

Corporate News

GERRY WEBER International reports noticeably higher normalised EBITDA and confirms guidance for full year

- **Consolidated sales up by roughly 30% to EUR 247.4 million in first nine months of 2022**
- **At EUR 11.1 million, normalised EBITDA clearly above prior year level and in line with forecast**
- **Macroeconomic environment continues to deteriorate**
- **Outlook for fiscal year nevertheless confirmed**

Halle/Westphalia, 10 November 2022 – GERRY WEBER International AG today presented its quarterly statement for the first nine months of the fiscal year 2022. The statement is available online at:

<https://ir.gerryweber.com/websites/gerryweber/English/4200/interim-reports.html>

During the first nine months of 2022, the business performance of GERRY WEBER International AG was affected by the ongoing Covid-19 pandemic and the effects of the Russia-Ukraine war. While the fourth Covid wave and restrictive 2G rules still had an adverse impact, especially on German retailers, at the beginning of the year, the second and third quarters saw sales increase on the previous year across all segments as the restrictions were lifted. At the same time, high inflation – especially driven by the sharp rise in energy prices – led to a further deterioration in consumer sentiment and to spending restraint, which is felt across all segments.

Net sales of the GERRY WEBER Group in the first nine months of 2022 amounted to EUR 247.4 million, compared to EUR 190.0 million in the same period of 2021. This is equivalent to an increase by 30.2%, which is primarily attributable to the fact that – in contrast to the previous year – retail spaces remained open throughout. Domestic sales as a percentage of total sales rose slightly from 47.0% to 48.3%.

All segments contributed to the positive sales trend. The Retail segment increased its sales in the first nine months of 2022 to EUR 116.0 million (previous year: EUR 86.3 million). During the same period, GERRY WEBER's E-Commerce segment also recorded strong growth, with sales revenues climbing 35.7% to EUR 41.5 million (previous year: EUR 30.6 million). The growth rate thus stood above the long-term target of 20%. In the Wholesale segment, the fact that trading partners' points of sale remained open throughout was also reflected in solid sales growth. Sales in this segment of the GERRY WEBER Group stood at EUR 89.8 million at the nine-month stage (previous year: EUR 73.0 million).

Reported EBITDA (including the effects from lease accounting to IFRS 16) increased to EUR 36.9 million (previous year: EUR 23.6 million) in the first three quarters. Besides the increase in sales, this positive performance was also due to strict cost discipline in the Group. The reported EBITDA margin improved from 12.4% to 14.9%. Normalised EBITDA adjusted for the

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effects from lease accounting to IFRS 16 rose sharply to EUR 11.1 million (previous year: EUR -2.2 million) and came in at the upper end of the range projected for the fiscal year 2022. Consequently, the normalised EBITDA margin stood at 4.5%, compared to -1.2% in the previous year. The net income for the period amounted to EUR -10.2 million, up from EUR -24.3 million in the prior year period.

“At the nine-month stage, GERRY WEBER is on target in all three distribution channels,” says Angelika Schindler-Obenhaus, CEO of GERRY WEBER International AG. “Our ageless collections are very well received by our customers, but we also notice that the consumer climate continues to deteriorate due to the high inflation. One of the measures we have introduced to counter this trend is strict cost discipline across the Group.”

Cash flow from current operating activities stood at EUR 14.3 million at the nine-month stage. Free cash flow amounted to EUR 5.2 million in what remained a challenging business environment.

As of 30 September 2022, the GERRY WEBER Group had cash and cash equivalents in the amount of EUR 57.2 million, up from EUR 50.0 million on 31 December 2021. Net debt increased from EUR 19.1 million at the end of the year to EUR 28.2 million on the reporting date. The equity ratio declined from 19.8% to 17.6%.

“Just like so many others, GERRY WEBER is unable to isolate itself from higher personnel, material, transport and energy costs. So far, we have been able to pass on most of these higher costs to customers through price increases,” says Florian Frank, CFO of GERRY WEBER International AG. “Our cash position remains stable. We continue to explore options for next year’s refinancing and are aggressively implementing further measures for optimisation.”

Outlook: Forecast for full year confirmed in spite of continued macroeconomic challenges

Although the market environment continues to deteriorate, GERRY WEBER International AG has confirmed the forecast, which was upgraded and put into more precise terms on 6 July. The Managing Board continues to project consolidated sales of between EUR 315 million and EUR 340 million as well as normalised consolidated EBITDA in the negative single-digit to positive single-digit million range.

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About the GERRY WEBER Group

Headquartered in Halle/Westphalia and employing some 2,100 people worldwide, GERRY WEBER International AG is one of the largest fashion and lifestyle companies in Europe. The company sells trend-oriented modern classic mainstream fashion in 54 countries. In addition to the GERRY WEBER brand, the GERRY WEBER Group also owns the younger TAIFUN brand and the plus-size brand SAMOON. For more information, visit www.gerryweber.com

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IN FIGURES

EUR million / %	Q1-Q3 2022	Q1-Q3 2021 ¹	Q3 2022	Q3 2021 ¹
Sales	247.4	190.0	90.4	84.3
Germany	119.4	89.4	42.7	43.4
Abroad	128.0	100.6	47.7	40.8
Sales by segments	247.4	190.0	90.4	84.3
GERRY WEBER Retail	116.0	86.3	40.2	43.9
GERRY WEBER E-Commerce	41.5	30.6	15.0	9.8
GERRY WEBER Wholesale	89.8	73.0	35.3	29.8
GERRY WEBER Other	0.1	0.2	-0.1	0.8
Like-for-like growth in %	40.6%	-14.8%	-4.1%	7.0%
Sales split by brands				
GERRY WEBER	71.9%	71.8%	72.2%	72.8%
TAIFUN	19.6%	20.7%	19.4%	20.0%
SAMOON	8.5%	7.5%	8.4%	7.2%
Earnings position				
EBITDA	36.9	23.6	17.4	16.1
EBITDA margin	14.9%	12.4%	19.2%	19.1%
Normalised EBITDA ³	11.1	-2.2	8.9	7.0
Normalised EBITDA margin ³	4.5%	-1.2%	9.8%	8.3%
EBIT	8.8	-6.0	7.9	8.2
EBIT margin	3.6%	-3.2%	8.7%	9.8%
Consolidated net income for the year	-10.2	-24.3	2.2	0.4
Earnings per share in EUR	-8.2	-19.6	1.8	0.7
Financial position				
Total assets	308.8	310.3 ²		
Cash inflows from operating activities	11.0	14.2	1.3	0.6
Cash outflows for investments in property, plant, equipment and intangible assets	9.1	4.8	4.2	1.5
Net working capital	59.3	52.6 ²	10.3	0.0
Net worth position				
Equity	54.3	61.6 ²		
Debt capital	254.5	248.8 ²		
Equity ratio	17.6%	19.8% ²		
Cash and cash equivalents	57.2	50.0 ²		
Financial liabilities	85.4	69.1 ²		
Net debt	28.2	19.1 ²		
Leverage	2.5	0.7 ²		
Other success factors				
Average staff number	2,080	2,266		

1 Adjustments due to error corrections.

2 As of 31 Dec. 2021.

3 Excluding effects from lease accounting in accordance with IFRS 16.