

### **Additional Information and Where to Find It**

This communication relates to the proposed merger involving Panera Bread Company (“Panera”) and JAB Holdings B.V., Rye Parent Corp. (“Rye Corp.”) and Rye Merger Sub, Inc. In connection with the proposed merger, Panera and Rye Corp. intend to file relevant materials with the Securities and Exchange Commission (the “SEC”), including Panera’s proxy statement on Schedule 14A (the “Proxy Statement”). This communication does not constitute an offer to sell or the solicitation of an offer to buy any securities or a solicitation of any vote or approval, and is not a substitute for the Proxy Statement or any other document that Panera may file with the SEC or send to its stockholders in connection with the proposed merger. **STOCKHOLDERS OF PANERA ARE URGED TO READ ALL RELEVANT DOCUMENTS FILED WITH THE SEC, INCLUDING THE PROXY STATEMENT, BECAUSE THEY WILL CONTAIN IMPORTANT INFORMATION ABOUT THE PROPOSED TRANSACTION.** Investors and security holders will be able to obtain the documents free of charge at the SEC’s web site, <http://www.sec.gov> and Panera stockholders will receive information at an appropriate time on how to obtain transaction-related documents for free from Panera.

### **Participants in the Solicitation**

Panera, Rye Corp. and their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from the holders of Common Stock in respect of the proposed merger. Information about the directors and executive officers of Panera is set forth in the proxy statement for Panera’s 2016 Annual Meeting of stockholders, which was filed with the SEC on April 15, 2016, and in Panera’s Annual Report on Form 10-K for the fiscal year ended December 27, 2016, which was filed with the SEC on February 22, 2017. Other information regarding the participants in the proxy solicitation and a description of their direct and indirect interests, by security holdings or otherwise, will be contained in the Proxy Statement and other relevant materials to be filed with the SEC in respect of the proposed transaction when they become available.

### **Cautionary Statements Regarding Forward-Looking Information**

Certain statements contained in this communication and in our public disclosures, whether written or oral, relating to future events or our future performance, including any discussion, expressed or implied, regarding our anticipated growth, operating results, future earnings per share, plans, objectives, the impact of our investments in sales-building initiatives and operational capabilities on future sales and earnings, contain forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, and Section 21E of the Securities Exchange Act of 1934, as amended. These statements are often identified by the words “believe,” “positioned,” “estimate,” “project,” “target,” “plan,” “goal,” “assumption,” “continue,” “intend,” “expect,” “future,” “anticipate,” and other similar expressions, whether in the negative or the affirmative, that are not statements of historical fact.

These forward-looking statements are not guarantees of future performance and involve certain risks, uncertainties, and assumptions that are difficult to predict, and you should not place undue reliance on our forward-looking statements. Our actual results and timing of certain events could differ materially from those anticipated in these forward-looking statements as a result of certain factors, including, but not limited to: the risk that Panera’s shareholders do not approve the merger; uncertainties as to the timing of the merger; the conditions to the completion of the merger may not be satisfied, or the regulatory approvals required for the merger may not be obtained on the terms expected or on the anticipated schedule; the parties’ ability to meet expectations regarding the timing, completion and accounting and tax treatments of the merger; the occurrence of any event, change or other circumstance that could give rise to the termination of the merger agreement; the effect of the announcement or pendency of the merger on Panera’s business relationships, operating results, and business generally; risks that the merger disrupts current plans and operations of Panera and potential difficulties in Panera’s employee retention as a result of the merger; risks related to diverting management’s attention from Panera’s ongoing business operations; the outcome of any legal proceedings that may be instituted against Panera related to the merger agreement or the merger; the amount of the costs, fees, expenses and other charges related to the merger; and other factors discussed from time to time in our reports filed with the SEC, including our Annual Report on Form 10-K for the fiscal year ended December 27, 2016. All forward-looking statements and the internal projections and beliefs upon which we base our expectations included in this release are made only as of the date of this release and may change. While we may elect to update forward-looking statements at some point in the future, we expressly disclaim any obligation to update any forward-looking statements, whether as a result of new information, future events, or otherwise. Readers are cautioned not to place undue reliance on these forward-looking statements that speak only as of the date hereof.

# How Panera's Ron Shaich Made Nearly \$400 Million Pretax -- And Beat Buffett Along The Way

Amy Feldman  
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*Panera Bread founder and CEO Ron Shaich scored big on the fast-casual eatery's sale. (Photo by Stephen Lovekin/Getty Images for Social Innovation Summit)*

The \$7.5 billion acquisition of Panera Bread by an investment vehicle affiliated with JAB Holding is worth nearly \$400 million to founder Ron Shaich.

Shaich owns more than 1.2 million shares of Panera (both A shares and B shares that are convertible to A shares), according to the latest 13-G filing with the Securities and

Exchange Commission in December 2016. At the acquisition price of \$315 per share, that's a cool \$393 million (before taxes) for Shaich.

That may understate Shaich and his family's total holdings, however, as Panera's latest proxy last April shows a much higher sharecount, including stock appreciation rights, as well as shares held by Shaich, affiliated trusts and a family foundation. The reasons for the discrepancy were not immediately clear. Because of the super-voting B shares, Shaich and entities affiliated with him represent 15.5% of the company's voting power.

Panera's publicly traded shares recorded an annual 16% gain since 1991, beating the 14.4% return of Warren Buffett's Berkshire Hathaway in the same period, according to FactSet.

Shaich was not immediately available for comment. We will update as possible.

Shaich co-founded Au Bon Pain in 1981, which purchased Saint Louis Bread Co., the predecessor company to Panera, in 1993. Six years later, Panera sold off Au Bon Pain. Since then, the fast-casual soup and sandwich chain with more than \$5 billion in systemwide sales, has been one of the few outperforming restaurant chains in an increasingly difficult sector. The deal price represents a 30% premium to Panera's volume-weighted share price as of March 31, the last trading day before speculation broke about the deal.

Shaich, 63, has said that he wasn't looking to sell the company, but changed his mind after being approached by JAB. He will remain on as CEO. "I'm here and and I'm doing

this,” he told ABC earlier on Wednesday. “They’ll have to carry me out with my boots on.”

JAB Holding, a Luxembourg-based private equity shop, had previously purchased Krispy Kreme and Peet’s Coffee & Tea, as it has pushed heavily into the U.S. food business. JAB is 95% owned by several members of the German billionaire Reimann family, descendants of the German chemist Ludwig Reimann who inherited the Johan A. Benckiser company. The Panera acquisition is being done through JAB BV, an investment vehicle of both JAB Holding and JAB Consumer Fund.

The transaction is expected to close in the third quarter.

*With Maggie McGrath and Antoine Gara*