

GERRY WEBER

INTERNATIONAL AG

Corporate News

Revenues and EBITDA of GERRY WEBER reach forecast levels in FY 2020

- Consolidated revenues at EUR 278.2 million; normalised EBITDA at EUR -40.8 million
- March 2020 forecast achieved
- Revenues of EUR 260 million to EUR 280 million and normalised EBITDA in the low negative double-digit million range expected for FY 2021
- Liquidity currently secured
- Forecast remains subject to uncertainty due to coronavirus pandemic

“GERRY WEBER is now optimally positioned and our liquidity is currently secured, as we took out an additional credit facility of EUR 5 million in February 2021 and received stopgap aid in March. Moreover, with at least some retail outlets open, March showed us that our product is very well received by our customers,” says Florian Frank, Chief Financial Officer of GERRY WEBER International AG. “In spite of the COVID-19-related imponderables, the financial statements confirm both the revenue and earnings expectations. My sincere thanks go to our highly committed teams, both internally and externally, as we owe it to them that the audit of the separate and the consolidated financial statements for the fiscal year could be completed in April in spite of the change of auditors.”

Halle/Westphalia, 30 April 2021 – GERRY WEBER International AG today presented its consolidated financial statements for the fiscal year 2020. The fiscal year commenced on 1 January and ended on 31 December 2020. The Annual Report for the fiscal year 2020 is available online at:

<https://ir.gerryweber.com/websites/gerryweber/English/4100/annual-reports.html>

In the fiscal year 2020, GERRY WEBER International AG generated consolidated sales revenues of EUR 278.2 million, which is at the upper end of the range of EUR 260 million to EUR 280 million projected in March 2020. Comparisons with the previous year are possible only to a limited extent, as the stub fiscal year 2019 covered a period of nine months, whereas the fiscal year 2020 comprised twelve months.

Domestic revenues of the GERRY WEBER Group amounted to EUR 157.8 million (previous year: EUR 195.0 million), which is equivalent to 56.7% (previous year: 59.0%) of total revenues. This means that 43.3% (previous year: 41.0%) of total Group revenues were generated in markets outside Germany.

The GERRY WEBER Group’s Retail segment reported revenues of EUR 159.2 million for the fiscal year 2020 (previous year: EUR 210.4 million). The segment’s share in total Group revenues thus declined to 57.2% (previous year: 63.7%). The total online revenues amounted to EUR 27.4 million (previous year: EUR 22.1 million), which represented roughly 10% of the Group’s total revenues (previous year: 6.7%). Sales revenues in the GERRY WEBER

GERRY WEBER

INTERNATIONAL AG

Wholesale segment amounted to EUR 119.0 million in the fiscal year 2020 (previous year: EUR 120.1 million). The share of Group revenues increased accordingly to 42.8% (previous year: 36.3%).

The GERRY WEBER Group uses normalised EBITDA (adjusted for the effects of lease accounting in accordance with IFRS 16) to assess its operating profitability. Normalised EBITDA stood at EUR -40.8 million in the fiscal year 2020 as a result of the pandemic-related Europe-wide closures (previous year: EUR 138,8 million). GERRY WEBER International AG thus also achieved its earnings forecast, which had projected normalised consolidated EBITDA in the medium negative double-digit million range. EBITDA reported stood at EUR -2.5 million (previous year: EUR 176.7 million).

Taking into account depreciation/amortisation, the Group's reported EBIT for the fiscal year 2020 amounted to EUR -51.7 million (previous year: EUR 130.0 million). Adjusted for the effects of the application of lease accounting pursuant to IFRS 16, normalised consolidated EBIT amounted to EUR -57.1 million in 2020 (previous year: EUR 122.9 million) and the normalised EBIT margin to -20.5% (previous year: EUR 37.2%). The GERRY WEBER Group's financial result deteriorated from EUR -8.5 million to EUR -14.3 million in the reporting period due to increased interest expenses. The increased interest expenses are attributable to higher interest for insolvency liabilities as of the coming into effect of the insolvency plan as well as to interest on loans from the plan sponsors. After deduction of income taxes, the consolidated net loss for the fiscal year 2020 amounted to EUR -65.4 million. In the previous year, consolidated net income of EUR 119.3 million had been posted. Earnings per share amounted to EUR -58.12 (previous year: EUR 105.96).

The separate and the consolidated financial statements of GERRY WEBER International AG were audited by Rödl & Partner GmbH Wirtschaftsprüfungsgesellschaft Steuerberatungsgesellschaft, which was appointed by the Gütersloh Local Court.

At this stage, the GERRY WEBER Group expects the situation regarding retail openings in its German core market to gradually return to normal as of mid-year. So far, the Group has lost some 55 sales days across Germany in 2021. Changing opening scenarios in Germany and in European markets lead to considerable forecast uncertainty. Against this background, GERRY WEBER International AG expects revenues for the fiscal year 2021 to also come in at between EUR 260 million and EUR 280 million. The Managing Board nevertheless believes that it will be possible to improve the company's profitability and to generate normalised consolidated EBITDA (adjusted for the effects of lease accounting in accordance with IFRS 16) in a low negative double-digit million range in 2021. The Managing Board of GERRY WEBER International AG is also convinced that it has put in place all the conditions required to operate successfully in the market in the long term, to successfully refinance the company in 2023 and to once again become a dividend-paying stock.

The three brands GERRY WEBER, TAIFUN and SAMOON are to be more strongly differentiated from each other so that the profile of each brand can be further sharpened. The aim in the Retail business is to increase the profitability of the company's own stores again in the coming years. In addition, further outlets shall be opened in the fast-growing factory outlets. In e-commerce, the plans envisage a significant increase in sales of 20% per year in the medium term. This is to be achieved, among other things, by means of an increased marketing budget, increased personnel capacities and inventories. In the wholesale business, the performance with existing customers and win back "lighthouse retail partners". To achieve this, the sales organisation will be separated again and specialized sales teams will be set up.

GERRY WEBER

INTERNATIONAL AG

“Even though the coronavirus pandemic continues to weigh heavily on us, we remain confident about post-crisis times, as we clearly have an intact business model,” says Alexander Gedat, CEO of GERRY WEBER International AG. “The GERRY WEBER Group has strong brands, a highly competent and motivated team, and attractive target groups. After the pandemic, our customers will be even more interested in high-quality and sustainable fashion, which GERRY WEBER, TAIFUN and SAMOON can offer them, perfectly tailored to their individual needs.” Angelika Schindler-Obenhaus, COO and designated CEO of GERRY WEBER International AG, added: “Newly developed sales strategies – digital, analogue and in hybrid form – address customers’ buying habits, which are changing even more strongly as a result of the pandemic. Our product and our approach are geared to these changing demands and the lifestyle of our target group, create desirability and give the customer the inspiration she wants especially after the difficult past months.”

About the GERRY WEBER Group

Headquartered in Halle/Westphalia and employing some 2,500 people, 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 59 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

Press contact

Kristina Schütze
Head of Corporate Communications / Press Officer
Tel: +49 5201 185 320
Mobile: +49 172 577 5436
E-mail: Kristina.Schuetze@gerryweber.com

Investor relations contact

Dr. Andrea Rolvering
Investor Relations
Mobile: +49 157 57103411
Mail: andrea.rolvering@gerryweber.com

GERRY WEBER

INTERNATIONAL AG

GERRY WEBER GROUP

IN FIGURES

In EUR million	2020	2019 ¹
Sales by Region	278.2	330.5
Domestic	157.8	195.0
International	120.4	135.0
Sales by Segment	278.2	330.5
GERRY WEBER Retail	159.2	210.4
Like-for-like growth in %	-32.7%	-14.1%
GERRY WEBER Wholesale	119.0	120.1
GERRY WEBER Online ²	27.4	22.1
Sales split by brand		
GERRY WEBER	71.3%	72.5%
TAIFUN	21.5%	21.2%
SAMOON	7.2%	6.3%
Earnings situation		
EBITDA	-2.5	176.7
EBITDA-margin	-0.9%	53.5%
Normalised EBITDA ³	-40.8	138.8
Normalised EBITDA margin ³	-14.7%	42.0%
EBIT	-51.7	130.0
EBIT-margin	-18.6%	39.3%
Annual net loss/annual net profit	-65.4	119.3
Earnings per Share in Euro	-58.1	106.0
Financial situation		
Cash flow from operating activities	17.8	63.5
Investments	5.0	4.6
Asset situation		
Equity	56.1	121.4
Equity ratio	13%	20.9%
Cash and cash equivalents	85.3	126.9
Financial liabilities	140.9	147.8
Net debt	55.6	20.9
Leverage	-1.4	0.2
Other success factors		
Average staff number	2,497	3,361

1 Abridged financial year from 01.04.2019 to 31.12.2019

2 GERRY WEBER online sales are attributed to the Retail and Wholesale segments

3 Excluding effects from lease accounting according to IFRS 16