 bps
ARYZTA Rest of World	16.4%	14.1%	230 bps
Continuing Operations	**12.5%**	**10.1%**	**240 bps**

Impairment, disposal, restructuring and COVID-19 related costs

26 week period ended 29 January 2022

	ARYZTA Europe 2022 €m	ARYZTA Rest of World 2022 €m	**Total Continuing Operations 2022 €m**	Total Continuing Operations 2021 €m
Net gain/(loss) on disposal of businesses	0.1	(40.3)	**(40.2)**	–
Loss on fixed asset disposals and impairments	(0.2)	–	**(0.2)**	(2.8)
Net gain on disposal of equity investment	–	–	**–**	8.6
Total net loss on disposal of businesses and asset write-downs	(0.1)	(40.3)	**(40.4)**	5.8
Severance and other staff-related costs	(2.2)	–	**(2.2)**	(15.2)
Other costs including advisory	(1.6)	(0.1)	**(1.7)**	(24.5)
Total restructuring-related costs	(3.8)	(0.1)	**(3.9)**	(39.7)
COVID-19 related costs	–	–	**–**	(1.1)
Total impairment, disposal, restructuring and COVID-19 related costs	(3.9)	(40.4)	**(44.3)**	(35.0)

- During the period ended 29 January 2022, the Group successfully concluded the disposal of its Brazil business to Grupo Bimbo SAB de CV.

- As the €110.0m proceeds received, net of associated transaction costs, were in excess of the €64.9m carrying value of the net assets disposed, combined with a €85.4m cumulative foreign currency translation loss since the initial investment, a loss on disposal before tax of €40.3m was recognised in the income statement.

Cash Generation

Period ended 29 January 2022

	January 2022 €m	January 2021 €m
Underlying EBITDA - continuing operations	104.0	76.1
Underlying EBITDA - discontinued operations	–	48.7
ARYZTA Underlying EBITDA	**104.0**	**124.8**
Working capital movement	(34.6)	32.2
Working capital movement from debtor securitisation[1]	(1.8)	(12.1)
Capital expenditure	(29.6)	(37.3)
Net payments on lease contracts	(16.7)	(25.0)
Proceeds from sale of property, plant and equipment	0.9	0.7
Restructuring and COVID-19 related cash flows	(11.2)	(26.1)
Segmental operating free cash generation	**11.0**	**57.2**
Dividend from equity investment	–	1.1
Dividends paid on hybrid instruments - actual	(10.9)	–
Interest and income tax on operating activities paid, net	(15.5)	(21.8)
Recognition of deferred income from government grants	(1.3)	(1.6)
Other	0.7	(1.1)
Cash flow generated from activities	**(16.0)**	**33.8**

1 Total debtor balances securitised as of 29 January 2022 is €82m (31 July 2021: €85m).

Cash Generation - Continuing operations

Period ended 29 January 2022

in €m	January 2022	January 2021
Underlying EBITDA	**104.0**	**76.1**
Working capital movement	(34.6)	10.8
Working capital movement from debtor securitisation[1]	(1.8)	(1.8)
Capital expenditure	(29.6)	(23.9)
Net payments on lease contracts	(16.7)	(17.1)
Proceeds from sale of property, plant and equipment	0.9	0.7
Restructuring and COVID-19 related cash flows	(11.2)	(17.3)
Segmental operating free cash generation	**11.0**	**27.5**
Dividend from equity investment	-	1.1
Dividends paid on hybrid instruments - actual	(10.9)	-
Interest and income tax on operating activities paid, net	(15.5)	(20.2)
Recognition of deferred income from government grants	(1.3)	(1.6)
Other	0.7	1.1
Cash flow generated from activities	**(16.0)**	**7.9**

Reconciliation of IFRS cash flow from operating activities to Cash flow generated from activities

Period ended 29 January 2022

	January 2022 €m	January 2021 €m
Cash flow from operating activities	**37.9**	**90.8**
Purchase of property, plant and equipment	(26.6)	(35.6)
Purchase of intangible assets	(3.0)	(1.7)
Proceeds from sale of property, plant and equipment	0.9	0.7
Lease principal payments	(14.3)	(21.5)
Dividends paid on hybrid instruments instruments - actual	(10.9)	–
Dividend from equity investment	–	1.1
Cash flow generated from activities	**(16.0)**	**33.8**

Net debt evolution

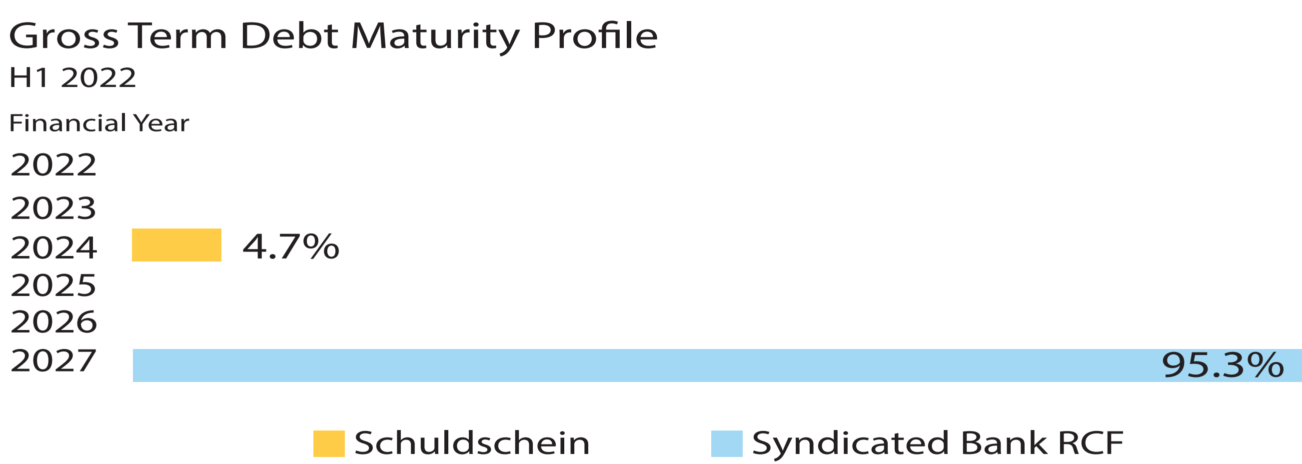
	January 2022 €m	January 2021 €m
Opening net debt	**(220.1)**	**(1,010.7)**
Cash flow generated from activities	(16.0)	33.8
Net movements on lease liabilities	9.1	13.6
Disposal of businesses, net of tax and leases	110.9	58.8
Disposal of equity investment	–	24.3
Receipt of vendor loan note	–	10.0
RCF termination	(7.7)	–
Dividends paid on hybrid instruments - deferred and compound	(172.0)	–
Foreign exchange movement	(1.8)	4.4
Other[1]	(2.0)	(3.7)
Closing net debt [2]	**(299.6)**	**(869.5)**

1 Other comprises primarily amortisation of upfront borrowing costs.

2 Excluding the €129.5m lease liabilities arising from IFRS 16 at 29 January 2022 (H1 2021: €214.3m), the Group net debt would be €170.1m (H1 2021: €655.2m) at 29 January 2022.

ARYZTA Group Gross Term Debt Financing Facilities and Maturities

	29 January 2022 €m	31 July 2021 €m
Syndicated Bank RCF	(340.4)	(45.0)
State sponsored COVID-19 related loans	-	(21.9)
Schuldschein	(17.0)	(178.6)
Gross term debt	**(357.4)**	**(245.5)**
Upfront borrowing costs	7.0	9.1
Term debt, net of upfront borrowing costs	**(350.4)**	**(236.4)**
Cash and cash equivalents	180.3	170.9
Net debt excluding leases	**(170.1)**	**(65.5)**
Leases	(129.5)	(154.6)
Net debt	**(299.6)**	**(220.1)**



Covenants

- Under the new RCF Agreement the Group's financial covenants are as follows:

- **Leverage covenant (Net Debt: EBITDA):**
  - maximum 3.5x

- **Interest cover covenant (EBITDA: Net interest, including Hybrid dividend), minimum:**
  - >1.50x – until 31 January 2022
  - >2.00x – until 31 July 2022
  - >3.00x – until 31 July 2023
  - >3.50x – until facility termination date in September 2026

- **The Group's key financial ratios were as follows:**

	January 2022	**FY 2021**
Net Debt: EBITDA[1]	1.15x	0.58x
EBITDA: Net interest, including Hybrid dividend[1]	2.44x	1.88x

1 The Group has calculated Net Debt, EBITDA and Interest for the Group covenants in line with the new Syndicated Revolving Credit Facilities Agreement terms at January 2022 and the previous Syndicated Revolving Credit Facilities Agreement terms at FY 2021.

Hybrid Funding

Perpetual Callable Subordinated Instruments		Coupon	Coupon rate if not called	FY 2021 €m
Not called	CHF 400m	5.3%	6.045% +3 Month SARON	(385.5)
Not called	EUR 250m	6.8%	6.77% +5 Year Euro Swap Rate	(250.0)
Not called	CHF 190m	3.5%	4.213% +3 Month SARON	(183.1)
Hybrid principal outstanding at 29 January 2022 exchange rates				**(818.6)**
Hybrid instrument deferred dividends				(17.1)
Total hybrid funding outstanding at 29 January 2022 exchange rates				**(835.7)**

ARYZTA Group – Return on Invested Capital

Continuing operations	ARYZTA Europe €m	ARYZTA Rest of World €m	ARYZTA Group €m
29 January 2022			
Segmental net assets[1]	1,174.1	97.1	1,271.2
TTM EBITA[1]	71.0	18.7	89.7
ROIC[1]	6.0%	19.3%	7.1%
31 July 2021			
Segmental net assets[1]	1,164.0	148.6	1,312.6
TTM EBITA[1]	45.1	18.4	63.5
ROIC[1]	3.9%	12.4%	4.8%

1 See glossary on page 45 for definitions of financial terms and references used.

2 Group WACC on a pre-tax basis is currently 8.2% (FY 2021: 8.3%).

Net assets, goodwill and intangibles

Period ended 29 January 2022

	January 2022 €m	FY 2021 €m
Property, plant and equipment	831.0	849.8
Investment properties	2.5	3.7
Goodwill and intangible assets	660.4	660.3
Deferred tax on goodwill and intangibles	(14.9)	(16.4)
Working capital	(64.8)	(94.1)
Other segmental assets	2.5	6.0
Other segmental liabilities	(20.2)	(21.9)
Lease liabilities	(129.5)	(136.9)
Net assets of disposal group held-for-sale	4.2	62.1
ARYZTA Group segmental net assets	**1,271.2**	**1,312.6**
Interest bearing loans, net of cash	(170.1)	(65.5)
Deferred tax, net	(61.8)	(61.8)
Income tax	(83.7)	(82.9)
Derivative financial instruments	(1.7)	(0.3)
Net assets	**953.9**	**1,102.1**

EUR Closing and Average FX Rates

Currency	Average H1 2022	Average H1 2021	% Change	Closing H1 2022	Closing FY 2021	% Change
CHF	1.0613	1.0781	1.6%	1.0376	1.0773	3.7%
USD	1.1534	1.1928	3.3%	1.1154	1.1882	6.1%
GBP	0.8486	0.9020	5.9%	0.8323	0.8515	2.3%
BRL	6.2644	6.4388	2.7%	6.0291	6.0401	0.2%

Presentation Glossary

‘Organic revenue’ – presents the revenue movement during the period, excluding impacts from acquisitions/(disposals) and foreign exchange translation.

‘Underlying EBITDA’ – presented as earnings before interest, taxation, depreciation and amortisation; before impairment, disposal, restructuring and COVID-19 related costs.

'IFRS EBITDA' – presented as earnings before interest, taxation, depreciation and amortisation. A reconciliation of IFRS EBITDA to Underlying EBITDA from continuing operations by segment is presented on page 30.

‘Underlying EBITA’ – presented as earnings before interest, taxation and non-ERP related intangible amortisation; before impairment, disposal, restructuring and COVID-19 related costs.

‘ERP’ – Enterprise Resource Planning intangible assets include the Group SAP system.

‘Hybrid instrument’ – presented as Perpetual Callable Subordinated Instruments, which have no contractual maturity date and for which the Group controls the timing of settlement; therefore, these instruments are accounted for as equity instruments in accordance with IAS 32 ‘Financial Instruments’.

‘Underlying net profit/(loss)’ – presented as reported net profit/(loss), adjusted to include the Hybrid instrument dividend as a finance cost; before non-ERP related intangible amortisation; before RCF termination costs, impairment, disposal, restructuring and COVID-19 related costs, net of related income tax impacts. The Group utilises the underlying net profit/(loss) measure to enable comparability of the results from period to period, without the impact of transactions that do not relate to the underlying business.

‘Segmental Net Assets’ – Excludes financial assets at fair value, all bank debt, cash and cash equivalents and tax balances, with the exception of deferred tax liabilities associated with acquired goodwill and intangible assets, as those deferred tax liabilities represent a notional non-cash tax impact directly linked to segmental goodwill and intangible assets recorded as part of a business combination, rather than an actual cash tax obligation.

‘ROIC’ – Return On Invested Capital is calculated using a pro-forma trailing twelve month segmental Underlying EBITA (‘TTM EBITA’) reflecting the full twelve month contribution from acquisitions and full twelve month deductions from disposals, divided by the respective Segmental Net Assets, as of the end of each period.

‘Net working capital’ – Net working capital is a measure of current assets and liabilities with a short-term impact on liquidity. Net working capital includes Trade and other receivables and Inventory, less Trade and other payables.