

ARYZTA AG

News Release

THIS ANNOUNCEMENT CONTAINS INSIDE INFORMATION

Schlieren/Switzerland, 4 May 2020

- **Consent received from lenders for a precautionary amendment of financial covenants**
 - **Liquidity in excess of €385m at 30 April up from €360m at 24 March**
 - **Decisive actions taken to maximise cash and reduce costs**
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Amendment to Financial Covenants

ARYZTA has received the requisite consent of the majority of its lenders for an amendment of its financial covenants. An agreement to formally implement the amendment is expected to be executed shortly. The amendment shall apply to the forthcoming 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, providing ARYZTA with increased headroom.

Liquidity Update

ARYZTA has improved its liquidity position, reflecting cash and cost actions taken and seasonal variations. The Group currently holds liquidity in excess of €385m at 30 April, up from €360m at 24 March 2020.

Cash/Cost Management

In light of the COVID-19 crisis, since mid-March the Group took immediate and decisive action to maximise cash and reduce costs. Actions are being kept under constant review and to date include:

- Pausing production in bakeries:
 - » three in Europe and five in North America as of April 30;
- Temporarily closing further production lines within bakery plants;
 - » thus actively reducing capacity in line with demand;
- Furloughing c. 30% of headcount, including temporary staff;
- Suspending future capital expenditure with the exception of maintenance and health & safety
 - » savings versus plan in excess of €50m;
- Postponement of future Project Renew programmes where further cash would be required;
- Eliminating discretionary costs to the maximum extent possible;
- Utilising government support actions across our regions, including:
 - » Partial reimbursement of salary costs, social security and pension payment deferrals;
 - » Payroll, corporation and other tax payment deferrals.

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.

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Balance Sheet

ARYZTA has no material debt maturities over the coming 16-month period (€17m due March 2021).

The Group's hybrids (Perpetual Callable Subordinated Instruments) have no contractual maturity date and are treated as equity under IFRS rules. As guided, the Group elected to defer dividend payments for the maturities in March and April and did not exercise its call option on any of the instruments in order to guarantee full financial flexibility. ARYZTA has no plans to pay hybrid dividends at this time.

As previously stated, the hybrid instruments are excluded from the calculation of covenant Net Debt.

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. ARYZTA is fully committed to playing our part as an essential industry providing food at this difficult time.

ARYZTA will report its third-quarter revenue update on 26 May 2020.

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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).

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.