ARYZTA announces new Australian Bakery investment

Schlieren/Switzerland, 19 December 2023

ARYZTA announces that it has formally agreed to proceed with the construction and commissioning of a new bakery in Perth in Western Australia.

The total investment is estimated to be c €40m. The project will take two years to complete once construction starts. This capital investment will be accommodated with the existing capex guidance given in the midterm plan, 3.5-4% of revenue, to ensure that all the targets outlined in the midterm plan are delivered.

The new facility will serve Quick Service Restaurants, Food Service and Retail customers from its site located in Peel Business Park, which is 60 km from Perth CBD. ARYZTA will generate 80 additional direct employees and over 500 indirect employment opportunities in the Perth area.

This new state of the art bakery is the first major bakery investment in Western Australia in the past 20 years. Population growth and continuing strong growth for bakery means that existing bakery capacity is near full utilisation.

This development will significantly enhance ARYZTA's ESG credentials in Australia by removing an estimated 1.7 million food miles currently involved in transporting bakery items to customers in Western Australia from ARYZTA's existing two facilities in New South Wales and Victoria.

The investment will lower ARYZTA local carbon footprint by over 700 tons of CO_2 annually while the availability of high quality local raw materials for bakery such as flour, dairy and sugar in Australia will also minimise food miles and enhance sustainability further.

In addition, the new facility will be largely powered by a local renewable microgrid which sources its energy from a solar and battery storage system.

ARYZTA AG Chair and Interim CEO, Urs Jordi, commented:

"Australia is an attractive growth market for bakery products and this expansion in Perth will allow ARYZTA to produce fresh and frozen products as opposed to shipping frozen only over long distances from our plants in eastern Australia. The project has very strong sustainability credentials and will generate additional direct and indirect employment. It will reduce food miles and use renewable energy. The €40m investment capex will be funded within our 3.5-4% revenue guidance in our midterm plan to ensure we continue to generate cash and reduce total debt below 3x by 2025.

Business performance remains in line with expectations and on track to reiterate our confidence in delivery of our growth and financial targets."

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About ARYZTA

ARYZTA AG ('ARYZTA') is a global food business 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).

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