



SUMMARY COVID-19 SITUATION IN SPAIN RE BAKERS/CONFECTIONERS 25.03.2020

In Spain, regarding coronavirus, we are mainly following the steps of Italy and things are evolving incredibly fast.

Since the night of Saturday, March 17th, we cannot leave our homes, except to buy food, medicines, walk our pets, go to the hospitals, banks, insurance companies or workplaces. This state-of alarm confinement has just been extended until Saturday, April 11th.

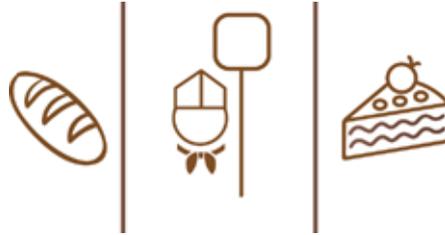
We can only leave our homes individually for any of these purposes. Normal people are being fined for cycling, jogging, or just walking on the streets if they are doing it just for leisure or sport and not for any of the authorized reasons.

Bakeries/confectioneries are open, and they can sell their products normally but, depending on the size of the shop, only one customer at a time is authorized to be in the shop and absolutely no tasting of products is authorized.

All bars and restaurants must be closed. All leisure, sport, cultural, musical, etc. events of any kind are totally prohibited. Schools, kindergarten and universities are closed.

Our members are being affected in very different ways, depending of their main activity:

- Bakeries who mainly sell in their own shops, food shops and/or supermarkets are not being negatively affected; some of them even report sales increases
- Bakeries who mainly sell to the HORECA sector are being very negatively affected, and the same is to be said of the ones selling to institutions/communities (with the exception of hospitals, which are increasing their demand)
- Bakeries with tasting shops in busy areas are being extraordinarily negatively affected (some report a sales decrease of 75%-80%)



The possibility to open has become a double-edged sword for our members, since the economic and social measures adopted by the Government to minimize the impact of the crisis are focused on the businesses whose closure has been decreed and that does not include them.

Therefore, even if the current situation leads them to close or to temporarily fire some of their employees, they cannot automatically benefit from these measures. That is our main struggle now with the Government, together with the need for individual protection equipment (significantly masks) and disinfecting gels which cannot be easily found in the market and, in case they are, are sold at exceedingly high prices.

The upcoming concerns are that our customers are getting increasingly afraid of leaving their homes because of the exponential increase in contagion rates and would rather go to the supermarkets, where they can make a massive food purchase. And, because of the confinement situation, there are very few people on the streets in the afternoon/night, which is leading many food shops (not only bakeries) to close at 15:00. Even super and hypermarkets are reducing their opening hours and closing earlier and earlier.

Concerning the manufacturing (not only bread, but also generally speaking), there's an increasing fear of contagion among the employees and we cannot exclude that some (or many) of them will ask for a voluntary leave in the next future.

The road borders are closed, and the army is deployed and acting when necessary. It's like living a war situation in peace.

Our people are confined and afraid to leave their homes because of the risk of contagion. The emergency services of many hospitals are collapsed, and family members are not authorized to accompany or say goodbye to their deceased.

And the economic losses and the increasing rate of unemployed people are absolutely alarming.