

c o b a s
a s s e t m a n a g e m e n t

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Mr. Gary McGann
Chairman of the Board of Directors,
ARYZTA AG
Talacker 41
8001 Zürich

October 10th, 2018

Dear Mr. McGann

Following our meeting in Dublin and subsequent telephone calls last Saturday and yesterday I would like to summarise our proposal to Aryzta's Board. In the case the Board doesn't accept it, we will propose it to the shareholders through an EGM.

1. To undertake immediately a €400m capital raise, fully supported by shareholders, and to support a further €400m capital raise in 12 months' time, if needed.
2. To sell some non-core assets. We have identified an asset worth more than €200m. We have a clear expression of interest from a ready buyer that it is willing to pay a reasonable price for the asset and that can close the transaction in a very short time frame.
3. To continue the efforts to sell Picard.
4. To obtain a credit rating to increase financing options to fund additional needs.

With these steps the company could receive above €600m in the very short term with minor costs involved; an amount which is close to the one proposed by the Board (€750m, including costs). The company could thus possibly receive close to €1bn during the next 12 months, if we include Picard and free cash flow generated by the business.

We reiterate that, if this proves not to be enough, we are willing to support an additional capital raise in 12 months, though we firmly believe that this will not be necessary.

We think that this is very strong alternative that should be supported by the Board and by all shareholders, avoiding a confrontational AGM.

Best Regards,



Francisco Garcia Paramés
Chairman and CEO