

# Capital Markets Day



7 May 2025



## 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, negative impacts from global tariff/economic trade conflicts, 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.

Tariff uncertainty adds potential risk to the economic environment and forecasting visibility



## Agenda

### Urs Jordi – Chairman

- *Introduction and progress to date*

### Michael Schai – Group CEO

- *Market dynamics and strategic targets*

### Martin Huber – Group CFO

- *Financials 2025f – 2028f*












# Chairman Urs Jordi

## *Introduction and progress to date*

# OUR JOURNEY TO A SUCCESSFUL VALUE-CREATING COMPANY

Before	vs	After
Uncontrolled M&A		Focus on the Core
Inefficient organisation		Simplified strategy & organisation
Lack of industry knowhow		Knowledgeable Board & ExCo
Lack of innovation strategy		Return of organic growth driven by innovation
Losses and debt increases		Return to profitability and de-leveraging
 <b>-98%</b> share price decline 2014-2020		 <b>+600%</b> share price increase since 2020





## CLEAR FOCUS

### Strategy:

- Premiumisation through Innovation in the Core Categories  
Bread Rolls/Buns, Loaves & Laminated Products

### A well-defined business model:

- 100% B2B
- Focus on outgrowing Bake-off segment
- Multi-local model
- Stable experienced management team

### Geographies:


- Europe and Rest of World

### Routes to Market:

- Retail, QSR, Foodservice



## TURNAROUND DELIVERED ONE YEAR EARLY – POSITIONED FOR GROWTH

KPI	 2022-25 Targets	 2022-24 Achievements
Revenue growth @ const. pricing <sup>1.)</sup>	4.5-5.5%	Avg. 4.2% ✓
Revenue	>€2bn	From €1.9bn to <b>€2.2bn</b> ✓
EBITDA Margin	≥14.5%	From 12.0% to <b>14.6%</b> ✓
CAPEX as % of revenue	3.5-4.0%	Avg. 4.0% ✓
ROIC	≥11.0%	From 7.5% to <b>13.4%</b> ✓
Total net debt leverage (incl. hybrids)	<3x	From 4.8x to <b>2.8x</b> ✓

1.) @ constant pricing corresponds to volume/mix growth excl. FX



## INNOVATING IN AN ATTRACTIVE GROWTH MARKET

### Focus on Innovation and Premiumisation

- Premium products 40% of revenue in 2024
- Diversifies portfolio away from commodities

### Investment in new technologies and capabilities

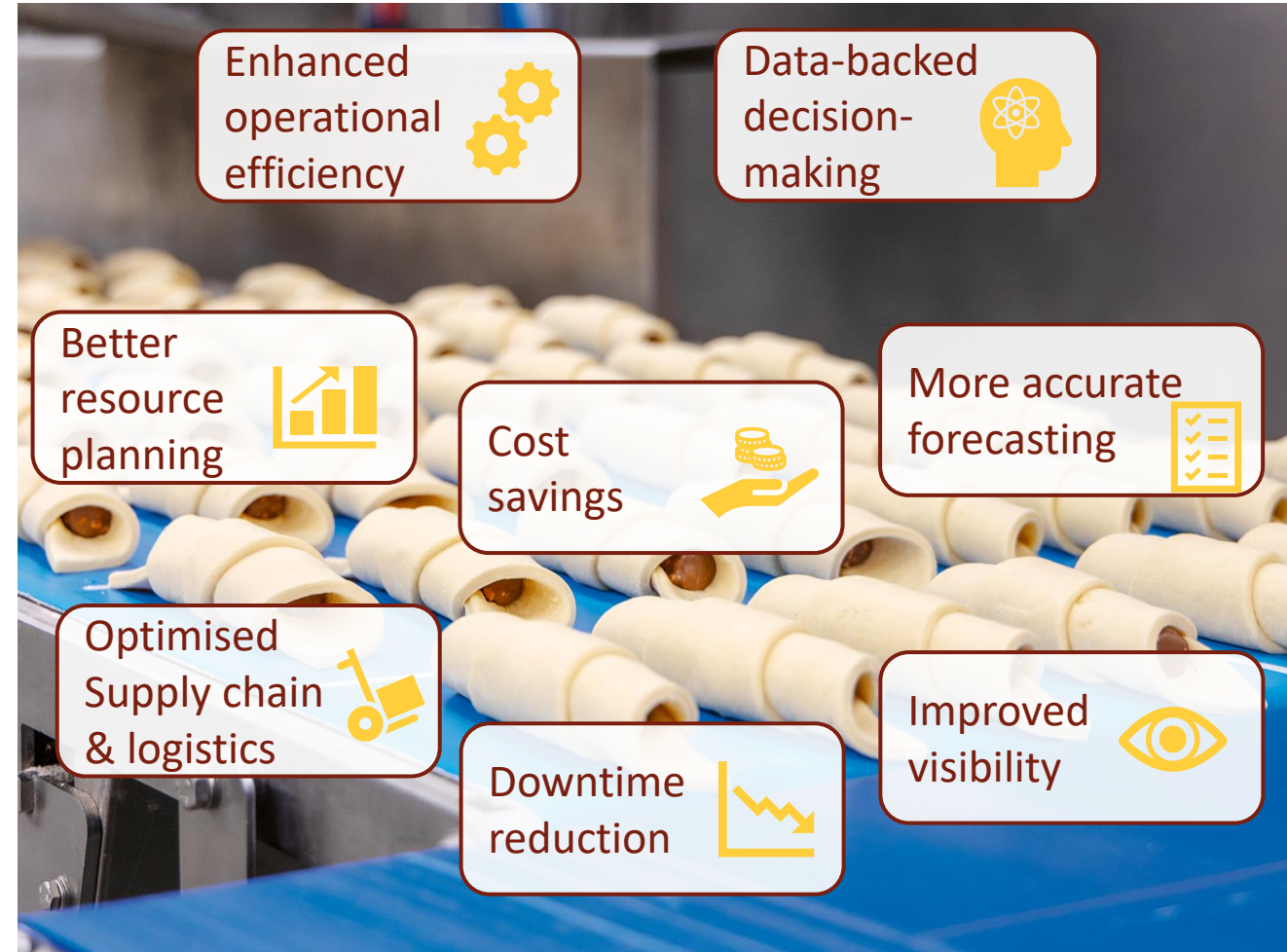
- Next generation lamination technology in Malaysia and Switzerland
- New artisanal line in Germany
- New Innovation Center in Germany
- Planning new laminated line in Poland





## ARTIFICIAL INTELLIGENCE OPENS NEW EFFICIENCIES TARGETS

- New Board Technology Committee evaluating AI
- Testing new imaging technology
- Enhances real time measurement of all KPIs
- Enables immediate adjustments
- Ensures strong product consistency
- Allows operators to focus on running the line
- Limits capacity-driven CAPEX
- Supports continuous improvement



## IMPROVING FINANCIAL STRENGTH & SHAREHOLDER RETURNS

- Continue to maintain profitable revenue growth
- Consistent cash generation
- Accessing investment grade debt with appropriate leverage
- Repurchase the remaining hybrid bond
- Achieve appropriate core equity ratio
- Targeting to return capital to shareholders (dividend / share buyback)





# OUR GOLD STANDARD FOR BAKE-OFF DELIVERING AFFORDABLE INDULGENCE





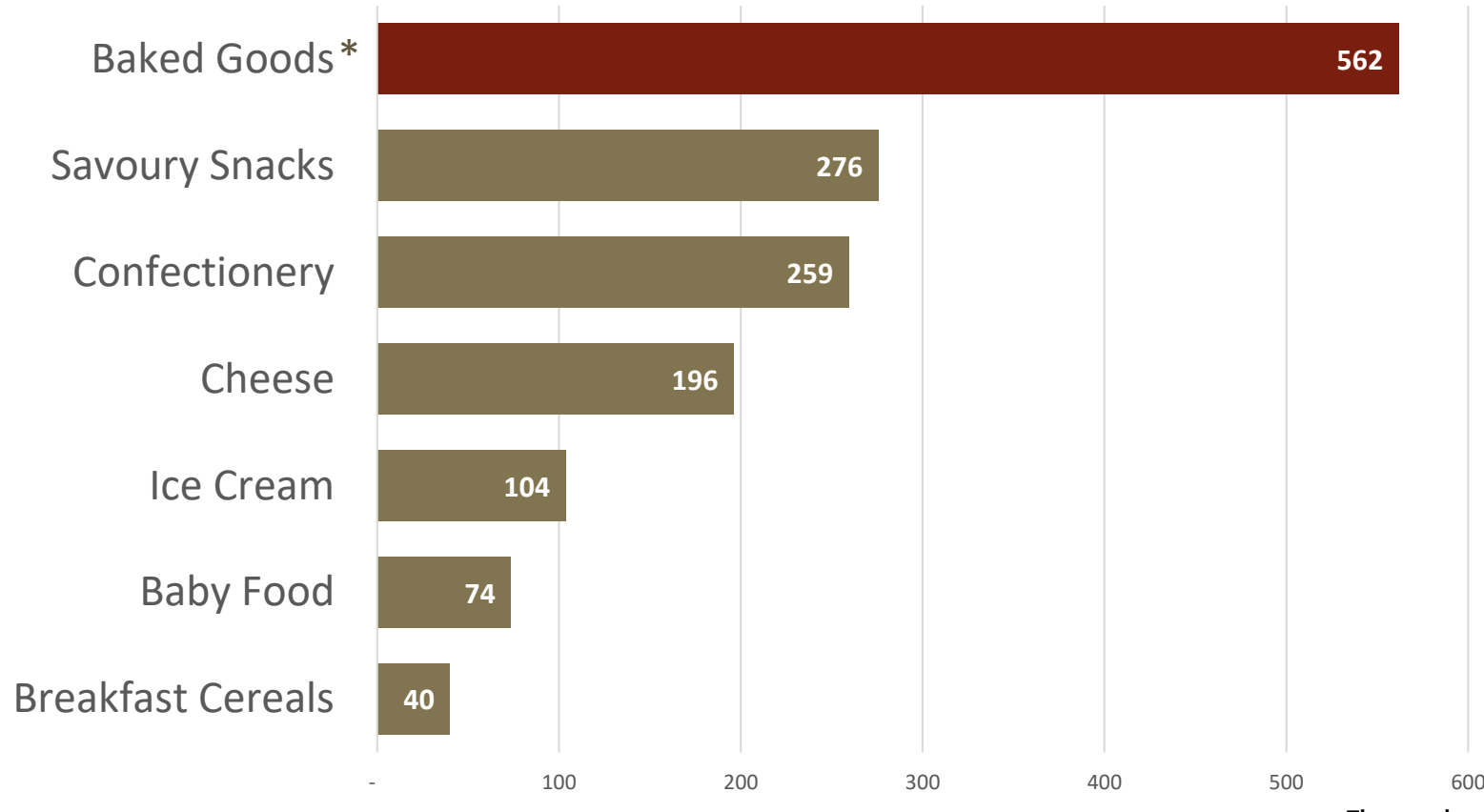
# CEO Michael Schai

## *Market dynamics and strategic targets*



## TOTAL BAKED GOODS MARKET – A LARGE, ATTRACTIVE & GROWING GLOBAL MARKET

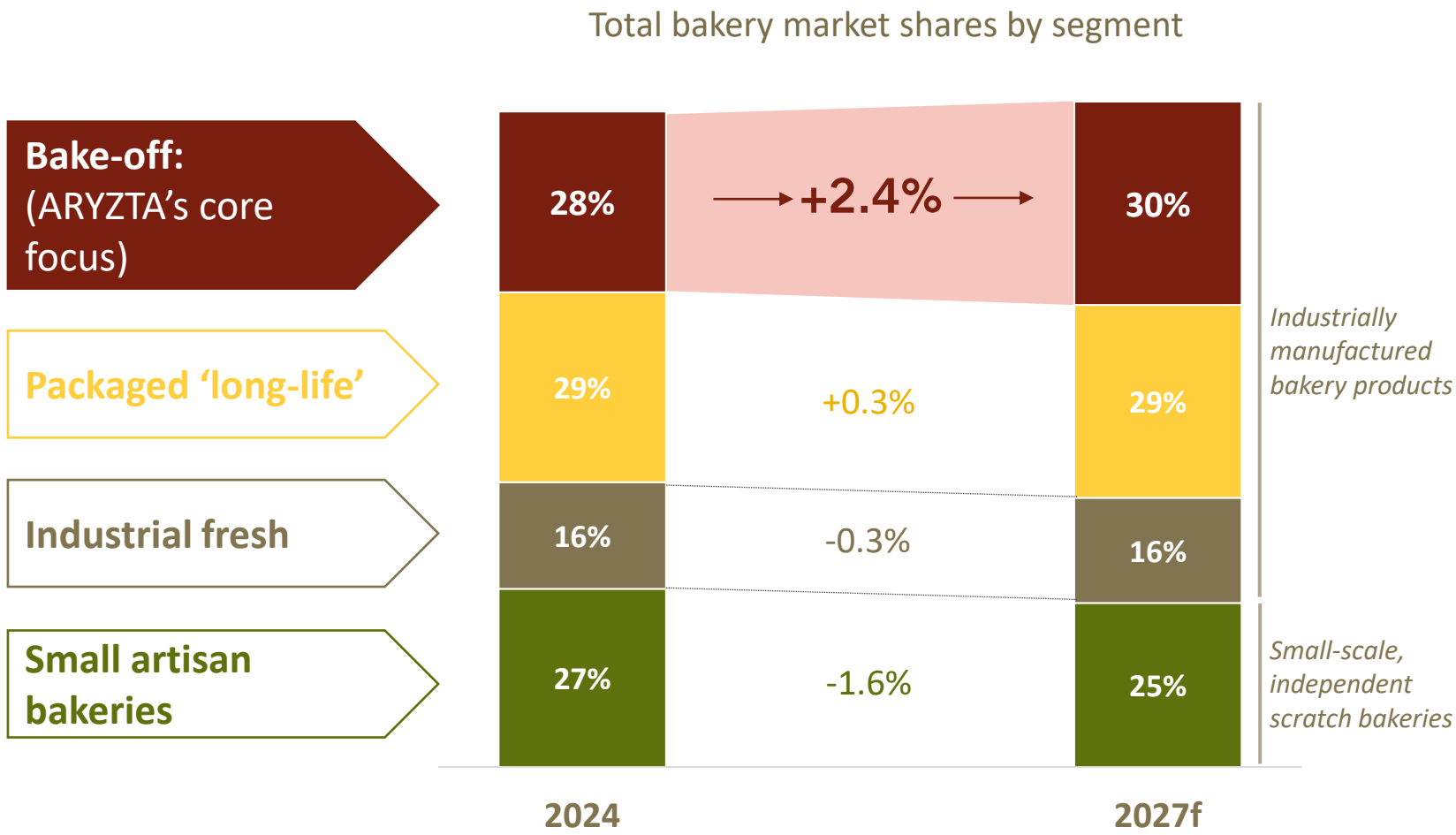
In EUR billion, 2024



### Baked goods:

- A large global market
- Predominantly private label
- Different maturity & growth levels per geography

# BAKE-OFF IS EXPECTED TO CONTINUE INCREASING SHARE



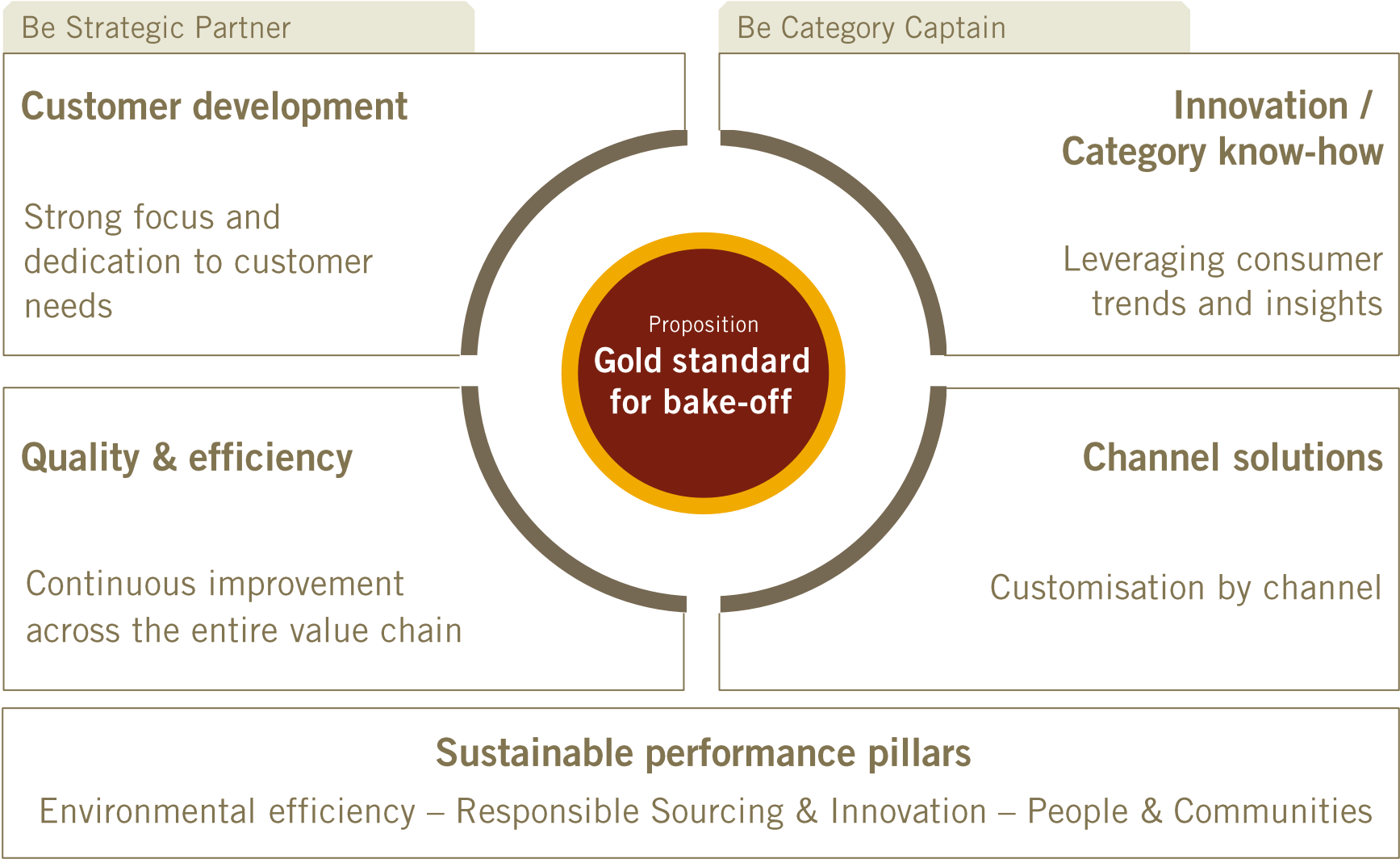
- **Bake-off** continues to be the **fastest growing segment** of the total bakery market
- Expected to grow **~2.4% annually**



# TRENDS TO FURTHER ACCELERATE RELATIVE BAKE-OFF GROWTH



BUSINESS MODEL – WE OFFER THE GOLD STANDARD FOR BAKE-OFF





## STRATEGIC LEVERS OF GROWTH

- Existing customer relationships / partnerships
- Developing new customer relationships / partnerships
- Investing in new product technologies – Laminated and Artisanal lines
- Market share gains from industry consolidation and changes in manufacturing footprint
- Digital transformation / automation
- Geographic expansion by establishing new sales offices – e.g. South Korea
- M&A / Bolt-ons



## STRATEGIC LEVERS OF GROWTH



Malaysia:

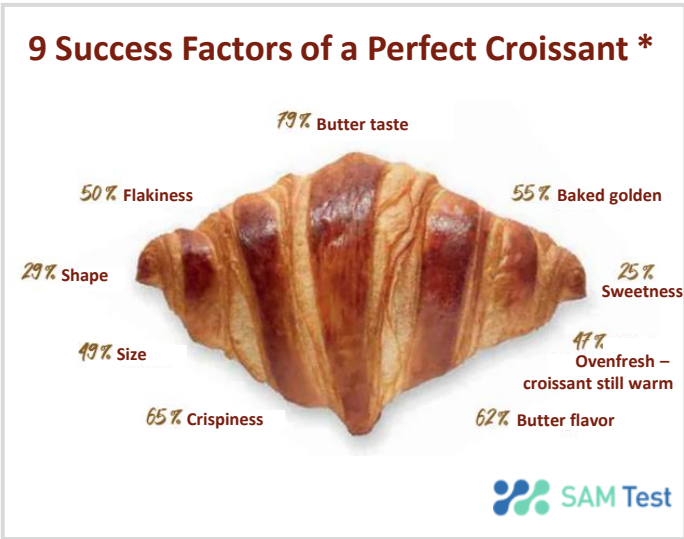
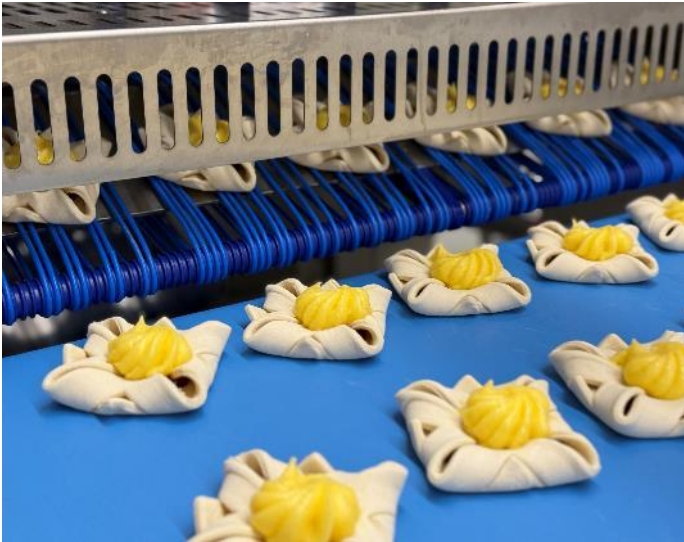


New range of pastries with local flavours:  
- hibiscus, red bean, pandan, yuzu



# STRATEGIC LEVERS OF GROWTH

Switzerland:



Excellence in  
Innovation/  
Category  
know-how

Excellence in  
Quality &  
efficiency



# STRATEGIC LEVERS OF GROWTH



Germany:





# STRATEGIC LEVERS OF GROWTH

Ireland:





# STRATEGIC LEVERS OF GROWTH

QSR:

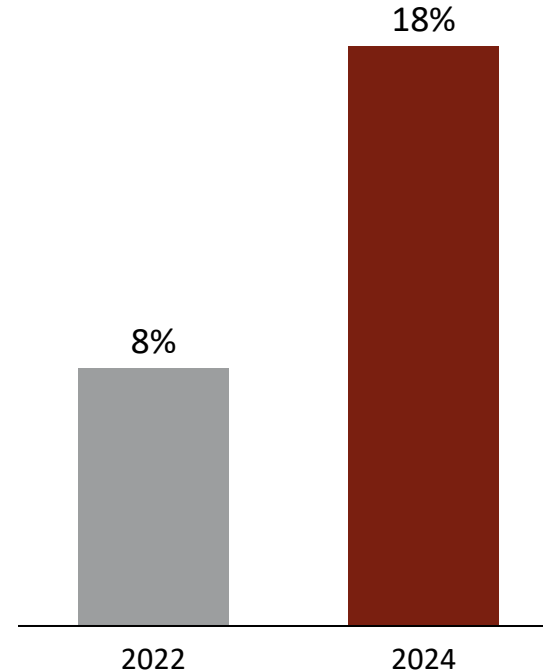




## INNOVATION SUPPORTING ORGANIC GROWTH

- c. €100m growth CAPEX 2022-24
  - c.40% of total CAPEX envelope
- Innovation is margin accretive – added 30bps/yr to margin 2022-24
- State-of-the-art innovation center in Germany:
  - Available and accessible to all Group businesses
  - Covering ARYZTA's entire portfolio capabilities
  - Serving all customers and channels

*Innovation as % of revenue*



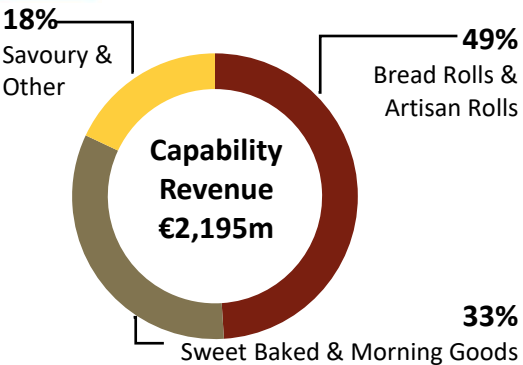
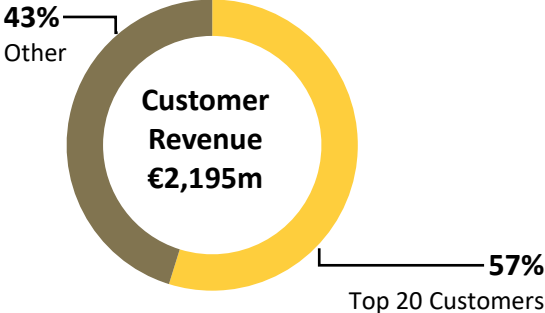
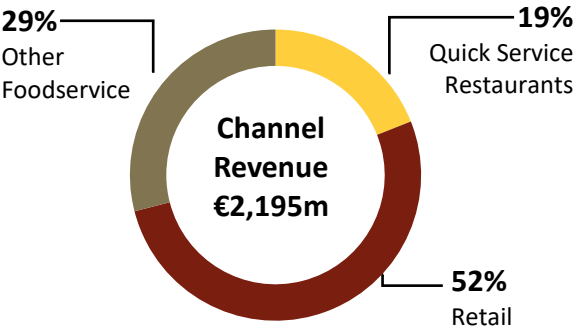
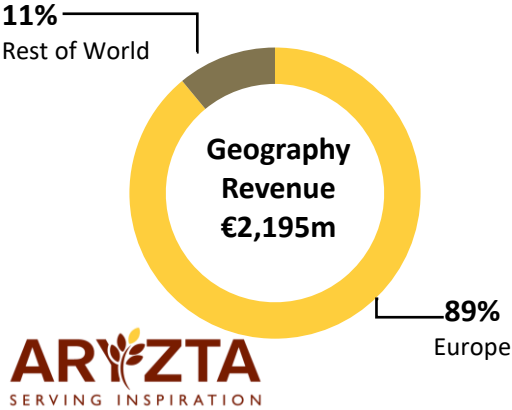
# MANUFACTURING AND COMMERCIAL FOOTPRINT



Bakeries  
**26**

Countries  
**27**

- Bakery production facilities
- QSR production facilities
- Food solutions businesses
- ARYZTA bakery & food solutions footprint
- ★ New production facility in Perth



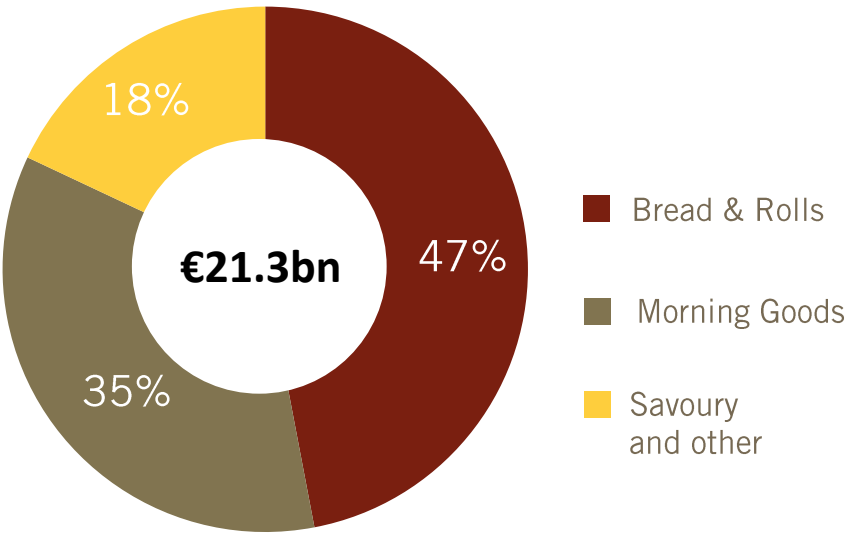


## ARYZTA RELEVANT ACROSS ALL CHANNELS IN BAKE-OFF

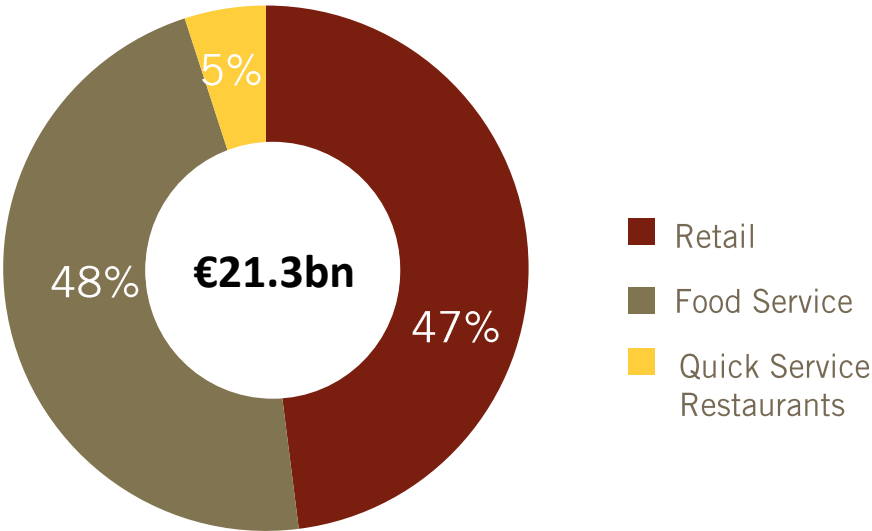
	<div>ARYZTA Food Solutions</div> 	<div>ARYZTA Bakery</div> 	<div>ARYZTA QSR</div> 
Channel focus	<ul style="list-style-type: none"><li>• Foodservice</li><li>• Convenience</li><li>• Grocery independent</li><li>• Bakeries independent</li></ul>	<ul style="list-style-type: none"><li>• Large Retail</li><li>• Wholesale</li></ul>	<ul style="list-style-type: none"><li>• QSR</li></ul>
Customer/ Product Base	<ul style="list-style-type: none"><li>• Large number of products and customers</li><li>• Bought-in finished goods from external and ARYZTA bakeries</li></ul>	<ul style="list-style-type: none"><li>• Few large customers</li><li>• Customised SKUs</li><li>• Produced by our bakeries</li></ul>	<ul style="list-style-type: none"><li>• Global and regional QSR chains, bespoke products</li><li>• Produced by our bakeries</li></ul>
Business model	<ul style="list-style-type: none"><li>• Service and distribution model</li><li>• <b>Direct Store Delivery (DSD)</b></li></ul>	<ul style="list-style-type: none"><li>• Production and logistics model</li><li>• <b>Central warehouse delivery</b></li></ul>	<ul style="list-style-type: none"><li>• Integrated production model</li><li>• <b>Servicing based on customer demands</b></li></ul>

# ARYZTA ACHIEVES 10% MARKET SHARE

Market by product category



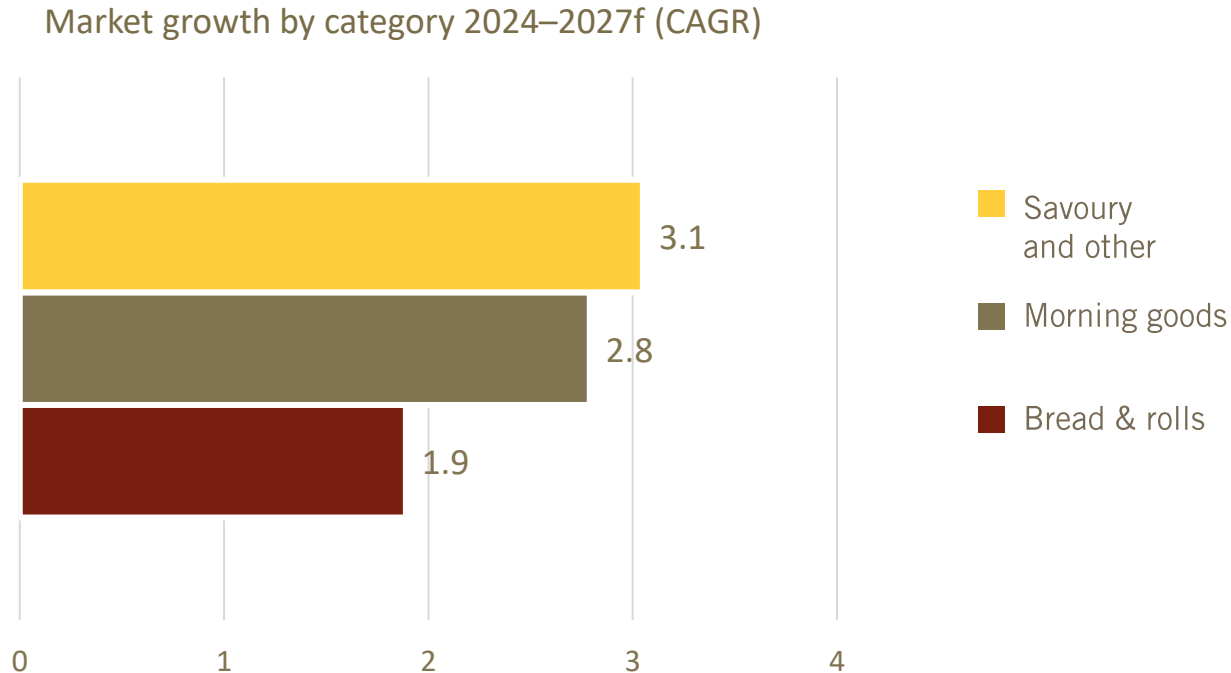
Market by channel



Source: Gira/ARYZTA Intelligence (FY24), market size shown only for markets with ARYZTA presence, ex factory prices



## EXCELLENT GROWTH OPPORTUNITIES ACROSS ALL CATEGORIES

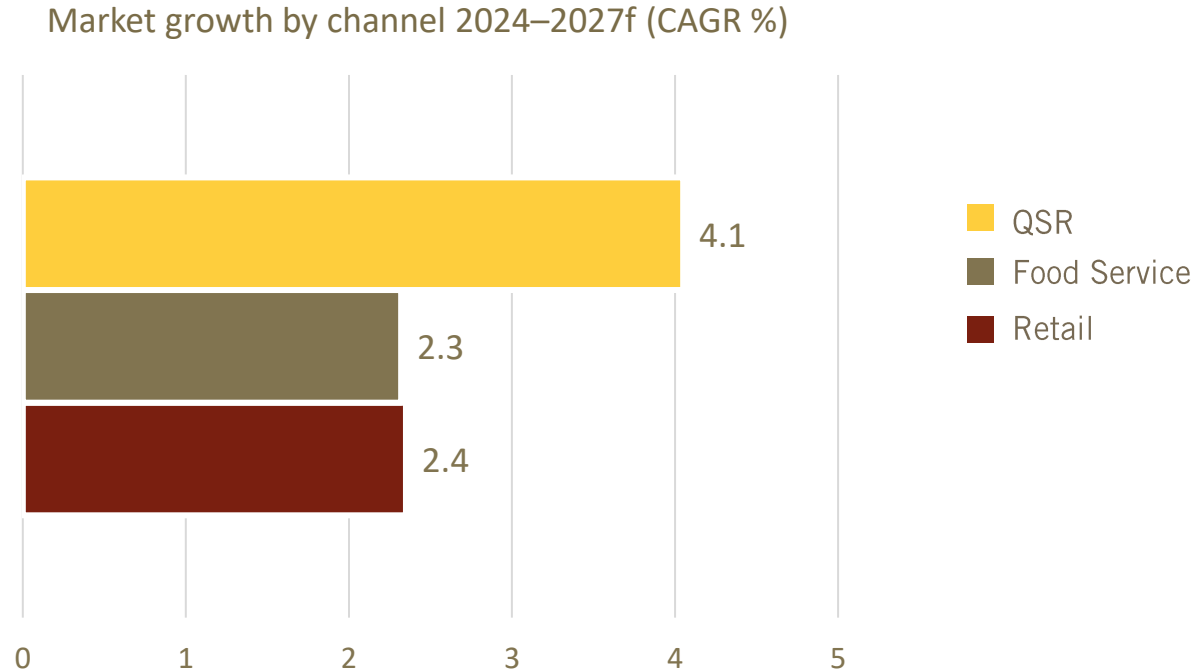


Source: Gira/ARYZTA Intelligence, market size shown only for markets with ARYZTA presence, ex factory prices

### Consumer growth trends:

- New taste & look
- Artisanal appeal
- Health-conscious indulgence
- Convenience & 'on-the-go'
- Ethnic & fusion flavours

## EXCELLENT GROWTH OPPORTUNITIES ACROSS ALL CHANNELS



### Channel growth drivers:

- **QSR:** value-oriented pricing strategies, digitalisation
- **Retail:** expanded bake-off offerings, convenience
- **Food Service:** bake-off expansion, convenience, on-the-go

Source: Gira/ARYZTA Intelligence, market size shown only for markets with ARYZTA presence, ex factory prices



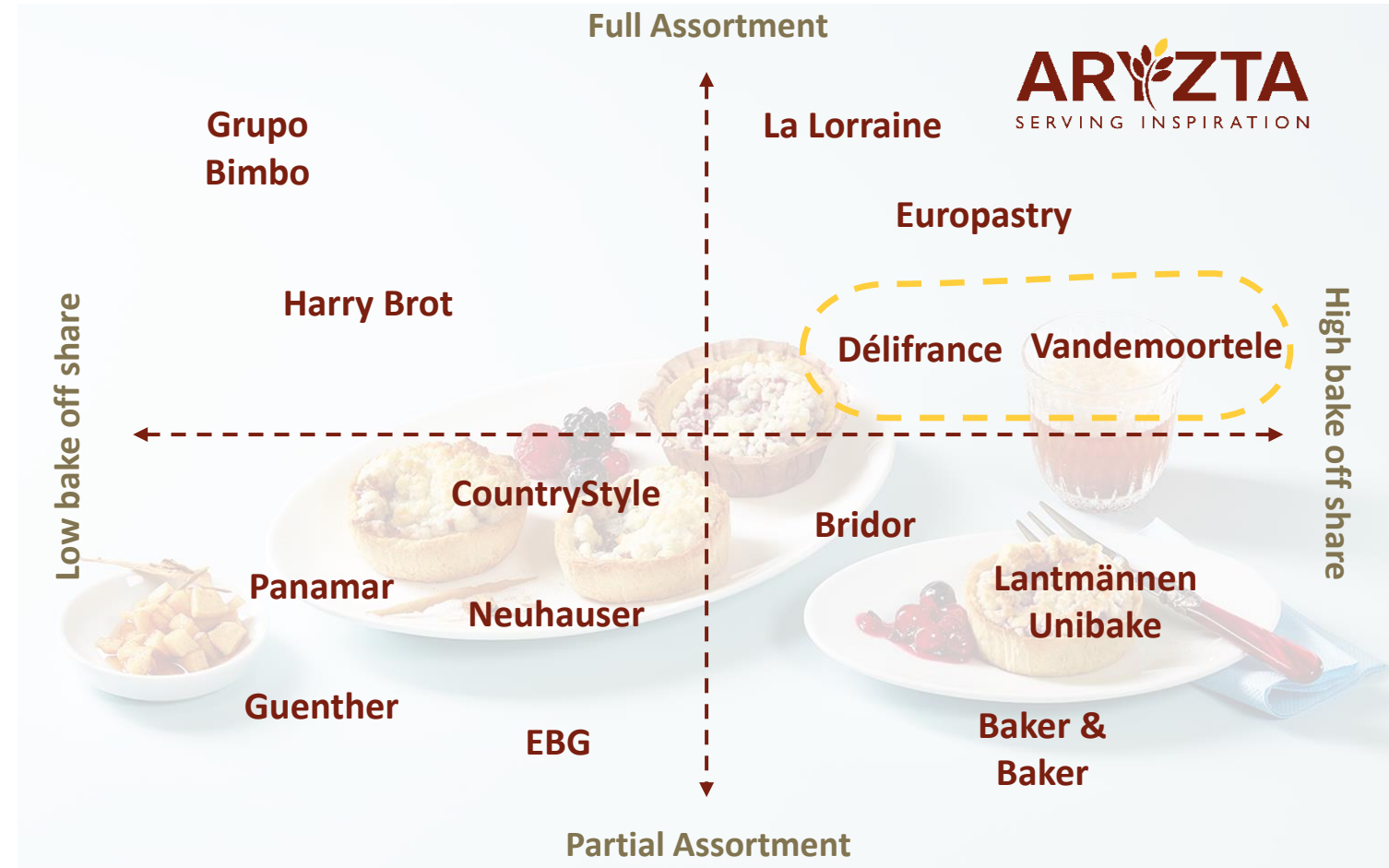
## ACTIVE INDUSTRY CONSOLIDATION

- c.20 consolidation transactions in our sector since 2020
- c.50% Europe and c.50% US
- Average multiple for European transactions was c.10.5x EV/EBITDA
- Average multiple for US transactions was c.10.7x EV/EBITDA
- EV range was €200m - €2bn



## CURRENT COMPETITOR LANDSCAPE

- #1 ARYZTA revenue >€2bn
- #2 Europastry revenue >€1.5bn
- The next four include Lantmännen, Harry Brot, Vandemoortele and La Lorraine with revenue of c. €1.2-1.4bn
- The rest have revenue of c. €200-900m



Note: Revenue based on company disclosures or ARYZTA's own estimates

1.) Grupo Bimbo, Mexican listed company, mainly Ambient/Packaged Bakery and Buns



## NEW MID-TERM TARGETS FY 2025F - FY 2028F

Revenue growth

**Above market**

EBITDA margin

**>15%**

EBIT margin

**>9%**

CAPEX as % of revenue

**3.5–4.5%**

Total net debt leverage

**≥1.5-2x**

**Cash generation**

**ROIC**

**EPS**

## ARYZTA'S ESG PILLARS

- **3 Pillar Strategy**
- SBTi targets in 2025
- 86% of 2023 carbon footprint is Scope 3:  
- 64% from *purchased goods/raw materials*
- Improved significantly our independent ESG ratings in 2024
- Good Governance with Board oversight & ExCo responsibility



SUSTAINABILITY PROGRESS

Progress on ARYZTA’s ambitions under three pillars



	13 Targets	Baseline	2024	Target
Environmental Efficiency	Greenhouse Gases Reduction	2022	-5%	-34% by 2028
	Water Reduction	2023	-5%	-10% by 2028
	Food Waste Reduction	2022	-8%	-20% by 2028
Responsible Sourcing & Innovation	Sustainable/Regenerative Wheat	2023	7%	25% by 2028
	Certified Palm Oil (segregated & mass-balance) <sup>1</sup>	2023	99%	100% by 2026
	Certified Cocoa Beans <sup>2</sup>	2023	74%	100% by 2026
	Cage-Free Eggs <sup>3</sup>	2023	82%	100% by 2026
	Virgin Plastic Purchased	2023	-2%	-30% by 2028
	Healthier Products – Better For You	2024	49% <sup>4</sup>	40% by 2028
	Supplier Due Diligence – SMETA Audits	2023	196	500 by 2028
People and Communities	Human Capital Development <sup>5</sup>	2024	47%	100% by 2028
	Health & Safety Incident Rate	2023	-28%	-50% by 2028
	Ethical & Safe Workplaces <sup>6</sup>	2024	3	3.5 by 2028

Note: For the footnotes, please refer to page 101 of the 2024 Annual Report



## KEY TAKE AWAYS

- ✓ The Global Bakery market is a very **large and attractive market**
- ✓ **Bake-Off** continues to be the **fastest growing segment**, driven by strong underlying consumer and customer demand
- ✓ Active industry consolidation is on-going, **ARYZTA's primary focus in on organic growth**
- ✓ ARYZTA's **focused strategy on the bake-off segment in Europe and Rest of World (no direct US exposure)** will continue to deliver **sustainable, profitable growth** over the mid-term plan
- ✓ ARYZTA is **servicing all 3 main channels** through a tailored manufacturing & service model, therefore **addressing the full growth potential**





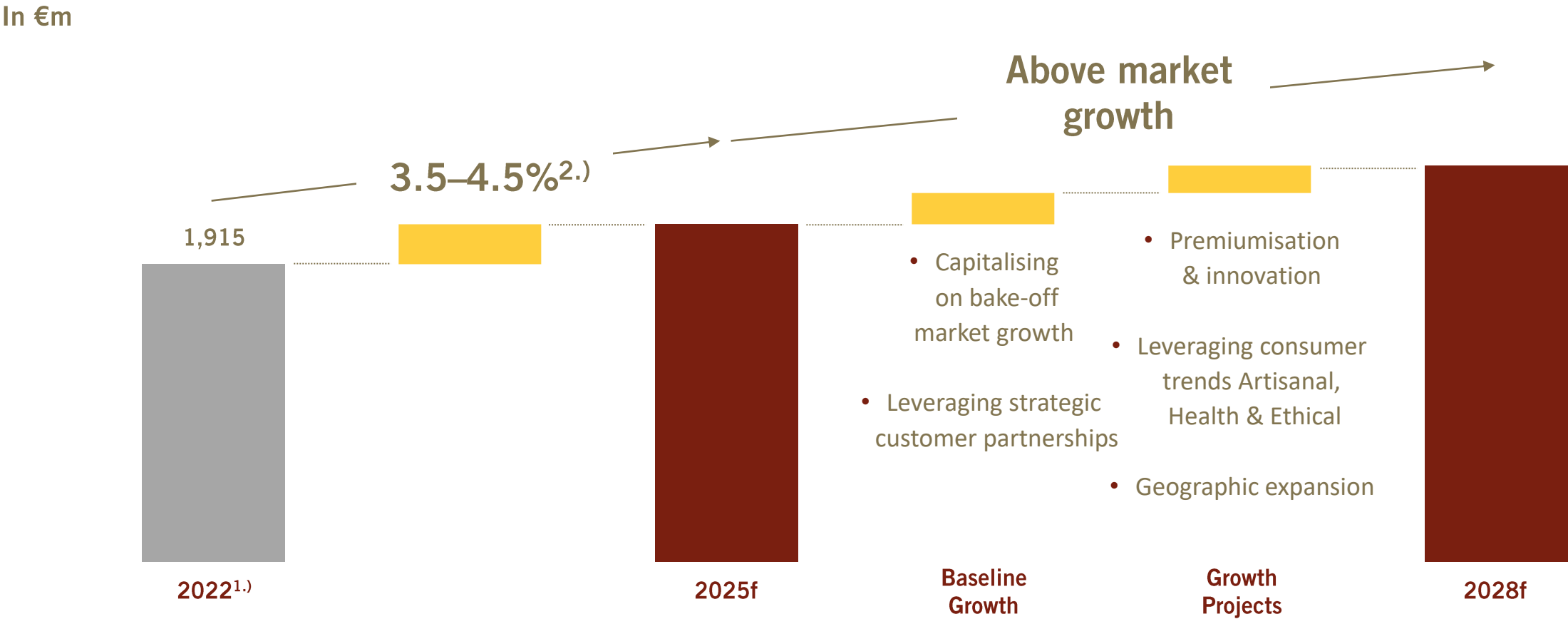


# CFO Martin Huber

## *Financials 2025f – 2028f*



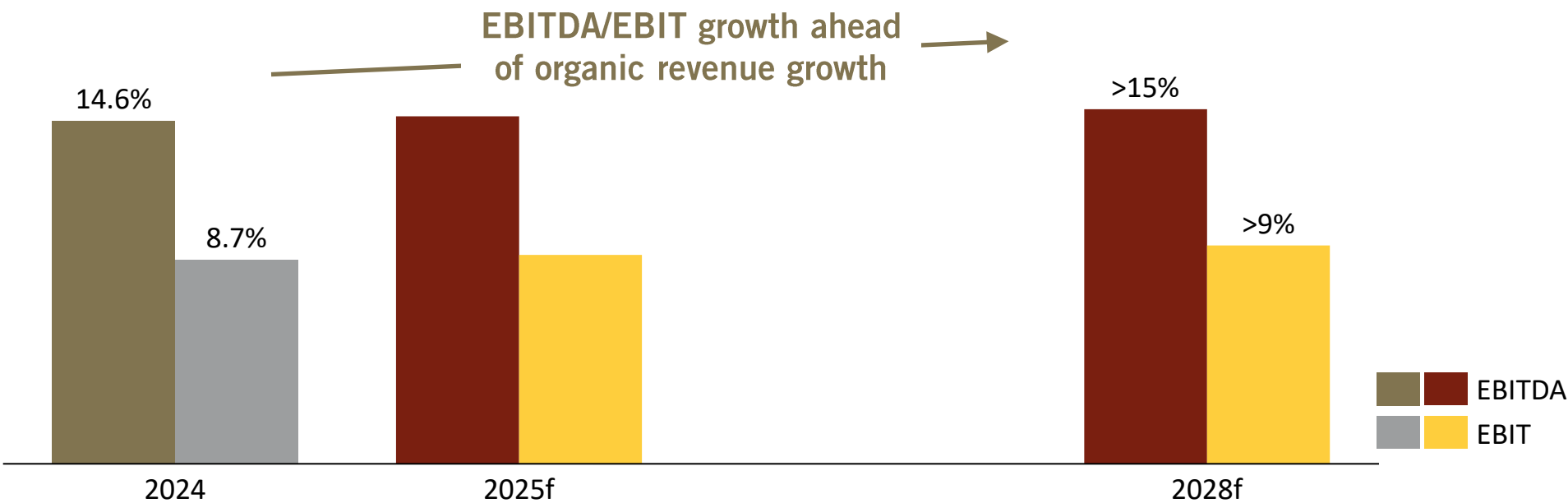
# GROWTH DRIVERS



1.) Relates to the 12-month period ended December  
2.) Corresponds to volume/mix growth excl. pricing and FX

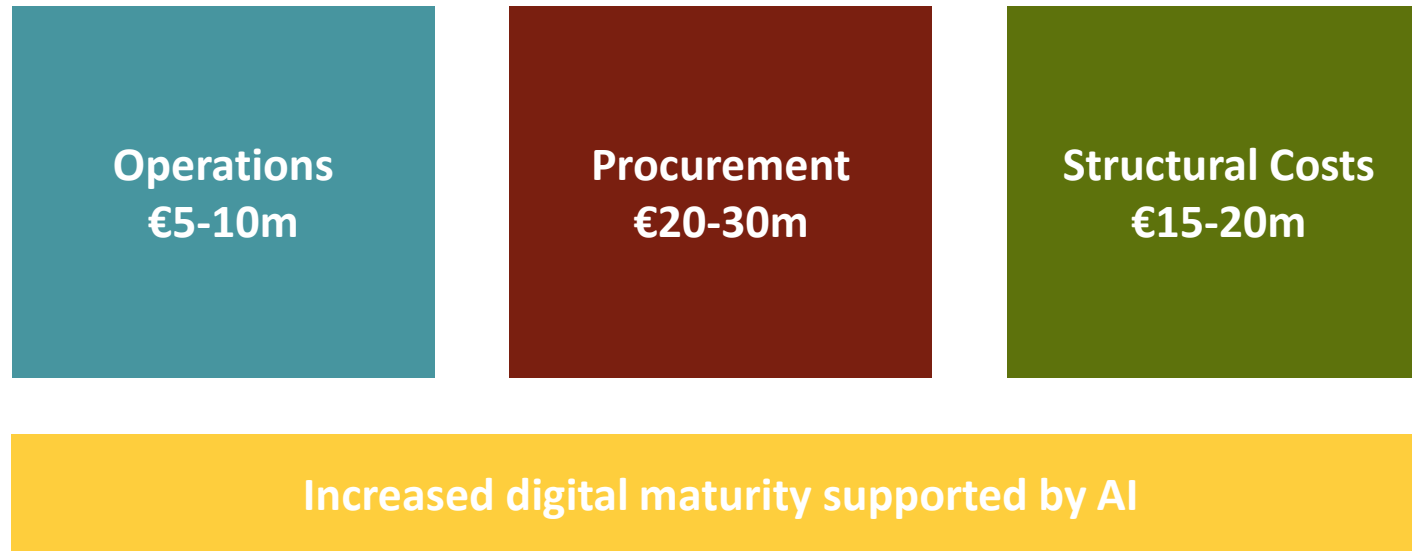
# PREMIUMISATION & DISCIPLINED COST MANAGEMENT IMPROVING PROFITABILITY

EBITDA/EBIT  
% of revenue





## BUILDING BLOCKS OF MARGIN EXPANSION



## MARGIN EXPANSION IN OPERATIONS

### KEY BUILDING BLOCKS

- Continuous improvement programs based on maturity assessment
- Technology clusters – optimise and standardise key production
- War on Waste – addressing food-waste and net weight control
- Leveraging AI supported Operational Technology (OT) to improve costs, quality and consistency

### Achievements & Ambition

#### Key Achievements 2022-2024:

- Continuous improvement program:
  - Conversion costs as % of revenue reduced to **Index 93**
  - War on Waste: waste as % of raw and packaging material reduced to **Index 92**
- Target costing pilot program run in **5 factories**

#### Ambition 2025f-28f:

**Targeted cost optimisation → €5-10m**

## MARGIN EXPANSION IN PROCUREMENT

### KEY BUILDING BLOCKS

- Full roll-out of above market procurement organisation
- One global procurement system with unified data model
- Integrated Source-to-Pay process leveraging ERP embedded AI capability
- SIMPLEX Phase 2

### Achievements & Ambition

#### Key Achievements 2022-2024:

- Procurement & SIMPLEX costs optimisation **>€36m**
- Increased procurement coverage from **60% to >75%**
- Direct procurement fully centralised

#### Ambition 2025f–28f:

**Targeted cost optimisation → €20-30m**



## MARGIN EXPANSION BY ADDRESSING STRUCTURAL COSTS

### KEY BUILDING BLOCKS

- Scaling of Business Service Center (BSC) beyond Finance
- Leveraging Group competence centers
- Organisational alignment for all non-customer facing functions
- Standardisation of organisational model in all factories

### Achievements & Ambition

#### Key Achievements 2022-2024:

- Transactional F&C activities transferred to BSC for **60% of Group revenue**
- Roll out of first phase of above market procurement
- Framework for organisational alignment established

#### Ambition 2025f–28f:

**Targeted cost optimisation → €15-20m**

## DIGITAL MATURITY

### KEY BUILDING BLOCKS

- Accelerating Customer Experience and eCommerce
- ERP and Application standardisation
- Process and service level development
- Leveraging Power of Data
- IT and OT infrastructure standardisation

### Achievements & Ambition

#### Key Achievements 2022-2024:

- S/4 Go-Live in Switzerland – **60% of revenue supported by SAP**
- One Analytical Data Lake, one IT Service Management platform
- Continuous mitigation of IT/OT and Cyber Security risks toward Zero Trust Model

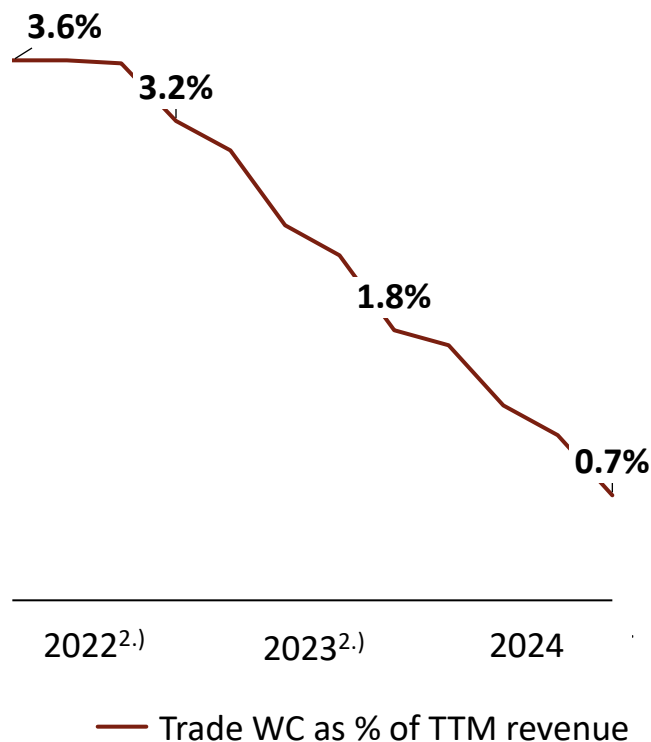
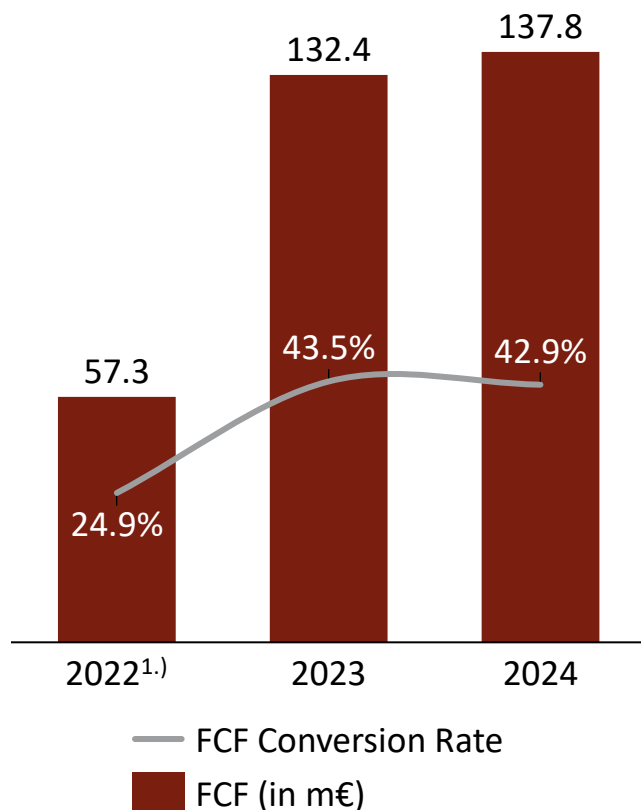
#### Ambition 2025f–28f:

- Empower users & customers with Integrated AI and Analytics
- Unified Data Model for AI and Machine Learning

**Expected ramp-up costs: €20-30m**

# FREE CASH FLOW GENERATION

Free Cash flow, conversion rate and Trade W/C  
as % of revenue



## Key highlights

*Cash generation supported by...*

- Growth driven EBITDA progression
- Continued W/C discipline
- Optimised financing costs

*...allowing for...*

- 3.5-4.5% CAPEX driving growth
- Higher cash taxes due to profit normalisation
- Optimisation of securitisation

→ **Targeting FCF Conversion >40%<sup>3.)</sup> of EBITDA**

1.) Relates to the 12-month period ended December

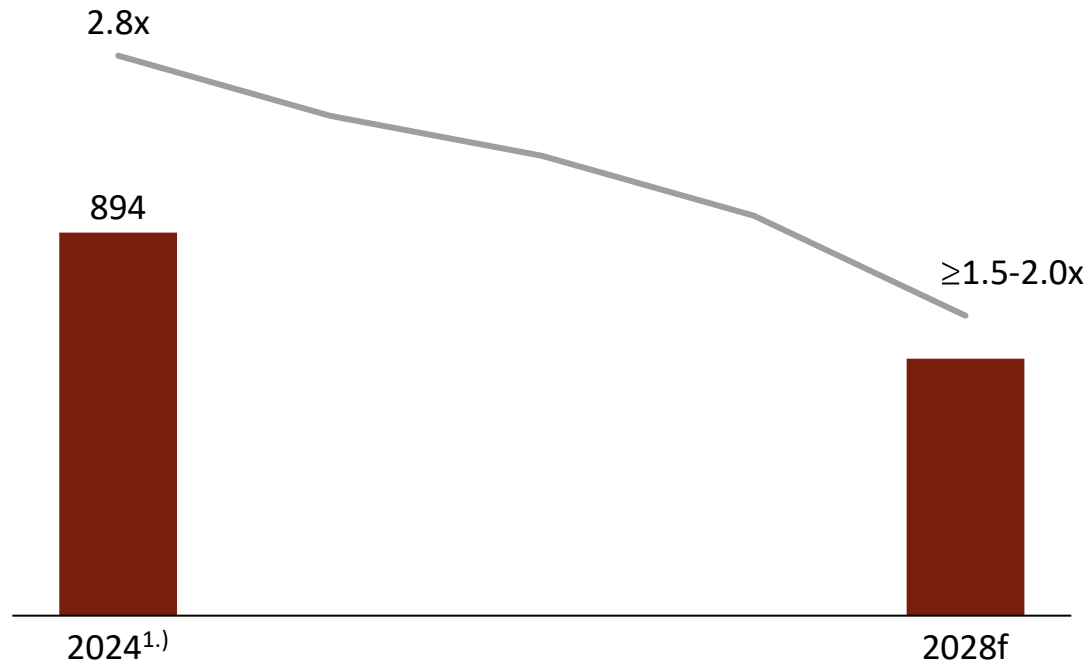
2.) Quarters correspond to financial periods aligned with calendar year to December 2022 and December 2023 (based on pro-forma information)

3.) FCF Conversion Rate >40% does not consider potential optimisation of securitisation



## ADDRESSING THE CAPITAL STRUCTURE

Total Net Debt in €m & Leverage Ratio

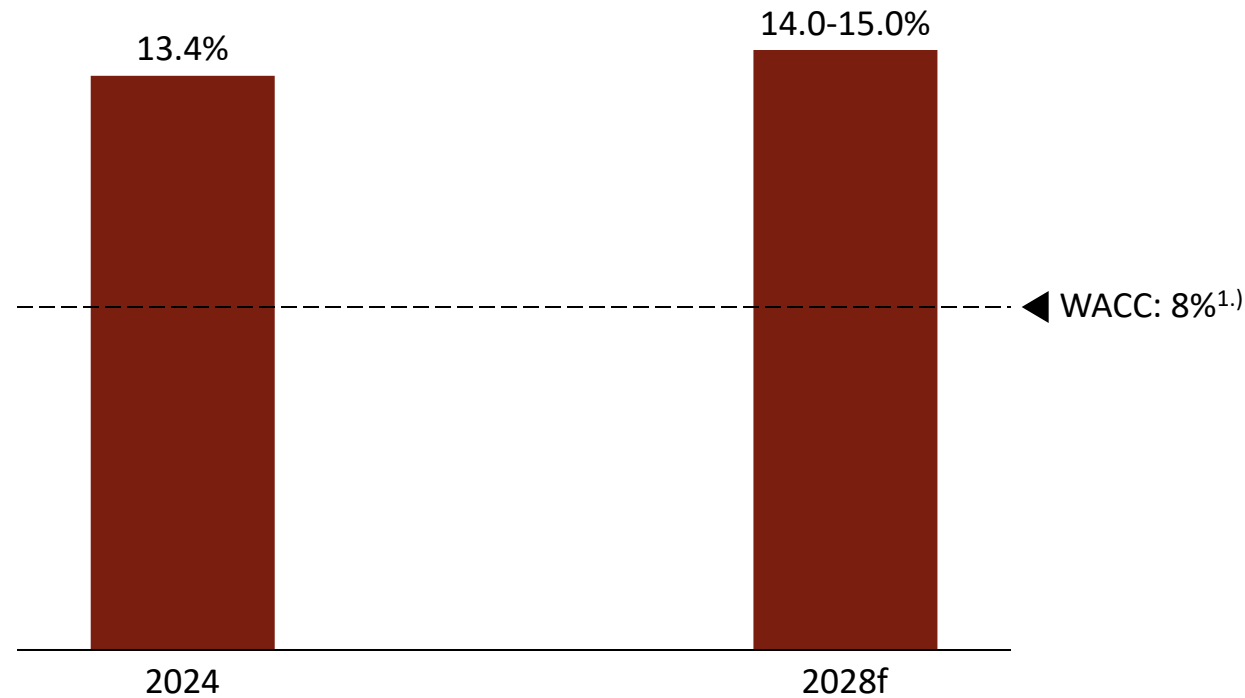


### Key highlights

- Consistent cash generation
- Repayment of hybrid bond linked to appropriate core-equity ratio
- Diversification of debt stack optimising financing costs
- B/S flexibility to support growth

## ROIC

ROIC %



### Key highlights

- Margin progression
- Disciplined CAPEX management
- Optimising capacity utilisation:
  - Intercompany sourcing & consistent make or buy
  - Above market coordination of manufacturing capacity

## CAPITAL ALLOCATION FOCUSED ON GROWTH, BALANCE SHEET & SHAREHOLDER RETURN



### Growth CAPEX

- Growth, efficiency & ESG focused
- Supporting ROIC range of 14.0-15.0%



### Balance Sheet

- Investment Grade  
→  $\geq 1.5\text{-}2.0\times$  Net Debt/EBITDA by 2028  
→ Optimised financing costs
- Balanced & diversified funding



### Dividend

- The Board will define its shareholder return policy in 2026



### Share buyback

- The Board will define its shareholder return policy in 2026



### Bolt-On Acquisitions

- Consideration of attractive bolt-on opportunities with strong strategic, financial & organisational fit



## IN SUMMARY

- Organic Growth driven business model in an attractive and growing market
- Continuous improvement of operating profit margin
- Consistent delivery of cash generation and capital efficiency
- Evolving toward investment grade and further optimised financing costs
- Recommence returning capital to shareholders





# Thank you – Q&A

