

ARYZTA AG

Ad Hoc announcement pursuant to article 53 LR

ARYZTA on track to deliver mid-term targets 13.9% EBITDA margin, €125.7m profit for 12-month 2023

Key Highlights for 17-month performance to December 2023

- Revenue increased to €3,046.0m
- Organic growth of 17.3%¹
- EBITDA increased to €400.8m
- EBITDA margin of 13.2%
- Profit for the period increased to €160.5m
- Free cash flow reached €139.6m

Key Highlights for 12-month performance 2023 vs 2022

- Revenue increased 14.4% to €2,192.7m
 - Organic growth of 14.7%
 - EBITDA increased 32.3% to €304.5m
 - EBITDA margin expanded to 13.9%
 - Profit for the period increased to €125.7m
 - Free cash flow reached €132.4m
-

ARYZTA AG Chairman and Group Interim CEO Urs Jordi commented:

“ARYZTA outperformed strongly in 2023 across all key metrics with innovation driving top line growth and efficiencies boosting margin expansion. ARYZTA is on track to deliver its mid-term targets having implemented all the key changes across our business. With the post COVID recovery boost no longer a factor and a reducing price effect, we expect full year 2024 growth rates to normalize. Our growth will remain organic focused and innovation led while our margin progression will be supported by efficiencies and costs optimization. We expect 2024 quarterly growth trends to vary as was the case in 2023. In light of Q1 2024 organic growth trending at a lower run rate, reflecting temporary softness especially in QSR, we expect organic growth to be in the low to mid-single digit range for the full year.”

Outlook

Further normalized improvements in all key metrics are expected in 2024, with low to mid-single digit organic growth driven largely by volume and mix. EBITDA margin expansion is also expected to normalize, supported by growth, efficiencies and cost discipline. The Group continues to deliver strong levels of free cash flow and the focus remains on improving ROIC. ARYZTA is on track to achieve its 2025 mid-term targets.

¹ Represents the organic growth comparing the 17-month financial period ended December 2023 to the 17-month prior period ended December 2022.

ARYZTA AG

Ad Hoc announcement pursuant to article 53 LR

Calendar year performance 2023¹

(unaudited)	12-month December 2023 €m	12-month December 2022 €m	% Change
Revenue	2,192.7	1,915.9	14.4%
Organic growth ²	14.7%	22.6%	
EBITDA ²	304.5	230.1	32.3%
EBITDA margin	13.9%	12.0%	190 bps
Profit for the period	125.7	80.9	55.4%
Free cash flow ²	132.4	57.3	131.1%
Net debt ³	(490.8)	(282.8)	
Hybrid instrument funding ³	(510.0)	(813.7)	
Total net debt and hybrid ³	(1,000.8)	(1,096.5)	

1 To facilitate the interpretation of results, a pro-forma (unaudited) comparison of the performance per calendar year, which will be ARYZTA's new financial reporting period, is provided for the years 2022 and 2023. See pages 243 - 244 in the Annual Report 2023 for a breakdown of pro forma calendar year metrics.

2 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 Alternative Performance Measures on pages 237 - 242 of the 2023 Annual Report for definitions and reconciliations.

3 Further details on the Groups financial covenants and capital management are included in note 22 to the financial statements on page 212 of the 2023 Annual Report.

Revenue reached €2,192.7m for the 12-month period ended 31 December 2023, up by 14.4% compared to the previous calendar year (CY 2022: €1,915.9m). Organic growth reached 14.7% supported by pricing of 12.2%, volume growth of 3.1% offset by a negative mix effect of 0.6%. While the price effect reduced quarter by quarter, ARYZTA continued to achieve positive volume growth.

Total Group pro forma organic growth	Q1 2023	Q2 2023	Q3 2023	December 2023	
				Q4 2023	12-month
Volume %	6.9%	0.1%	0.8%	5.0%	3.1%
Price %	20.5%	17.3%	10.0%	3.8%	12.2%
Mix %	0.5%	(0.4%)	(1.7%)	(0.7%)	(0.6%)
Organic growth %	27.9%	17.0%	9.1%	8.1%	14.7%

Margin progression acceleration (12-month CY 2023)

EBITDA increased by 32.3% from €230.1m to €304.5m, corresponding to an EBITDA margin of 13.9%, up from 12.0% in the prior year. This improvement was due to strong revenue growth combined with contribution from innovation, active portfolio management and operational efficiency and strict cost discipline.

ARYZTA AG

Ad Hoc announcement pursuant to article 53 LR

Europe performed strongly (12-month CY 2023)

ARYZTA Europe generated revenues of €1,948.0m and an organic growth of 15.2%, reflecting pricing of 12.5% and volume/mix growth of 2.7%. All businesses delivered strong operational performances reflecting efficiencies and benefits from active portfolio management. Innovation also benefited performance with revenue coming from new product launches nearly doubled from 8% to 14%. Europe generated an EBITDA of €254.1m, representing a margin of 13.0% or a 200bps improvement on the comparable period.

ARYZTA Europe pro forma organic growth	Q1 2023	Q2 2023	Q3 2023	December 2023	
				Q4 2023	12-month
Volume %	7.9%	0.2%	0.3%	5.6%	3.4%
Price %	21.2%	17.7%	10.4%	3.6%	12.5%
Mix %	0.2%	(0.4%)	(1.7%)	(0.6%)	(0.7%)
Organic growth %	29.3%	17.5%	9.0%	8.6%	15.2%

Growth in Rest of World continued (12-month CY 2023)

Total regional revenues reached €244.7m, reflecting an organic growth of 11.2% offset by 7.2% of currency effect. Organic growth comprised of 0.6% increase in volume/mix and 10.6% from pricing. EBITDA increased to €50.4m corresponding to an EBITDA margin of 20.6% reflecting an improvement of 150bps compared to the previous year. Innovation supported growth in both key channels and strong customer expansion in the region also benefited performance.

ARYZTA Rest of World pro forma organic growth	Q1 2023	Q2 2023	Q3 2023	December 2023	
				Q4 2023	12-month
Volume %	-	(0.7%)	3.8%	0.4%	0.9%
Price %	16.2%	14.6%	7.5%	5.8%	10.6%
Mix %	2.1%	(0.4%)	(1.2%)	(1.3%)	(0.3%)
Organic growth %	18.3%	13.5%	10.1%	4.9%	11.2%

Free cash generation advances strongly to €132.4m (12-month CY 2023)

Free cash flow generation more than doubled to €132.4m in CY 2023. Strong operational performance, including disciplined working capital management, more than offset higher financing costs and tax charges.

Deleveraging continued

The group continued to reduce total leverage with net debt including hybrid decreasing from €1,096.5m at end of CY 2022 to €1,000.8m at the end of CY 2023. The corresponding leverage ratio also decreased from 4.8x to 3.3x. At the same time, the €375.8m executed hybrid bond buy-back over the last 2 years simplified the capital structure and delivered €13.2m of interest savings in the period. The full benefit of the executed hybrid buy-back will materialise in calendar year 2024.

ROIC exceeding mid-term target

Value creation as measured through ROIC further improved to 12.3% and is now significantly above ARYZTA's WACC of 8%. This improvement reflects the strong growth, margin progression, working capital efficiency and prudent CAPEX management.

ARYZTA AG

Ad Hoc announcement pursuant to article 53 LR

Sustainability

ARYZTA has published its 2023 Sustainability Report as part of its Annual Report. ARYZTA's ESG strategy has three pillars with 13 goals. The report includes key targets and timelines. ARYZTA has set a target to reduce by 2028 its Scope 1 & 2 greenhouse gas emissions by 34%, food waste by 20% and non-product water usage by 10%. Significant work is also underway in ensuring full supply chain assurances in line with best practices.

Board and new CEO appointments, new three year targets

Board composition proposals will be communicated to shareholders in the upcoming AGM invitation. ARYZTA expects to appoint a new permanent CEO later this year as the dual role of Group Interim CEO and Chairman is scheduled to end in 2024. The transition to the new permanent CEO will involve significant oversight and support from the Chairman and the Board. In addition ARYZTA expects to update its three year plan and targets for 2026-2028 in the course of the year.

ARYZTA AG

Ad Hoc announcement pursuant to article 53 LR

2023 Annual Report

The 2023 Annual Report and Accounts are available for download from the ARYZTA website:
<https://www.aryzta.com/investor-center/reporting/>

2023 Annual Results Presentation

A printable pdf version of the ARYZTA 2023 presentation slides is available to download from the ARYZTA website: <https://www.aryzta.com/investor-center/reporting/>

Pro Forma CY 2023 & CY 2022 tables: <https://www.aryzta.com/investor-center/reporting/>

Results conference call today at 08:30 CET

Dial in numbers are: Switzerland: +41 (0) 43 456 9986; USA: +1 212 999 6659;

UK: +44 (0) 33 0551 0200; Ireland: +353 1 436 0959

Please quote ARYZTA when prompted by the operator.

A conference call webcast is available on the ARYZTA website:

<https://stream.swisscom.ch/aryzta/20240304>

Investor Enquiries:

Paul Meade, Head of Communications, ARYZTA AG;

M: +353 87 065 5368

info@aryzta.com

Media Enquiries:

Philippe Blangey, Dynamics Group

Tel: +41 43 268 32 35; M: +41 79 785 46 32

prb@dynamicsgroup.ch

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, war 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.

About ARYZTA

ARYZTA AG ('ARYZTA') is an international bakery company with a leadership position in convenience bakery. ARYZTA is based in Schlieren, Switzerland, with operations in Europe, Asia, Australia and New Zealand. ARYZTA is listed on the SIX Swiss Exchange (SIX: ARYN).
