



**ARYZTA | Media Update**  
**February 4<sup>th</sup> 2019**

# ARYZTA developed a strong core B2B platform

- Formed in 2008 by the merger of Hiestand Holdings AG and IAWS Group Plc
- Global leader in frozen B2B bakery
- Strong B2B customer base
- Built through multiple acquisitions
- Previously unfocused strategy
- Strategic and Operational challenges in recent years
- Multi-year turnaround – addressing deep challenges

# ARYZTA is addressing these challenges

## Key Issues

- Unfocused Strategy
- Talent Loss
- Lack of Stakeholder Engagement
- Over Expansion / Over Capacity
- Over Leveraged

## Actions Undertaken

- Focused Core B2B Frozen Bakery; Clear Roadmap
  - New Management Team; Ongoing Board Renewal
  - Refocus on Customers, Relationships & Service
  - Non Core assets sold Cloverhill, La Rousse & Signature JV
  - Project Renew announced May 2018
  - Net €740m+ Capital raised in November '18;
  - €137m cash from disposals; Picard Dividend €91m
- 
- Focus on stabilising the business
  - Rigorous financial controls implemented
  - Cost reduction projects in Europe and North America
  - Focused delivery of 2019 guidance

- Underlying Business Performance

# New, Focused Management Team

- Relevant expertise and experience from blue-chip international companies
- Comprehensive analysis of the business with clear controls in place
- Well defined and focused strategy for success



**Kevin Toland (Sep 17)**  
CEO

- Joined ARYZTA as CEO in September 2017
- Previously CEO at Daa Plc, an operating company of Dublin and Cork airports and global retailer Aer Rianta International (ARI)
- Prior, he was CEO and President at Glanbia USA & Global Nutritionals Division as well as Director of Glanbia plc (2003-2013)



**Frederic Pflanz (Jan 18)**  
CFO

- Joined ARYZTA as CFO in January 2018
- Previously at Maxinvest Group as an executive Board member
- Prior, he held a number of roles in Rémy Cointreau Group including Group CFO
- From 1992 to 2010 he worked with L'Oréal most recently as CFO of Global Consumer Products



**Dave Johnson (Jan 18)**  
CEO North America

- Joined as CEO North America in January 2018
- Previously at Barry Callebaut for 9 years as President and CEO Americas
- Prior, he worked for Kraft Foods, holding a number of senior positions, including President of Kraft North America



**Gregory Sklikas (May 18)**  
CEO Europe

- Joined as CEO Europe in May 2018
- Previously COO for EMEA for Friesland Campina
- Prior, he spent 14 years working for Unilever



**Robert O'Boyle (2008)**  
COO APMEA

- Joined ARYZTA in 2008
- He held the role of European Trading Director from 2013-2015
- In 2016, he became the Group's head of APMEA activities as regional COO



**Tony Murphy (Dec 17)**  
Chief People Officer

- Joined ARYZTA in December 2017
- Prior, he held a number of senior HR roles with Diageo in UK and North America
- Also worked for Cadbury in the UK as People Capability Director and as EVP HR for North America



**Claudio Gekker (2014)**  
COO Latin America

- Joined as COO of Latin America in 2014
- Previously, he led Bimbo's commercial team in Brazil
- He has also worked for Nestlé, running its biscuit business in Brazil



**John Heffernan (Mar 18)**  
Chief Strategic Officer

- Joined ARYZTA in March 2018
- Previously, he worked as Chief Development Officer for Daa Plc
- He also founded a number of businesses in the clean energy space, prior to which he worked with McKinsey & Co



**Rhona O'Brien (Sep 18)**  
General Counsel / Company Sec.

- Joined ARYZTA in September 2018
- Previously, she worked for DCC Vital Ltd
- Joined DCC Plc's Healthcare Division as senior Counsel of Legal and Compliance

# Strong Board, Proven Expertise



**Gary McGann (Dec 16)**  
Chairman & Non-exec Director

- Chairman of Paddy Power Betfair & Director of Green Reit
- Chairman of Sicon Ltd and Aon Ireland
- Former Group CEO of Smurfit Kappa
- Former CEO of Aer Lingus and Gilbeys of Ireland

## Capability

- Diverse industry backgrounds
- Food industry expertise
- North American, Europe & LatAm experience
- Average tenure 2 years



**Dan Flinter (Dec 15)**  
Independent Director

- Chairman of PM Group Holdings, The Irish Times & former chairman of VCIM
- Board member of Dairygold Co-Operative
- Former CEO of Enterprise Ireland
- Former Exec. Director of IDA Ireland



**Annette Flynn (Dec 14)**  
Independent Director

- Non-executive director of Canada Life International Assurance Ireland DAC
- Non-executive director of Dairygold Cooperative Society
- Held various senior roles in UDG Healthcare plc



**James B. Leighton (Dec 17)**  
Non-executive Director

- Former COO and Interim CEO of Boulder Brands
- President of 40 North Foods from 2016 - 2018 and CEO of Getting FIT



**Andrew Morgan (Dec 13)**  
Independent Director

- Former President of Diageo Europe
- Former President of AIM
- Served two terms on the Global Advisory Board of British Airways



**Kevin Toland (Dec 17)**  
Executive member

- CEO of ARYZTA since 2017
- Previously CEO at Daa Plc
- Former CEO and President at Glanbia USA & Global Nutritionals Division as well as Director of Glanbia plc



**Rolf Watter (Dec 16)**  
Independent Director

- Partner at Bär & Karrer since 1994
- Chairman of PostFinance AG
- Non-executive director of AW Faber Castell and AP Alternative Portfolio
- Member of the Regulatory Board of the SIX Swiss Exchange

## Elected at the 2018 AGM



**Michael Andres**  
Independent Director

- Spent the majority of his career with McDonald's having most recently served as President of McDonald's USA
- Brings a deep understanding of consumer markets globally, and North America in particular



**Gregory Flack**  
Independent Director

- Executive Chairman of Green Chile Foods Company since 2014
- Spent most of his previous career at Schwan Food Company, serving as CEO from 2008-2013 where he successfully led a turnaround strategy and business restructuring



**Tim Lodge**  
Independent Director

- Experienced CFO who recently retired as CFO of COFCO International
- Spent most of his previous career at Tate & Lyle where he served as CFO from 2008-2014 and oversaw a significant balance sheet reduction and business transformation programme



# Global Footprint in Frozen B2B Bakery

- **Global platform: 56 bakeries** situated in **20 countries** over **4 continents**<sup>1</sup>
- **Comprehensive product offering** for wide range of customers in a growth sector



- ✓ Well invested bakeries with capacity to grow volume
- ✓ High quality customer set of QSRs, food service and retail
- ✓ Global market growing at 4-5% CAGR 2015-20<sup>2</sup>
- ✓ Platform uniquely positions ARYZTA as a global partner to support customers' international growth
- ✓ Core business cash generative and profitable

# We make excellent products and have good positions in key categories

Market leaders in 5 core categories accounting for c. 50% of sales<sup>1</sup>:

- Artisan bread: #1 in Europe and #1 in North America
- Buns: #1 in Europe, Top 5 in North America
- Donuts/Berliners: Top 3 in Europe, #1 in North America
- Cookies: Top 3 in Europe, #1 in North America
- Laminated dough: Top 3 in Europe, Top 5 in North America



Artisan bread



Buns



Donuts & Berliners



Cookies



Laminated dough

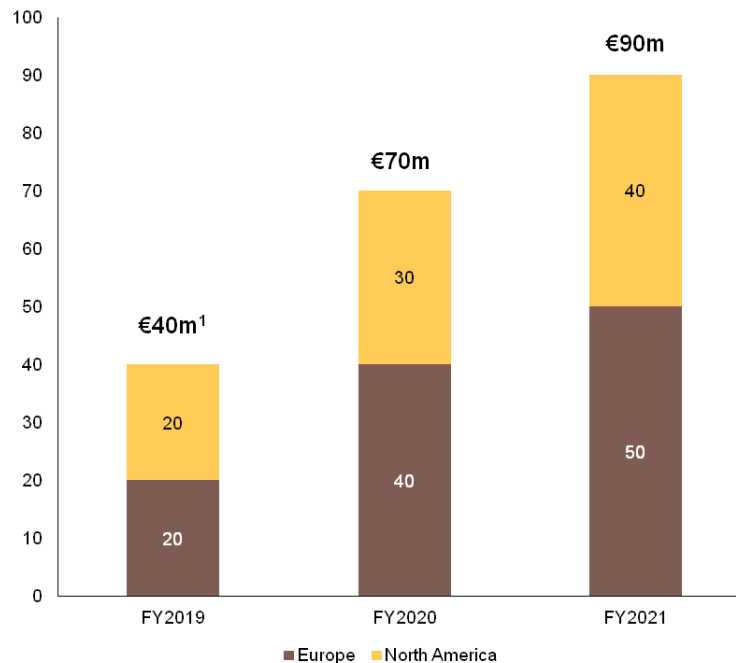
Stable of well known **B2B** brands improve category profitability for our customers:



# Project Renew

- Over 200 projects, €150m investment, €90m annualized run-rate savings in FY'21
- Improve focus, efficiency and flexibility in our core frozen B2B bakery market
- Enhance product quality and customer service
- Aligning the asset and cost base with current and expected business conditions

€90m Targeted Run-rate Savings in FY2021







Improve performance by creating a more streamlined and focused organisation

Note:

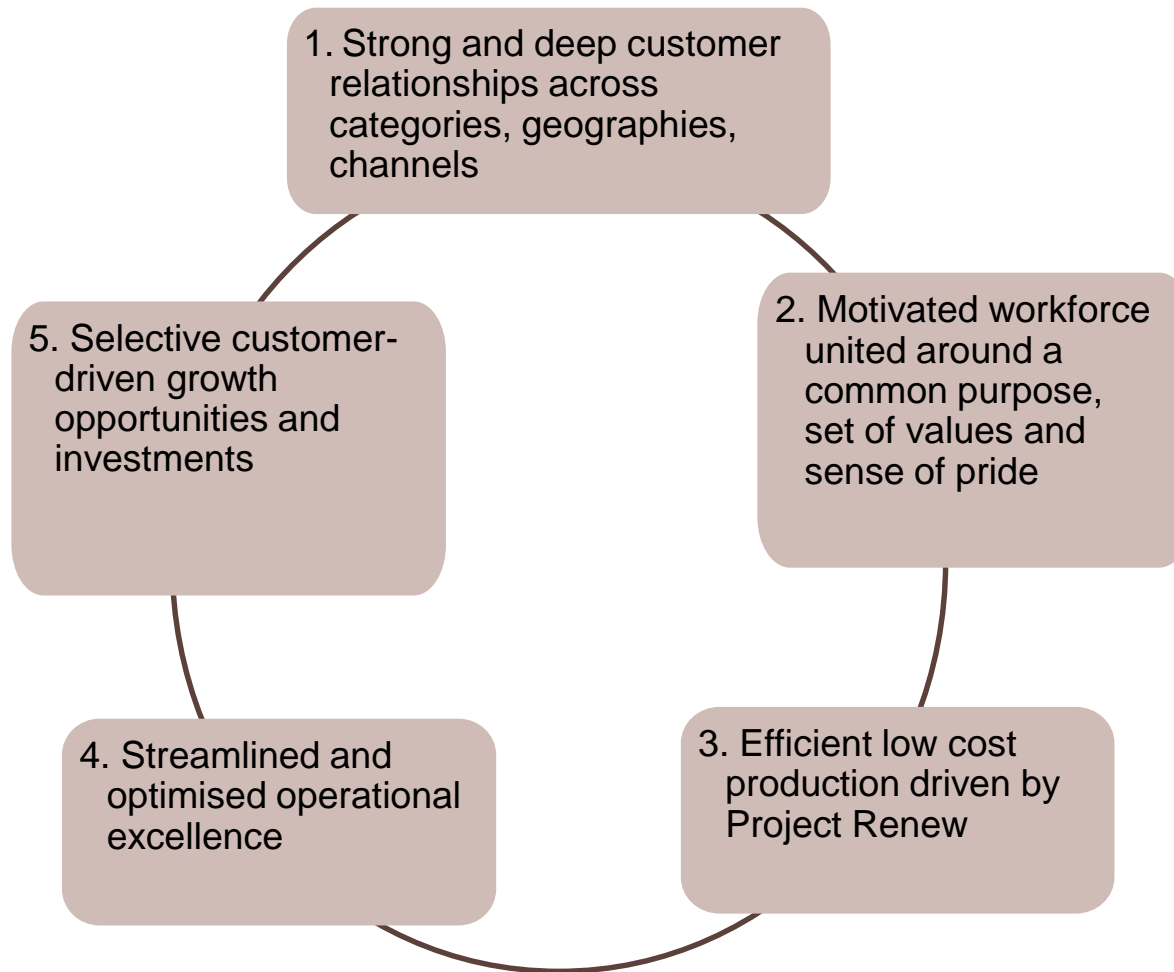
1 FY2019 savings are expected to come on a phased basis  
Anticipated aggregated level of achieved savings: Q1: 10% Q2: 20% Q3: 45% and Q4: 100%



# 200+ Initiatives across Four Cost & Complexity Drivers

Workstream	Europe	North America
 <b>Manufacturing</b>	<ul style="list-style-type: none"> <li>Automation projects in 12 of 37 German lines</li> <li>Planned sale / closure of two bakeries</li> <li>Consolidation of bakery footprint</li> </ul>	<ul style="list-style-type: none"> <li>Increased level of automation across 38 of 75 lines</li> <li>Reduction of bakery footprint</li> </ul>
 <b>Supply Chain</b>	<ul style="list-style-type: none"> <li>Direct store delivery supply chain outsourcing</li> </ul>	<ul style="list-style-type: none"> <li>Warehouse consolidation producing working capital savings through lower inventory</li> </ul>
 <b>Procurement</b>	<ul style="list-style-type: none"> <li>Major focus on indirect procurement through the region and centralisation in specific categories</li> </ul>	<ul style="list-style-type: none"> <li>Reformulation of ingredient mix in cookies and muffins</li> <li>More stringent cost control and further reduction in spend at bakeries</li> </ul>
 <b>Operating Model</b>	<ul style="list-style-type: none"> <li>Reduction in number of commercial employees in Northern Europe</li> <li>Increased focus on internet <i>webshop</i></li> <li>IT simplification / outsourcing</li> </ul>	<ul style="list-style-type: none"> <li>Reduction in Executive Leadership team and overall headcount</li> <li>Streamline the organisation                             <ul style="list-style-type: none"> <li>&gt; Sales structure realignment</li> <li>&gt; Downsizing of corporate headcount</li> <li>&gt; Sublease or exit offices</li> <li>&gt; IT simplification</li> </ul> </li> </ul>
	<b>€50m of targeted run-rate savings from FY2021</b>	<b>€40m of targeted run-rate savings from FY2021</b>
<b>Annual targeted run-rate savings of €90m at end of three years</b>		

# Customer Focused Light Industrial Operating Group



**Focused on our core businesses, operating performance and improvements**

# Three Year Strategy | Stability, Performance & Growth

Stabilize the Business  
FY2018

Improve performance and drive profitable growth  
FY2019 - FY2021

Build new management team,  
streamline structures



Re-build morale



Focus on customer relationships



Disciplined cash and capital  
management; increased  
utilisation



Divest non-core /  
non-strategic assets



1

Margin growth driven by higher  
volumes and price increases

4

Improve operational efficiency

2

Improve B2B  
customer relationships

5

Execute Project Renew

3

Focus on customer  
driven innovation

6

Selective investment  
in growth projects

# Summary

- ARYZTA is a **global leader** in frozen B2B bakery
- **Clear turnaround strategy** and actions in place to deliver stability, performance and growth
- Creating a Customer focused **Light Industrial Operating Group**; focused on core businesses, operating performance and improvements
- Underpin stabilisation, rebuild confidence everywhere, deliver Year 1 of Project Renew in 2019

# DISCLAIMER

These materials neither constitute nor form part of (i) an offer, invitation or recommendation to buy, sell or to subscribe for securities of the Company nor (ii) a prospectus within the meaning of applicable Swiss law (i.e. Art. 652a of the Swiss Code of Obligations or Art. 27 et seq. of the SIX Exchange Regulation Listing Rules) or the applicable laws of any relevant Member State of the European Economic Area (“EEA”). No reliance may be placed for any purpose on the information contained in these materials or its accuracy or completeness. The information in these materials is subject to change.

The distribution of these materials may be restricted by law in certain jurisdictions and persons into whose possession any document or other information referred to herein comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

These materials may include statements that are, or may be deemed to be, “forward-looking statements”. These forward-looking statements may be identified by the use of forward-looking terminology, including the terms “believes”, “estimates”, “plans”, “projects”, “anticipates”, “expects”, “intends”, “may”, “will” or “should” or, in each case, their negative or other variations or comparable terminology, or by discussions of strategy, plans, objectives, goals, future events or intentions. Forward-looking statements may and often do differ materially from actual results. Any forward-looking statements reflect the Company’s current view with respect to future events and are subject to risks relating to future events and other risks, uncertainties and assumptions relating to the Company’s business, results of operations, financial position, liquidity, prospects, growth or strategies. Forward-looking statements speak only as of the date they are made. The Company expressly disclaims any obligation or undertaking to update, review or revise any forward-looking statement contained in these materials whether as a result of new information, future developments or otherwise.