Press Release

GERRY WEBER: vast majority of creditors approve insolvency plan

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- Decisive step in financial restructuring of the fashion producer and good progress in ongoing repositioning efforts
- Debtor-in-possession insolvency proceedings expected to be concluded this year
- PLUTA restructuring expert Stefan Meyer highlights tailor-made insolvency plan concept

At today's discussion and voting meeting appointed by the court, the vast majority of the creditors of GERRY WEBER International AG (GWI) approved the insolvency plan which provides for the company being preserved. The plan was approved by all creditor groups, except for the shareholders, which are expected to leave the company in the planned financial restructuring process.

With their approval, the creditors have paved the way for implementing the concept for financially restructuring the fashion company and for continuing the ongoing process of repositioning the company and restructuring its operational business.

Now that the suspensive conditions of the insolvency plan have been met, all that is required is confirmation from the insolvency court. Even without the shareholders' consent,

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the court may consider approval to have been granted in accordance with section 245 of the German Insolvency Code (prohibition to obstruct), thus allowing the insolvency plan to be implemented.

During today's court hearing, a creditor filed an application for the protection of minorities pursuant to section 251 of the Insolvency Code, which means that the court will also make a decision on this application when deciding upon the insolvency plan. GWI assumes that this application has no chance of success since this creditor is not placed at a disadvantage by the insolvency plan, as shown by all of the company's comparative calculations. Based on the result of the vote, the insolvency monitor Mr Stefan Meyer expects that it will be possible to conclude the debtor-in-possession insolvency proceedings before the end of the year and to continue and complete the process of restructuring the company outside of the proceedings.

The insolvency plan includes all of the measures to be taken for the financial restructuring of the company. As previously announced, it is intended in a first step for the relevant funds managed by Robus Capital Management Ltd. and Whitebox Advisors LLP to become the sole shareholders of GWI. For this purpose, the company's share capital will be reduced from currently 45,895,960 to 8,733 euros and will subsequently be re-increased to 1,025,000 euros by issuing new shares. It is intended that all of the new shares will be subscribed by the investors, who will in turn undertake to provide funds of up to 49.2 million euros to satisfy the creditors and also finance business operations. Moreover, the old shares that remain

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after the capital reduction will also be transferred to the funds, without consideration, which means that the funds will become the new owner and the existing shareholders will leave the company without being paid compensation.

The individual creditor groups will be provided with different offers for claim satisfaction, specifically tailored to meet their interests. Depending on the group, the respective insolvency dividend will be made up of various components, for example, a fixed cash dividend of 12%, additional funds from future disinvestments of the company (Ravenna Park Logistics Centre, remaining stake in HALLHUBER) or the allocation of financial instruments such as (convertible) bonds, which would allow impairment losses to be reversed. In total, based on calculations, it is expected that the recovery rates will range from around 32% to more than 50% of the claims concerned, which is well above the recovery rate of a liquidation and significantly above the average rate of debtor-in-possession proceedings in Germany. For reasons attributable to insolvency law, no dividend can be paid to the group of existing shareholders unless all of the other creditors' claims have been satisfied at 100%.

The creditors of GERRY WEBER Retail GmbH & Co. KG (GWR) have already approved the insolvency plan for the company, which is a subsidiary of GWI. Both insolvency proceedings have been aligned with each other in terms of time and content.

Mr Johannes Ehling, CEO of GWI, commented:* "After the numerous measures that have been taken or have already been implemented, the creditors' high level of acceptance

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Further information about PLUTA and the contents of these Press information you will find under www.pluta.net for our insolvency plan is great news for all of us and also a clear signal to really get moving with the repositioning of our company. I would like to thank the creditors for their trust in my own name and on behalf of my fellow Board members and the entire staff of GERRY WEBER. The creditors' clear vote motivates us and impresses upon us our responsibility to get GERRY WEBER back on the road to success."

Dr Christian Gerloff, general agent of GWI, commented on this:* "These insolvency proceedings are a good example of how the tools available under insolvency law can be used to give a company, which has the potential of being restructured, a new chance without neglecting the creditors' interests. The creditors' vote is a clear sign of their trust in the future of GERRY WEBER."

Mr Stefan Meyer (PLUTA Rechtsanwalts GmbH), insolvency monitor, added:* "At today's discussion and voting meeting, GERRY WEBER has taken a decisive step towards a secure and good future. I am very pleased that the core structures of this major regional group, with its 40 companies worldwide and still more than 3,600 employees, can be preserved, while at the same time ensuring best possible satisfaction of creditors, which actually is the main purpose of insolvency proceedings, under a highly creative and customised insolvency plan. Creditors will benefit from an above-average recovery rate and, what is more, may even decide at their own discretion whether they would like to receive a cash dividend or leave their funds in the company so as to participate in the company's future development, which is expected to be positive, as a

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value recovery scheme. This tailor-made insolvency plan allows us to satisfy the various creditor interests in an optimal manner. It has only been possible to achieve such a good result, and this quickly in spite of the complexity of the proceedings, thanks to the professional and trust-based collaboration of all those involved and the tireless efforts of company staff, to whom I would like to express my sincere thanks."

Background information

GERRY WEBER International AG has been involved in debtor-in-possession insolvency proceedings since 25 January 2019. Regular proceedings were opened on 1 April 2019. Debtor-in-possession proceedings concerning the subsidiary GERRY WEBER Retail GmbH & Co. KG were opened on 1 May 2019. In both cases, the insolvency court appointed the attorney Mr Stefan Meyer from PLUTA Rechtsanwalts GmbH as insolvency monitor. The members of the management board of GERRY WEBER International AG, Mr Johannes Ehling (Chief Executive Officer, Chief Sales Officer and Chief Digital Officer), Mr Florian Frank (Chief Restructuring Officer) and Mr Urun Gursu (Chief Product Officer), are being supported by the attorney Dr Christian Gerloff (from the Munich-based law firm Gerloff Liebler), who has extensive experience in the fashion sector, in his capacity as general agent.

About the GERRY WEBER Group

GERRY WEBER International AG, headquartered in Halle/Westphalia, is a group operating on an international scale and unites three strong brand families under one roof: GERRY WEBER, TAIFUN and SAMOON. GERRY

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WEBER holds a non-strategic stake of 12% in HALLHUBER GmbH.