

NOT FOR DISTRIBUTION IN OR INTO THE UNITED STATES, CANADA, AUSTRALIA OR JAPAN



Public Exchange Offer by way of Statutory Merger

by

IAWS Group plc
151 Thomas Street, Dublin 8, Ireland

via its subsidiary

ARYZTA AG (previously ANPHI Holding AG),
Othmarstrasse 8, 8008 Zurich, Switzerland

for all publicly held

Registered Shares of Hiestand Holding AG, Industriestrasse 15, 5242
Lupfig, with a nominal value of CHF 1.00 each

Merger Consideration: ARYZTA AG ("**ARYZTA**"; "**Offeror**") will deliver 36 registered shares of ARYZTA with a nominal value of CHF 0.02 each ("**ARYZTA Share**"; "**Offer Consideration**") for each registered share of Hiestand Holding AG ("**Hiestand**") of CHF 1.00 nominal value each ("**Hiestand Share**").

Background: On June 9, 2008, IAWS Group plc ("**IAWS**") and Hiestand announced that they have agreed to combine their businesses in ARYZTA to create a new company with primary listings in Switzerland and Ireland. The combination will be effected by ARYZTA acquiring IAWS pursuant to an Irish High Court supervised scheme of arrangement (the "**Scheme**") under which all of the shares of IAWS would be acquired by ARYZTA in exchange for new ARYZTA Shares and also acquiring Hiestand by merger pursuant to Article 3 et seq. of the Swiss Federal Merger Law (the "**Merger**") of Hiestand into ARYZTA as surviving entity.

On the same date IAWS announced that it has agreed to acquire 170,000 Hiestand Shares (corresponding to 31.96% of the voting rights in Hiestand) from a subsidiary of Lion Capital LLP (the "**Share Purchase**"). The Share Purchase is subject to approval by antitrust authorities in Poland, Germany and Ireland.

Following completion of the Share Purchase, IAWS and ARYZTA will be required to submit a mandatory public tender offer pursuant to Art. 32 of the Swiss Stock Exchange Act. As a consequence, IAWS and ARYZTA pre-announced the present exchange offer on June 9, 2008. The present exchange offer (the "**Exchange Offer**") will be implemented by way of the Merger.

Merger Timetable:

The extraordinary general meeting of Hiestand approving the Merger is scheduled to be held on August 19, 2008. The extraordinary general meeting of ARYZTA will be held on August 21, 2008. First date of trading of the ARYZTA Shares is expected to be on August 22, 2008.

Reservation:

If the Merger is not completed until October 31, 2008, ARYZTA will in principle proceed with the Exchange Offer as regular tender offer and modify the Exchange Offer accordingly, unless the Exchange Offer terminates because a condition is not met or the Swiss Takeover Board grants a further extension to implement the Merger. The Offeror and IAWS reserve the right to modify, in compliance with the pertinent requirements of Swiss takeover legislation, the Exchange Offer to the effect that IAWS will offer shares of IAWS in exchange for the publicly held Hiestand Shares based on the current exchange ratio (i.e. 72 shares of IAWS for 1 Hiestand Share).

CREDIT SUISSE

Securities

Hiestand Shares
ARYZTA Shares

Swiss Securities Number

718 698
4 323 836

ISIN

CH 000 718698 1
CH 004 323836 6

SWX Ticker Symbol

HIEN
ARYN

Offer prospectus of July 17, 2008

Offer Restrictions

General

Unless otherwise determined by ARYZTA and permitted by applicable laws and regulations, the Exchange Offer by way of Merger will not directly or indirectly be made in a country or a jurisdiction in which such Exchange Offer would be illegal or otherwise violate applicable law or regulations or which would require ARYZTA to change the terms or conditions of the Exchange Offer in any way, to submit an additional application or to perform additional actions in relation to any state, regulatory or legal authorities. It is not intended to extend the Exchange Offer to any such country or such jurisdiction or to persons in such country or jurisdiction. Documents relating to the Exchange Offer must neither be directly or indirectly distributed in such countries or jurisdictions nor be sent to such countries or jurisdictions. Such documents must not be used for the purpose of soliciting the purchase of securities of Hiestand by anyone from such countries or jurisdictions.

Notwithstanding the foregoing, ARYZTA reserves the right to permit the Exchange Offer to be accepted and any sale of securities pursuant to the Exchange Offer to be completed if, in its sole discretion, it is satisfied that the transaction in question can be undertaken in compliance with applicable laws and regulations. The availability of the Exchange Offer to persons not resident in Switzerland may be affected by the laws and regulations of the relevant jurisdiction. Persons who are not resident in Switzerland should inform themselves about and observe any applicable requirements.

United States

Unless otherwise determined by ARYZTA, the Exchange Offer is not being and will not be made, directly or indirectly, in or into, or by use of mails or any means or instrumentality (including, without limitation, facsimile transmission, telephone and internet) of interstate or foreign commerce of, or any facilities of a national securities exchange of, the United States of America, and the Exchange Offer will not be capable of acceptance by any such use, means, instrumentality or facilities or from within the United States. Accordingly, copies of this Exchange Offer are not being, and must not be, mailed or otherwise forwarded, distributed or sent in, into or from the United States, and persons receiving this Exchange Offer (including custodians, nominees and trustees) must not mail or otherwise forward, distribute or send it into or from the United States. Doing so may render invalid any purported acceptance.

The securities to be issued pursuant to the Exchange Offer have not been and will not be registered under the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act"), nor under any laws of any state of the United States, and may not be offered, sold, resold, or delivered, directly or indirectly, in or into the United States, except pursuant to an exemption from the registration requirements of the U.S. Securities Act and the applicable state securities laws. This Exchange Offer does not constitute an offer to sell or the solicitation of an offer to buy any securities in the United States or in any other jurisdiction in which such an offer or solicitation would be unlawful. Securities may not be offered or sold in the United States absent registration or an exemption from registration. ARYZTA will not register or make a public offer of its securities, or otherwise conduct the Exchange Offer, in the United States.

United Kingdom

The materials relating to the Exchange Offer are to be directed only at persons in the United Kingdom who (a) have professional experience in matters relating to investments, (b) are falling within Article 49 (2)(a) to (d) ("high net worth entities, unincorporated associations, etc") of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005, or (c) to whom they may otherwise lawfully be communicated (all such persons together being referred to as **"relevant persons"**). In the United Kingdom, the materials relating to the Exchange Offer are not to be acted on or relied on by persons who are not relevant persons. In the United Kingdom, any investment or investment activity to which the

materials relating to the Exchange Offer relate is available only to relevant persons and will be engaged in only with relevant persons.

Forward Looking Statements

This Exchange Offer may include forward-looking statements that involve risk and uncertainty. Generally, words such as 'may', 'will', 'expect', 'intend', 'estimate', 'anticipate', 'believe', 'plan', 'seek', 'continue' or similar expressions, or the negative of such expressions, identify forward-looking statements. Although each of IAWS and the Offeror, each with respect to the statements it has provided, believes the expectations reflected in such forward-looking statements are based on reasonable assumptions and are, to the best of their knowledge, true and accurate at the date of this Exchange Offer, no assurance can be given that such projections will be fulfilled, and no representations are made as to the accuracy and completeness of such forward-looking statements with respect to any date after the date of this Exchange Offer. Any such forward-looking statements must be considered along with the knowledge that actual events or results may vary materially from such predictions due to, among other things, political, economic or legal changes in the markets and environment in which IAWS and/or the Offeror do business, and competitive developments or risks inherent to each of IAWS' and/or the Offeror's business plans. These risks, uncertainties and assumptions may cause the actual results, performance or achievements of IAWS and those of the Offeror, or industry results, to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements.

Risks

Exchanging Hiestand Shares into ARYZTA Shares involves risks and the value of the ARYZTA Shares may fall with the effect that investments in the ARYZTA Shares may lose all or part of their value. A more detailed description of such risks is contained in the listing prospectus relating to the ARYZTA Shares (in English) dated July 11, 2008, which may be obtained free of charge from Credit Suisse, Zurich, Dept. VAIE 65, tel. no: +41 44 333 43 85, fax no: +41 44 333 35 93, email: equity.prospectus@credit-suisse.com. This Exchange Offer has been prepared pursuant to, and in accordance with, Swiss takeover laws.

This offer prospectus does not constitute a securities issuance prospectus as defined in Article 652a or Article 1156 of the Swiss Code of Obligations.

A. Background of the Merger

1. Combination of IAWS Group plc and Hiestand Holding AG

IAWS is an international lifestyle food company with operations in North America and Europe. The Lifestyle Foods business focuses on niche high quality growth segments of the bakery and convenience food markets. IAWS is the majority shareholder in Origin Enterprises plc, a leading player in the Agri-Nutrition sector in Ireland and the UK and which has leading Ambient Food and Cereal Milling businesses in Ireland. IAWS is listed on the Irish Stock Exchange and London Stock Exchange and has been publicly quoted since 1988 and, has a market capitalization of approx. EUR 1.97 billion. As per July 9, 2008, IAWS holds 32%, or 170,218 of the voting rights in Hiestand.

Hiestand is a major manufacturer of frozen and convenience bakery products with national subsidiaries mainly in Switzerland, Germany, Austria, Poland, Malaysia, Japan and Turkey. Its customer groups are convenience stores, service stations, bakery shops in food stores, bakeries, gastronomy and food services. Hiestand is listed on the main segment of the SWX Swiss Exchange and has as per July 9, 2008, a market capitalization of approx. CHF 950 million. As per July 9, 2008 it has a registered share capital of CHF 531,930.00, divided into 531,930 Hiestand Shares.

On June 9, 2008, IAWS and Hiestand announced to combine their businesses to create ARYZTA, a new food company with primary listings in Switzerland and Ireland. The combination will be effected by ARYZTA acquiring IAWS pursuant to the Scheme under which all of the shares of IAWS would be acquired by ARYZTA in exchange for new ARYZTA Shares and acquiring Hiestand by merger of absorption with ARYZTA as surviving entity.

The strategic purpose of the transaction is to combine two international franchises with a complementary mix of business activities and geographic operations. IAWS and Hiestand are both significant businesses in the manufacturing and distribution of frozen bakery goods to the retail and foodservice market. The combination should allow each business to continue with its existing strategy, but provide significant value in terms of access to new market opportunities.

The board of directors of both IAWS and Hiestand have approved and recommended approval of the transaction to their respective shareholder.

2. Overview of Transaction Structure

Both the Scheme and the Merger are made inter alia conditional upon (a) approval by the shareholders of IAWS and Hiestand, (b) the approval of the Scheme by the Irish High Court, (c) the approval for the listing of the shares of ARYZTA at the SWX Swiss Exchange and on the Irish Stock Exchange and (d) approval by antitrust authorities in Poland, Germany and Ireland. Upon completion of the Scheme and the Merger, ARYZTA will be the new holding company of the combined group. The shares of ARYZTA will be listed on the main segment of the SWX Swiss Exchange and on the Irish Stock Exchange.

IAWS also announced on June 9, 2008, that it has agreed to acquire 170,000 Hiestand Shares (corresponding to 31.96% of the voting rights in Hiestand) from a subsidiary of Lion Capital LLP, the other large shareholder in Hiestand against payment of EUR 30,000,000 and delivery of 12,700,000 shares of IAWS. The Share Purchase is subject to approval by antitrust authorities in Poland, Germany and Ireland and is currently expected to be completed by the end of July or beginning of August 2008. Following completion of the Share Purchase, IAWS is expected to hold, directly or indirectly, 340,218 Hiestand Shares (corresponding to 63.96% of the voting rights in Hiestand).

As a consequence, IAWS and ARYZTA will be required to submit a mandatory tender offer pursuant to Art. 32 of the Swiss Stock Exchange Act. Based on the circumstances, the Merger will, however, be completed before settlement of any potential mandatory tender offer. In order to treat the public

shareholders of Hiestand equally under the Merger and such potential mandatory tender offer, ARYZTA has pre-announced the Exchange Offer for all the publicly held Hiestand Shares at an exchange ratio identical to that under the terms of the Merger. The Exchange Offer will be implemented by way of the Merger. Upon registration of the Merger in the commercial register of the Canton of Zurich Hiestand will be absorbed by ARYZTA and all shareholders of Hiestand will become shareholders of ARYZTA by operation of law.

3. Reservation to continue the Exchange Offer in the Event of Non Completion of the Merger

If the Merger is not completed until October 31, 2008, ARYZTA will in principle proceed with the Exchange Offer as a regular tender offer and modify the Exchange Offer accordingly, unless the Exchange Offer terminates because a condition is not met or the Swiss Takeover Board grants a further extension to implement the Merger. In such circumstances, the Offeror and IAWS further reserve the right to modify the Exchange Offer to the effect that IAWS will offer shares of IAWS in exchange for the publicly held Hiestand Shares based on the current exchange ratio (i.e. 72 shares of IAWS for 1 Hiestand Share).

B. The Exchange Offer by way of Merger

1. Pre-Announcement ARYZTA has published the pre-announcement of this Exchange Offer in the electronic media on June 9, 2008 and on June 11, 2008 in the "Neue Zürcher Zeitung" and "Le Temps", in accordance with Art. 7 et seq. TOO.

2. Scope Except as set forth under "Offer Restrictions" above, the Exchange Offer to be implemented by way of Merger is made for all publicly held Hiestand Shares. The Exchange Offer will not be made for treasury shares held by Hiestand.

Assuming completion of the Share Purchase, the Merger encompasses for a maximum of 190,551 Hiestand Shares, as set out in the following overview:

Hiestand Shares issued on July 9, 2008:	531,930
Hiestand Shares held by IAWS following completion of the Share Purchase:	340,218
Hiestand Shares held in treasury on July 9, 2008:	1,161
Number of Hiestand Shares to which the Merger pertains:	190,551

3. Offer Consideration The Offer Consideration consists of 36 ARYZTA Shares for each Hiestand Share.

The Offer Consideration shall be fully adjusted for any dilutive effects in relation to the Hiestand Shares which may arise until the settlement of the Exchange Offer. Among others, the following matters are deemed to have a dilutive effect for these purposes: any dividend payments, sale or issuance of shares or capital increases below the market value, acquisition of treasury shares above the market value or any issuance of options, warrants, convertible securities or other rights of any kind to acquire shares

and any redemption of share capital.

4. Compliance with Minimum Price Requirements

The Merger complies with the minimum price requirements of Swiss Stock Exchange Act.

In its valuation report (the "**Valuation Report**") pursuant to Art. 42 Sec. 2 SESTO-FBC of June 7, 2008, PricewaterhouseCoopers AG, Zurich, the independent review body appointed by ARYZTA, has confirmed that the exchange ratio offered under the Exchange Offer complies with the minimum price requirements of Art. 32 Sec. 4 of the Swiss Stock Exchange Act. The Valuation Report (in German or French) can be obtained free of charge from Credit Suisse, Zurich, Dept. VAIE 65, tel. no: +41 44 333 43 85, fax no: +41 44 333 35 93, email: equity.prospectus@credit-suisse.com. In addition, it can be downloaded from Hiestand's website www.hiestand.ch.

5. Share Prices

Hiestand Shares: the range of daily closing prices of the Hiestand Shares on the SWX Swiss Exchange in the three years preceding the announcement of the Merger was as follows:

<i>in CHF</i>	2005	2006	2007	2008*
High	1,132.00	1,417.00	2,759.00	2,830.00
Low	850.00	1,005.00	1,420.00	1,445.00

Shares of IAWS: the range of daily closing prices of the shares of IAWS on the Irish Stock Exchange in the three years preceding the announcement of the Merger was as follows:

<i>in EUR</i>	2005	2006	2007	2008*
High	12.60	19.55	19.60	16.75
Low	11.00	12.50	13.95	12.14

* From January 1, 2008 to June 6, 2008
Source: Bloomberg

6. Merger Timetable

The invitation to the extraordinary general meeting of Hiestand is published on July 17, 2008.

The extraordinary general meeting of Hiestand to resolve on the Merger is expected to be held on August 19, 2008. The extraordinary general meeting of ARYZTA resolving on the issuance of the ARYZTA Shares for the purpose of the Merger is expected to be held on August 21, 2008.

The Merger and the capital increase of ARYZTA are expected to be registered in the commercial register on August 21, 2008.

First trading day of the ARYZTA Shares is expected to be on August 22, 2008.

7. Merger Conditions

The business combination agreement among IAWS, ARYZTA and Hiestand entered into on June 7, 2008 (the "**Business Combination Agreement**") as well as the merger agreement between ARYZTA and Hiestand dated June 7, 2008 (the "**Merger Agreement**") subject the Merger to the following

conditions:

- a) approval of the Merger Agreement by the shareholders' meetings of Hiestand and ARYZTA by a majority of at least two thirds of the votes represented and the absolute majority of the par value of shares represented;
- b) ARYZTA having resolved to issue the agreed number of ARYZTA Shares under the Merger, to elect new members of the board of directors and to amend its articles of incorporation, and ARYZTA and Hiestand not having revoked or altered the respective general meeting resolutions except for the case that the other party has previously agreed to such revocation or alteration;
- c) antitrust approval, to the extent applicable, in Poland, Germany and Ireland;
- d) Sanction of the Scheme by the Irish High Court and the Court order being filed with the Irish Registrar of Companies; and
- e) approval of the listing of the ARYZTA Shares in Switzerland and Ireland.

The chairmen of the boards of each IAWS, Hiestand and ARYZTA may, by joint decision, waive the above conditions (with the exception of the approval by the shareholders' meeting) and determine that the Merger shall be consummated despite non-fulfilment of a condition.

8. Offer Conditions

In the event the Merger is not completed until October 31, 2008 and IAWS and ARYZTA continue the Exchange Offer, such offer shall in principle be made on the basis of the offer conditions set out in the pre-announcement of June 9, 2008 as per Annex 1 of this offer prospectus.

C. Information about ARYZTA AG

1. Name, Seat and Purpose

ARYZTA was established on April 4, 2008 as a share corporation (*Aktiengesellschaft / Société anonyme*) with unlimited duration organized under the laws of Switzerland with its registered office at c/o Interhold AG, Othmarstrasse 8, 8008 Zurich. Prior to completion of the Merger its domicile and registered office will be moved to its new headquarters.

ARYZTA's principal purpose, as stated in the articles of association, is the acquisition, holding and disposal of shareholdings in domestic and foreign companies of all kinds. For such purpose, ARYZTA may set up subsidiaries and branches in Switzerland and abroad as well as acquire, hold and sell real estate. Furthermore, ARYZTA may carry on any commercial, financial or other activities, which fall within the scope of the company's purpose.

2. Current Share Capital

As per July 9, 2008, ARYZTA has an ordinary share capital of CHF 100,000 divided into 5,000,000 ARYZTA Shares, all of which are beneficially owned by IAWS.

3. Future Share Capital

Prior to the listing of the ARYZTA Shares, on or about August 21, 2008, and assuming that all employee options relating to shares of IAWS are being exercised the general meeting of ARYZTA is expected to resolve:

- (a) the increase of ARYZTA's share capital from CHF 100,000 by CHF 1,441,610.48 to CHF 1,541,610.48 through the issue of 72,080,524 ARYZTA Shares, excluding the subscription right of existing shareholders, for the exchange of all shares of IAWS into ARYZTA Shares (contribution in kind) in connection with the Scheme, and
- (b) the further increase of the share capital upon consummation of the Merger from CHF 1,541,610.48 by CHF 37,198.72 to CHF 1,578,809.20 through the issue of 1,859,936 ARYZTA Shares, excluding the subscription right of existing shareholders, for the exchange of 51,665 Hiestand Shares. The remainder of the 138,886 publicly held Hiestand Shares will be exchanged for 4,999,900 ARYZTA Shares held in treasury.

After completion of the capital increase which is expected to occur on or about August 21, 2008, ARYZTA's share capital is expected to amount to CHF 1,578,809.20 divided into 78,940,460 ARYZTA Shares. The shareholders of IAWS (including Lion Capital LLP) will hold approx. 91.3% of the ARYZTA Shares, and the shareholders of Hiestand will hold approx. 8.7% of the ARYZTA Shares

4. Information on ARYZTA Shares

Further information on IAWS, Hiestand, ARYZTA and the ARYZTA Shares is contained in the listing prospectus published by ARYZTA dated July 11, 2008 which does not form part of this offer prospectus. The listing prospectus (in English) can be obtained free of charge from Credit Suisse, Zurich, Dept. VAIE 65, tel. no: +41 44 333 43 85, fax no: +41 44 333 35 93, email: equity.prospectus@credit-suisse.com.

The ARYZTA Shares are registered shares with a nominal value of CHF 0.02 each. No share certificates will be issued and share certificates will not be available for individual physical delivery. However, shareholders may, at any time, request ARYZTA to confirm their shareholdings in written form. Each ARYZTA Share entitles to one vote. The articles of association of ARYZTA will provide a fiduciary and nominee clause (*Treuhänder- und Nomineeklausel*) as transfer restriction. Apart from the foregoing there are no voting restrictions. Shareholders are entitled to dividends resolved by the general meeting pro rata to their shareholding. The articles of association will have no opting-out or opting-up clause.

5. Listing

Application has been made for the listing of the ARYZTA Shares on the SWX Swiss Exchange and on the Irish Stock Exchange.

6. Board of Directors of ARYZTA

Following implementation of the Merger, the Board of Directors of ARYZTA is expected to consist of the following members:

Name:	Current Function:	Future Function:
Denis Lucey	chairman IAWS	non-executive chairman
Wolfgang Werlé	chairman Hiestand	non-executive vice-chairman
Owen Killian	CEO IAWS	Chief Executive Officer
Patrick McEniff	CFO IAWS	Chief Financial Officer

Hugo Kane	COO IAWS	Chief Operations Officer
Albert Abderhalden	director Hiestand	non-executive director
Denis Buckley	director IAWS	non-executive director
Beatrice Dardis	director IAWS	non-executive director
J. Brian Davy	director IAWS	non-executive director
Noreen Hynes	director IAWS	non-executive director
Lyndon Lea	-	non-executive director
William G. Murphy	director IAWS	non-executive director
Hans Sigrist	director Hiestand	non-executive director
Paul N. Wilkinson	director IAWS	non-executive director
Maurice Zufferey	director Hiestand	non-executive director

7. Executive Management

The executive management of ARYZTA is expected to consist of the following members:

Owen Killian, Chief Executive Officer
Patrick McEniff, Chief Financial Officer
Hugo Kane, Chief Operations Officer

8. Auditors

KPMG AG, Badenerstrasse 172, CH-8004 Zurich, Switzerland.

9. Annual Report

ARYZTA has not yet produced an annual report. Historical financial information relating to IAWS and Hiestand and pro forma financial information on ARYZTA is contained in the listing prospectus of ARYZTA which does not form part of this offer prospectus. The listing prospectus can be obtained as set out in paragraph C.4 above.

10. Material Changes

Except for the conclusion of the Business Combination Agreement and the Merger Agreement no material changes in ARYZTA's assets and liabilities, financial position, earnings and prospects taken as a whole have taken place since its formation on April 4, 2008.

11. Persons Acting in Concert

For the purposes of the Exchange Offer, ARYZTA is deemed to act in concert with the following persons and/or entities:

- its parent company IAWS and all the subsidiaries directly and indirectly controlled by IAWS.
- Hiestand and all the subsidiaries directly and indirectly controlled by Hiestand as of the date of publication of this Exchange Offer (since June 7, 2008, the date of signing of the Business Combination Agreement).

12. Significant Shareholders

As per July 9, 2008, ARYZTA is a wholly (100%) owned subsidiary of IAWS.

In so far as it is known to ARYZTA, as at July 9, 2008 the following persons will, directly or indirectly, hold 3 per cent. or more of the voting rights in ARYZTA upon completion of the Merger and the Scheme, based on the assumptions that the holdings of IAWS shareholders in IAWS and the holdings of Hiestand shareholders in Hiestand as at July 9, 2008 do not change, that the Merger and the Scheme complete, and that at listing ARYZTA will have issued 78,940,460 ARYZTA Shares, and in so far as is known to ARYZTA, the name of each person who, directly or indirectly, hold

or control 3 per cent. or more of the ARYZTA's voting rights upon completion, and the amount of such persons' interest, will be as follows:

Fidelity International Limited, Bermuda	10.4%
Lion Capital LLP, Netherlands	8.0%
Capital Group Companies, Inc., USA	4.7%
Threadneedle Asset Management., Ireland	4.2%
Bank of Ireland Asset Management, Ireland	3.5%
Standard Life Investments, UK	3.3%
Irish Life Investment Managers, Ireland	3.2%

13. Information on IAWS Group plc

Information on IAWS is contained in Annex 2 to this offer prospectus.

D. Issuance of New ARYZTA Shares for the Merger

The ARYZTA Shares to be issued to the shareholders of Hiestand will be created as described in paragraph C.3 of this offer prospectus. All measures for the issuance of the new ARYZTA Shares that can be taken as of the date hereof have been taken by ARYZTA.

E. Information about Hiestand

1. Company name, registered office capital and duration

Hiestand Holding AG is a share corporation with unlimited duration having its registered office in Lupfig. As per July 9, 2008, it has a registered share capital of CHF 531,930.00, divided into 531,930 Hiestand Shares. The Hiestand Shares are listed on the main segment of the SWX Swiss Exchange.

2. Intentions of ARYZTA regarding Hiestand

ARYZTA believes that the strong strategic fit of the businesses of IAWS and Hiestand combined with a leading management team will create the global leader in value added baked goods. This can be achieved by delivering sustainable revenue and long-term earnings growth while deriving advantage from leveraging synergy opportunities.

Following the Merger and the Scheme, ARYZTA anticipates that IAWS and the former Hiestand subsidiaries will continue to operate their existing businesses independently and the situation of their employees will remain largely unaffected.

The current members of the Board of Directors of Hiestand will become members of the Board of Directors of ARYZTA. The members of the management of Hiestand continue their functions under the direction of the executive management of ARYZTA.

Following completion of the Merger of Hiestand by ARYZTA, shareholders of Hiestand will become shareholders of ARYZTA. The last trading day of the Hiestand Shares is expected to be on August 20, 2008; on August 21, 2008, the trading in Hiestand Shares is expected to be suspended. Trading in ARYZTA Shares is expected to commence on August 22, 2008.

3. Shareholding in Hiestand and transaction in Hiestand equity securities

As per July 9, 2008, ARYZTA, IAWS (through its 100% subsidiary Blixen Ltd.) and those acting in concert with them hold 171,379 (including 1,161 Hiestand Shares held in treasury by Hiestand) Hiestand Shares or 32.22 % of the voting rights in Hiestand. They hold no option rights in Hiestand Shares.

On June 7, 2008, IAWS agreed to acquire 170,000 Hiestand Shares (corresponding to 31.96% of the voting rights in Hiestand) from a subsidiary of Lion Capital LLP, the other large shareholder in Hiestand. Based on a closing price of the shares of IAWS of EUR 16.38 on June 6, 2008 and a EUR/CHF exchange ratio of 1.61324 as of June 6, 2008, the purchase price for one Hiestand Share was CHF 2,258.78. The acquisition is subject to approval by antitrust authorities in Poland, Germany and Ireland and is currently expected to be completed by the end of July or beginning of August 2008. Following completion of the Share Purchase, ARYZTA and IAWS are expected to hold, directly or indirectly, 341,395 (including 1,161 Hiestand Shares held in treasury) Hiestand Shares (corresponding to 64.18 % of the voting rights in Hiestand). Except for the foregoing neither IAWS nor any of its subsidiaries have conducted any purchases or sales in Hiestand Shares or option rights in Hiestand Shares, neither in the 12 months preceding the publication of the pre-announcement nor afterwards. Since June 7, 2008, the date of signing of the Business Combination Agreement, neither Hiestand nor any of its subsidiaries - with the exception of the purchase and sale in 24 Hiestand Shares within the employee bonus program - have purchased or sold any Hiestand Shares or option rights in Hiestand Shares.

4. Agreements

Except for the agreements described below neither ARYZTA nor the parties acting in concert with it have entered into agreements with Hiestand, its governing bodies or shareholders.

a) Business Combination Agreement

IAWS, ARYZTA and Hiestand entered into the Business Combination Agreement on June 7, 2008. The Business Combination Agreement provides for various matters relating to the implementation of the Scheme and the Merger and, in particular, provides for the convening of the relevant shareholder meetings of IAWS, ARYZTA and Hiestand, the composition of the Board, the exchange ratios to be applied in relation to the Scheme and the Merger and the conditions which are to apply to the Merger.

The parties have agreed to exchange information which is relevant to the combination with each other. The Business Combination Agreement also provides that if an event occurs which negatively affects the value of either IAWS or Hiestand by at least 10 per cent. the parties will seek to agree an adjustment to the exchange ratios applying for the purposes of the Scheme and the Merger. If agreement is not reached on such adjustment, then shareholders of the entity unaffected by the event will be given an opportunity to vote to withdraw from the Merger. IAWS and Hiestand each agree not to do any of the following acts without the consent of the other:

- issue new shares or grant of rights on such shares other than pursuant to pre-existing commitments;
- acquire or sell its own shares or shares of the other party except in the relation to the acquisition by IAWS of the Hiestand Shares from Lion

Capital LLP and the issue of shares pursuant to Scheme;

- acquisitions or divestments with a value exceeding CHF20 million and transactions of unusual strategic importance, other than transactions specifically disclosed by the parties to each other;
- make material changes in employment contracts with senior executives or general changes in the working conditions of the parties or their affiliated companies other than in the ordinary course of business;
- pay a dividend or issue bonus shares;
- any act that is not in the ordinary course of business.

b) Merger Agreement

ARYZTA and Hiestand entered into the Merger Agreement on June 7, 2008. Under the terms of the Merger Agreement, ARYZTA, acting as acquiring company, shall absorb Hiestand, acting as transferring company. Hiestand shareholders, except for IAWS or any subsidiaries of IAWS holding Hiestand Shares, shall receive ARYZTA Shares contemporaneously with the Scheme becoming effective and the listing of ARYZTA on the Irish Stock Exchange and the SWX Swiss Exchange.

The Merger Agreement sets out the conditions to which the Merger is subject, being;

- Receipt of the relevant antitrust approvals from each of the regulatory authorities in Ireland, Germany and Poland.
- Approval of the Merger by at least two thirds of the Hiestand shareholders present at the Hiestand extraordinary general meeting and by at least two thirds of the ARYZTA shareholders present at the ARYZTA extraordinary general meeting representing a majority of the par value of the shares held by those shareholders present.
- Sanction of the Scheme by the Irish High Court.
- Listing of the ARYZTA Shares.
- The passing of certain resolutions by the ARYZTA extraordinary general meeting, including the increase of capital required by ARYZTA to allot the ARYZTA Shares required to effect the Merger and the Scheme.

Pursuant to the terms of the Merger Agreement, upon the Merger becoming effective, Hiestand Shares shall be exchanged for ARYZTA Shares so that Hiestand shareholders (other than IAWS or any subsidiary of IAWS) will receive 36 ARYZTA Shares for each Hiestand share held by them. The Merger Agreement provides that the agreement shall terminate if the Merger and the Scheme are not completed by October 31, 2008.

c) Share Purchase Agreement

On June 7, 2008, IAWS has agreed to acquire 170,000 Hiestand Shares (corresponding to 31.96% of the voting rights in Hiestand) from a subsidiary of Lion Capital LLP. For further information see paragraph E.3 above.

5. Confidential

ARYZTA confirms that neither it nor any person acting in concert with it have directly or indirectly received confidential information on Hiestand from

Information

Hiestand itself or from the companies under its control which could have a decisive influence on the decision of the recipients of a potential exchange offer.

F. Report of the review body in accordance with Art. 25 of the Swiss Stock Exchange Act

As auditors recognised by the supervisory authority to examine public takeover offers in accordance with the Stock Exchange Act, we have examined the offer prospectus taking into account the Recommendation I issued by the Takeover Board on June 6, 2008. The listing prospectus of ARYZTA AG, the report of the board of directors of Hiestand Holding AG and the fairness opinion of Bank Sarasin AG do not form part of our examination. Further, we have not examined, pursuant to Art. 15 of the Merger Act, the merger agreement, the merger report and the balance sheets underlying the merger.

The offer prospectus is the responsibility of ARYZTA AG. Our responsibility is to express an opinion on the offer prospectus based on our examination.

Our examination was conducted in accordance with Swiss Auditing Standards, which require that an examination be planned and performed to obtain reasonable assurance about whether the offer prospectus is formally complete pursuant to the Stock Exchange Act and its implementing ordinances and free from material misstatement. We have examined, on a test basis, evidence supporting the information in the offer prospectus. Furthermore, we have verified the offer prospectus for compliance with the Stock Exchange Act and its implementing ordinances. We believe that our examination provides a reasonable basis for our opinion.

In our opinion:

- the offer prospectus complies with the Stock Exchange Act and its implementing ordinances;
- the offer prospectus is complete and accurate;
- the requirement for equal treatment of the recipients of the offer has been complied with;
- ARYZTA AG has taken all necessary steps to have the shares of ARYZTA AG offered for exchange available on the settlement date of the offer;
- the provisions regarding the effects of the pre-announcement of an offer have been complied with.

With respect to the valuation of the shares of ARYZTA AG and the compliance of the offer with the minimum price requirements, we reported the results of our valuation considerations and expressed an unqualified opinion related to the compliance with the minimum price requirements in our report dated June 7, 2008, but we have not performed any procedures in this respect since that date.

Basel, July 15, 2008

PricewaterhouseCoopers AG

Philippe Bingert

Philipp Amrein

G. Report of the Board of Directors of Hiestand Holding AG regarding the implementation of the pre-announced exchange offer of IAWS Group plc respectively ARYZTA AG by means of the merger of Hiestand Holding AG with ARYZTA AG

1. The Combination of Hiestand Holding AG with IAWS Group plc

On 9 June 2008, IAWS Group Plc ("IAWS"), an Irish stock corporation (having its seat in Dublin, Ireland) and Hiestand Holding AG ("Hiestand") announced that they have agreed on a combination of their companies. For the purposes of such combination, Hiestand, IAWS and ARYZTA AG (formerly ANPHI AG) entered into a business combination agreement on 7 June 2008 (the "Business Combination Agreement") which governs the modalities of the combination of the three companies. The combination of the business activities of Hiestand and IAWS (the "Combination") will be transacted through ARYZTA AG ("ARYZTA"), which is a Swiss subsidiary of IAWS prior to the completion of the Combination, as follows: On the one hand, ARYZTA acquires IAWS through a Scheme of Arrangement pursuant to art. 201 Company Act 1963 ("Scheme"), to be approved by the Irish High Court; in the framework of the Scheme, ARYZTA acquires all shares in IAWS in exchange for new ARYZTA shares. On the other hand, ARYZTA acquires Hiestand by way of a merger by absorption pursuant to art. 3 et seq. Swiss Merger Act ("Merger"). The Scheme and the Merger are mutually dependent. Upon completion of the Scheme and the Merger, ARYZTA will be the new holding company of the combined business activities of Hiestand and IAWS. After completion of the Combination, the shares of ARYZTA will be listed on the main segment of the SWX Swiss Exchange AG and on the Irish Stock Exchange presumably on 22 August 2008.

The exchange ratios, which are applicable to the Combination, are 36 ARYZTA shares for 1 Hiestand share and 1 ARYZTA share for 2 IAWS shares. Due to the exchange ratio of ARYZTA with IAWS (0.5:1) and ARYZTA with Hiestand (36:1) agreed in the Business Combination Agreement, a direct exchange ratio of 72:1 between Hiestand and IAWS results. The exchange ratio was established by the parties after negotiations based on, among other things, the market capitalization of Hiestand and IAWS, the fundamental valuation of both companies and by taking into account the intended transaction structure with IAWS.

Upon completion of the Combination, the former IAWS shareholders will hold approx. 83.3%, the former independent Hiestand shareholders approx. 8.7% and the former shareholder Lion Capital LLP approx. 8% in ARYZTA.

On 9 June 2008, IAWS also announced that it had agreed with a subsidiary of Lion Capital LLP, the other major shareholder of Hiestand, to acquire 170,000 Hiestand shares (corresponding to 31.96% of the voting rights in Hiestand) (the "Share Purchase"). The Share Purchase is subject to anti-trust approval of the competent authorities in Poland, Germany and Ireland and will presumably be completed at the end of July or the beginning of August 2008. Upon completion of the Share Purchase, IAWS will presumably hold 340,218 Hiestand shares (corresponding to 63.96% of the voting rights in Hiestand).

Upon completion of the Share Purchase regarding 31.96 percent of the capital of Hiestand, as agreed between IAWS and Lion Capital LLP on 7 June 2008, IAWS will exceed the threshold relevant for an offer obligation of 33 1/3 percent of the voting rights in Hiestand. Therefore, upon completion of the Share Purchase, IAWS is subject to the obligation to make an offer in accordance with the rules of the Swiss Stock Exchange Law. In order to ensure the equal treatment of the Hiestand shareholders in connection with the Combination of Hiestand and IAWS and to comply with the minimum price rules set forth in the Swiss Stock Exchange Law, IAWS pre-announced on 9 June 2008 a public exchange offer according to which 36 ARYZTA shares are offered for one Hiestand share. By recommendation of 6 June 2008, the Swiss Takeover Board has stated that the pre-announced exchange offer of IAWS may be transacted by way of a merger by absorption of Hiestand and ARYZTA subject to compliance with the fundamental principles of the takeover law and the completion of the Merger by 31 October 2008.

As per 15 July 2008, the board of directors of Hiestand has no knowledge of any shareholders holding 5% or more of the voting rights in Hiestand except for IAWS and Lion Capital LLP. At the time of the shareholders' meeting's resolution on the Merger, Lion Capital LLP will presumably have completed

the agreed sale of its stake in Hiestand to IAWS and IAWS supports the resolution on the Merger.

2. Recommendation to the Shareholders of Hiestand Holding AG

The board of directors of Hiestand recommends to the shareholders, in accordance with the motion submitted by him, to approve the Merger between Hiestand and ARYZTA respectively to approve the Merger agreement on the extraordinary shareholders' meeting on 19 August 2008. If the shareholders' meeting will approve the Merger with ARYZTA and, in particular, also the Scheme is completed, the pre-announced exchange offer of IAWS, respectively ARYZTA, will be transacted by way of the Merger of Hiestand with ARYZTA.

The board of directors of Hiestand bases its recommendation on the fairness opinion prepared by Bank Sarasin & Cie AG which assesses the financial adequateness of the exchange ratio of the intended Combination of Hiestand Holding AG and IAWS Group Plc. According to this fairness opinion, the exchange ratio of 72 IAWS shares for 1 Hiestand share, respectively 36 ARYZTA shares for 1 Hiestand share, is at the head of the appraised valuation range and, therefore, financially adequate (this fairness opinion may be ordered at no charge from Hiestand Holding AG (fax 044 / 755 25 23) and is available at www.hiestand.ch). In appreciation of the statements in the fairness opinion, the board of directors of Hiestand arrives at the determination that the exchange ratio is adequate from a financial point of view.

If the Combination cannot be transacted – as intended – by way of the Scheme and the Merger, but by way of a regular exchange offer, the board of directors of Hiestand reserves the right to assess the transaction anew with respect to the submission of a regular exchange offer.

3. Reasons

The board of directors of Hiestand recommends to the shareholders to approve the Merger with ARYZTA at the extraordinary shareholders' meeting of Hiestand on 19 August 2008 in particular for the reasons stated hereinafter so that the exchange offer of IAWS pre-announced on 9 June 2008 can be completed by way of the Merger with ARYZTA:

- ARYZTA as a Swiss company will have its seat in Switzerland and will be listed on the SWX Swiss Exchange and the Irish Stock exchange. Through the intended course of action of the Combination the Hiestand shareholders remain shareholders of a Swiss company.
- According to the perception of the parties to the Combination, the intended strategy of ARYZTA is capable of creating added value for both parties, which would not be realizable on a stand-alone basis. In the view of the board of directors of Hiestand, the Combination will create additional potential and a material increase in efficiency. The Combination creates an international large-scale supplier in the field of value added frozen bakery products. The board of directors expects that material increases in the efficiency of procurement and purchasing will be realized by the combination of the business activities and it may be benefited from the increasing potential which results from the ability to service the large-scale international customers across the countries in which they operate.
- Hiestand and IAWS, who holds since 2005 a stake in Hiestand equal to 32% of the capital pursue similar business models and have a high conformity with regard to organization, management and corporate culture. Both companies optimally complement each other in geographic respects; there are barely any material overlaps regarding the relevant countries and markets. Therefore, the Combination combines two highly complementary companies on the basis of a five year long proven partnership between Hiestand with its strategic shareholder IAWS:
 - both companies, IAWS and Hiestand, are operating in the value added bakery and convenience food segment, with a focus on innovative product development.
 - IAWS is active in North America, UK, Ireland and France; Hiestand is active in Switzerland, Germany, Austria, Poland and Asia (Malaysia, Japan and Turkey).
 - IAWS and Hiestand serve a dense network of important clients in the gastronomy-/hotel service,

food- and retail segment. IAWS and Hiestand have their independently developed business- and system solutions and logistic for the direct supply distribution of their products.

- The good strategic fit of both companies and a strong management team are the basis for the creation of a world market leader in the business of value added bakery products who will achieve sustainable turnover and earnings growth and benefit from substantial market synergies. The Combination of the business activities of Hiestand and IAWS makes it possible to mutually develop through ARYZTA the globally fast growing frozen bakery products market. Through the Combination a worldwide in 15 countries and 2 continents leading service company for value added frozen bakery products, which will be distributed with own sophisticated business-, system- and logistic solutions, will be formed. With a pro forma turnover of approx. CHF 3.8 bn, with a pro forma EBIT of CHF 343 m (these values are based on the figures of 31 July 2007 for IAWS and of 31 December 2007 for Hiestand) and worldwide 9,400 employees, ARYZTA will become the global market leader in this business.
- The fundamental strategic goals of ARYZTA are:
 - To create a global lifestyle food business focused on the fast growing value added frozen convenience bakery segment.
 - Concentrated know-how of IAWS and Hiestand together with an extended geographic reach to provide shareholders, employees, customers, suppliers and business partners with a significant benefit.
 - To deliver superior earnings growth and margin expansion through the combination of organic development and selected acquisitions.
 - To make use of synergies and create lean and efficient business procedures.
- 4. Potential conflicts of interest and financial consequences of the Merger for the members of the board of directors and the group executive committee

In the Business Combination Agreement dated 7 June 2008 the board of directors of Hiestand and the board of directors of IAWS have agreed upon the conditions and modalities of the Combination. According to the undertaking in the Business Combination Agreement, the members of the board of directors of Hiestand – Messrs. Wolfgang Werlé (Chairman), Dr. J. Maurice Zufferey (Vice Chairman), Albert Abderhalden, Hans Sigrist and Owen Killian – will become members of the board of directors of ARYZTA, which will then consist of 15 persons overall. In their capacity as members of the board of directors of ARYZTA, the members of the board of directors of Hiestand will receive a compensation, which will presumably be within the limits of the previous compensation (whereas according to the information contained in the listing prospectus of ARYZTA a base compensation for the members of the board of directors in the amount of CHF 88,000 is intended; a detailed provision regarding the additional compensation for special functions within the board of directors of ARYZTA is not yet known to the board of directors of Hiestand). The group executive committee of Hiestand consists of Messrs. Urs Jordi (CEO), Roland Straub (CFO until 8 June 2008, from 9 June 2008 until 22 August 2008 special projects by order of the board of directors), Martin Zwyssig (CFO from 9 June 2008 until 18 July 2008), Armin Bieri (Executive Director Switzerland/Sales and Marketing), Andrea Stegen (Executive Director Germany/Business Development), Roger Bless (Procurement, Production and Logistics) and Marcel Brauchli (COO, interim CFO as of 21 July 2008).

Upon execution of the Combination the executive management within the board of directors of ARYZTA will consist of Messrs. Owen Killian (CEO), Patrick McEniff (CFO) and Hugo Kane (COO). Mr. Urs Jordi (CEO of Hiestand) will continue to be CEO of the "Hiestand Group", which after the execution of the Combination will be operating independently under ARYZTA. The other members of the group executive committee of Hiestand will continue to carry out their previous functions within the "Hiestand Group", which after the execution of the Combination will be operating independently under ARYZTA.

The employment relationships of the members of the group executive committee of Hiestand, except

for the ones of Messrs. Straub and Zwyssig, will be continued at the previous terms within the "Hiestand Group", which will operate independently under ARYZTA. Mr. Martin Zwyssig, who joined on 5 May 2008 and was designed as CFO, will leave Hiestand in the second half of July 2008 (and will receive the contractually provided benefits and no particular termination pay respectively). Mr. Roland Straub, previous CFO of Hiestand, will receive the contractually provided benefits including a special remuneration in the amount of CHF 200,000 in relation to the special projects by order of the board of directors.

The board of directors has no conflicts of interest according to art. 31 Takeover Ordinance. As Mr. Killian is the CEO of IAWS, his vote was not taken into consideration when determining the result of the resolution regarding this report. None of the members of the board of directors or of the group executive committee management of Hiestand has concluded any contracts or other agreements or entered into other relationships with IAWS or ARYZTA respectively in view of the Combination (with reservations regarding the agreement concerning the constitution of the board of directors as stated in the Business Combination Agreement). In its communication to the media on 9 June 2008 Hiestand announced, that the members of the board of directors will vote with their own Hiestand shares in favor of the Merger. Apart from the Business Combination Agreement between IAWS, ARYZTA and Hiestand of 7 June 2008, the Merger agreement between ARYZTA and Hiestand of 7 June 2008 and a confidentiality undertaking of 26/27 February 2008, no contractual agreement exists between IAWS and ARYZTA respectively and Hiestand.

With regard to the financial consequences of the Combination, the board of directors of Hiestand states the following:

- No member of the group executive committee and no member of the board of directors of Hiestand has a change of control clause in the contract. The Combination does not trigger a termination payment for any member of the group executive committee or of the board of directors.
- Hiestand has no stock option program and no stock participation program.
- As of 15 July 2008, the members of the board of directors of Hiestand have the the following shareholdings (in connection with the Merger the shares will be exchanged for ARYZTA shares according to the exchange ratio):

Wolfgang Werlé	1 Hiestand share
Dr. J. Maurice Zufferey	11 Hiestand shares
Albert Abderhalden	7'633 Hiestand shares
Hans Sigrist	301 Hiestand shares
Owen Killian	1 Hiestand share

As of 15 July 2008, the members of the group executive committee of Hiestand have the following shareholdings (in connection with the Merger the shares will be exchanged for ARYZTA shares according to the exchange ratio):

Urs Jordi	3 Hiestand shares
Roland Straub	15 Hiestand shares
Martin Zwyssig	--
Armin Bieri	1 Hiestand share
Andrea Stegen	1 Hiestand share
Roger Bless	3 Hiestand share
Marcel Brauchli	1 Hiestand share

As of 15 July 2008, no member of the board of directors and of the group executive committee of

Hiestand holds any options on Hiestand shares.

- In connection with the Combination there will be no extraordinary payments to members of the group executive committee of Hiestand based on the existing Employee-Cash-Bonus-Plan or based on individual bonus agreements. As the Employee-Cash-Bonus-Plan will not be continued, it is planned to pay out to all entitled employees their pro rata portion of the Cash-Bonus-Plan with the execution of the transaction. All Swiss employees (approx. 600 persons) and some of the foreign employees of Hiestand are entitled under the Cash-Bonus-Plan.

According to art. 17 Swiss Merger Act there has not been any significant change in the assets and liabilities of Hiestand between the execution of the Merger agreement on 7 June 2008 and 15 July 2008.

Lupfig, 15 July 2008

For the board of directors of Hiestand:

Wolfgang Werlé

Chairman of the board of directors

Dr. Maurice Zufferey

Vice Chairman of the board of directors

H. Recommendations of the Swiss Takeover Board

In its Recommendation I. dated June 6, 2008, the Swiss Takeover Board has decided that the Exchange Offer can be implemented within the framework presented to the Swiss Takeover Board by way of merger of Hiestand and ARYZTA provided that the basic principles of the tender offer legislation are being complied with and under the condition that the Merger is implemented by October 31, 2008.

The offer prospectus was submitted to the Swiss Takeover Board prior to publication. In its Recommendation II dated July 15, 2008, the Swiss Takeover Board ruled that the exchange offer of IAWS via ARYZTA to the shareholders of Hiestand complies with the Federal Act on Stock Exchanges and Securities Trading dated March 24, 1995, as far as it will be consummated by statutory merger.

I. Completion of the Merger

1. Information of Shareholders of Hiestand and Settlement of the Merger

For shareholders holding their Hiestand Shares in custody in an open deposit account with a depository bank, such Hiestand Shares will be exchanged by their bank upon settlement of the Merger. The exchange of Hiestand Shares into ARYZTA Shares is executed by the depository banks on August 22, 2008.

Shareholders holding their Hiestand Shares in certificated form at home or in a bank safe will be informed about the Merger by the share register of Hiestand. They are requested to proceed according to the share register's instructions.

2. Mandated Bank

Credit Suisse has been mandated by ARYZTA with the technical settlement of the Merger.

3. Costs and Taxes

Swiss Taxation

The taxation summary set forth below is intended as a descriptive summary and does not purport to be a complete analysis of all potential tax effects relevant to the statutory merger between ARYZTA and Hiestand. The discussion of taxation relates to Swiss tax consequences for the investors only, however, does not take into account the specific circumstances of any particular investor. The taxation summary is accordingly of a general nature and is provided for information only. Therefore, the below statements are not intended to be, and should not be interpreted as legal or tax advice to any particular holder of the shares, and no representation with respect to the tax consequences to any particular shareholder is made. This summary is based on the tax laws, regulations and regulatory practices of Switzerland in effect on the date hereof, which might be subject to change (or subject to changes of interpretation) possibly with retroactive effect.

Shareholders are advised to consult their own tax advisers in light of the particular circumstances that could be relevant for them in conjunction with the statutory merger between ARYZTA and Hiestand.

A ruling is currently being sought with the federal tax authorities which should confirm the following tax consequences:

Income and Profit Tax

Federal Tax

- Income tax for Swiss tax resident individuals:

The statutory merger should trigger no Swiss income taxation in particular since no additional nominal share capital will be created. Instead, the shareholders of Hiestand will have a decrease in their nominal share capital. Such decrease will not be tax deductible.

- Income tax treatment for Swiss tax resident individuals holding the shares as "business assets":

The statutory merger should not trigger Swiss income taxation provided there is a carry-over of the tax relevant book value of the exchanged shares.

- Profit tax treatment for Swiss tax resident corporations:

The statutory merger should not trigger Swiss profit taxation provided there is a carry-over of the tax relevant book value of the exchanged shares.

Cantonal/communal Tax

Typically it can be assumed that the cantons apply for cantonal/communal tax purposes the same rules as outlined above for federal tax purposes.

Stamp Tax

According to restructuring relief provisions no stamp taxation should be triggered upon the statutory merger.

Withholding Tax

No withholding taxation should be triggered in particular since no additional

nominal share capital will be created and therefore, no existing reserves are cancelled.

- 4. Dividend Rights** The ARYZTA Shares will be entitled to dividend rights as of the date of their issuance.
- 5. Applicable Law** This Exchange Offer, and all rights and obligations arising under or in connection with this Exchange Offer, shall be governed by Swiss law. **Exclusive place of jurisdiction for all disputes arising out of or in connection with this Offer is Zurich 1.**

J. Indicative Merger Timetable

Event

First Court Hearing of the Irish High Court regarding the Scheme	July 24, 2008
Extraordinary General Meeting of IAWS regarding approval of the Scheme	July 24, 2008
Second Court Hearing of the Irish High Court in order to sanction ("approve") the Scheme.	August 15, 2008
Extraordinary General Meeting of Hiestand regarding approval of the Merger	August 19, 2008
Last trading day for Hiestand Shares and shares of IAWS	August 20, 2008
Extraordinary General Meeting of ARYZTA regarding approval of the Merger and issue of the new ARYZTA Shares	August 21, 2008
First day of trading of ARYZTA Shares	August 22, 2008

* * *

This offer prospectus (in German, French, or English) as well as the listing prospectus relating to the ARYZTA Shares (in English) may be obtained free of charge from Credit Suisse, Zurich, Dept. VAIE 65, tel. no: +41 44 333 43 85, fax no: +41 44 333 35 93, email: equity.prospectus@credit-suisse.com.

Annex 1: Offer Conditions in case of Non-Completion of the Merger

In the event the Merger is not completed, ARYZTA and IAWS expect to proceed with the Exchange Offer on the basis of the following conditions:

- a. The Scheme having been sanctioned by the Irish High Court and the Court Order being filed with the Irish Registrar of Companies.
- b. All waiting periods under antitrust laws applicable to the acquisition of Hiestand by the Offeror and IAWS shall have expired or been terminated and all competent domestic, international and supranational merger control authorities shall have approved and/or granted clearance of the acquisition of Hiestand by the Offeror without them or their group companies being required to meet any condition or requirement that has a Material Adverse Effect on them; whereby a "**Material Adverse Effect**" shall mean any matter(s) or event(s) which, in the opinion of a reputable, independent accounting firm or investment bank appointed by the Offeror, individually or together with other matters or events, causes, or will likely cause on an annual basis, a reduction of:
 - i. the consolidated operating income before interest, taxes, depreciation and amortization (EBITDA) of Hiestand by 10 % or more; or
 - ii. the consolidated net sales of Hiestand by 5 % or more; or
 - iii. the consolidated total shareholders' equity of Hiestand by 10 % or more.The above percentage numbers refer to the consolidated annual accounts of Hiestand for the financial year 2007.
- c. No court or governmental body shall have issued a decision or an order preventing, prohibiting or declaring illegal the consummation of the Exchange Offer (including the Scheme).
- d. The ARYZTA Shares having been admitted for listing on the main segment of the SWX Swiss Exchange, subject to notification of issuance and having been approved for listing in Ireland.

IAWS and ARYZTA reserve the right to waive some or all of these conditions, either in whole or in part, and to withdraw the Exchange Offer if one or more of the conditions are not fulfilled.

Annex 2: Information on IAWS Group plc

- 1. Name, Seat and Purpose**

IAWS is an Irish corporation having its registered office at 151 Thomas Street, Dublin 8, Ireland

IAWS' principal purpose, as stated in the articles of association, is to act as a holding company and for this purpose to acquire shares, stocks, debentures, debenture stock, bonds, obligations and securities by original subscription, tender, purchase, exchange or otherwise and to subscribe for the same either conditionally or otherwise, and to guarantee the subscription thereof and to exercise and enforce all rights and powers conferred by or incident to the ownership thereof.
- 2. Current Share Capital**

The authorized share capital of IAWS as of July 9, 2008 is EUR 72,900,000 divided into 228,000,000 ordinary shares of EUR 0.30 nominal value each and 15,000,000 deferred convertible ordinary shares of EUR 0.30 each.
- 3. Listing**

Shares of IAWS are listed in Ireland and the UK and admitted to trading on the Dublin and London Stock Exchanges
- 4. Board of Directors of IAWS**

The Board of Directors of IAWS currently consist of the following members:

Name:	Current Function:
Denis Lucey	non-executive chairman
Owen Killian	Chief Executive Officer
Patrick McEniff	Chief Financial Officer
Hugo Kane	Chief Operations Officer
Denis Buckley	non-executive director
Beatrice Dardis	non-executive director
J. Brian Davy	non-executive director
Noreen Hynes	non-executive director
William G. Murphy	non-executive director
Paul N. Wilkinson	non-executive director
- 5. Executive Management**

The executive management of IAWS currently consists of the following members:

Owen Killian, Chief Executive Officer
Patrick McEniff, Chief Financial Officer
Hugo Kane, Chief Operations Officer
- 6. Auditors**

KPMG Chartered Accountants and Registered Auditor, 1 Stokes Place, St Stephen's Green, Dublin 2, Ireland
- 7. Financial Reports**

Historical audited financial information relating to IAWS is contained in the listing prospectus of ARYZTA which does not form part of this offer prospectus. The listing prospectus can be obtained as set out in paragraph C.4 of this offer prospectus. In addition the financial statements of IAWS can be downloaded from its website www.iaws.com

8. Significant Shareholders

As per July 9, 2008, IAWS is aware of the following shareholders owning voting rights in excess of 3%:

Fidelity UK: 25 Cannon Street, London EC4M 5TA US: 11th Floor, 245 Summer Street, Boston, Massachusetts 02210-1133	12.88%
Capital Group US: 333 South Hope Street, Los Angeles, California 90071-1406 UK: 40 Grosvenor Square, London SW1X 7GG	5.82%
Threadneedle Asset Management 60 St. Mary Axe, London, EC3A 8JQ	5.17%
Bank of Ireland Asset Management 40 Mespil Road, Dublin 4	4.30%
Irish Life Investment Managers Beresford Court, Beresford Place, Lower Abbey Street, Dublin 1	4.01%
Standard Life Investments One George Street, Edinburgh EH2 2LL	4.08%
Goodbody Stockbrokers Ballsbridge Park, Ballsbridge, Dublin	3.59%

9. Material Changes

Except for the conclusion of the Business Combination Agreement no material changes in IAWS' assets and liabilities, financial position, earnings and prospects taken as a whole have taken place since January 31, 2008, being the date of which IAWS' most recent unaudited results have been prepared.