

GERRY WEBER International significantly increases normalised EBITDA in first nine months of 2021

- **COVID-19 pandemic sends consolidated net sales falling by 16% to EUR 191.5 million in first nine months of 2021**
- **Online sales grow by approx. 30% to EUR 30.5 million**
- **All stores open again since June 2021**
- **At EUR -4.0 million, normalised EBITDA clearly above prior year level in first nine months of 2021**
- **Cash flow from current operating activities of EUR 21.3 million in first nine months – revolving credit facility fully repaid in Q3 2021**
- **Employer brand of GERRY WEBER Group clearly upgraded**
- **Outlook for FY 2021 confirmed, outlook for FY 2022 published**

Halle/Westphalia, 22 November 2021 – GERRY WEBER International AG today presented its quarterly statement for the first nine months of the fiscal year 2021. The statement is available online at:

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

In the first nine months of 2021, the business performance of GERRY WEBER International AG (GERRY WEBER, GERRY WEBER Group) was strongly influenced by the COVID-19 pandemic. While the GERRY WEBER stores in Germany were closed for almost the entire first quarter, the following weeks saw sales decline further as shopping restrictions were imposed depending on the regional infection situation. It was not before June 2021 that all stores reopened successively. It is good to see that customer footfall in the stores has picked up since, with the conversion rate and sales per customer also on the increase.

Net sales of the GERRY WEBER Group in the first nine months of 2021 amounted to EUR 191.5 million, compared to EUR 227.1 million in the same period of 2020. This is equivalent to a decline of around 15,6 %. While sales continued to decline in the period from July to September 2021, they did so at a slower rate, namely by EUR 83.9 million, compared to EUR 86.6 million in the previous year.

Sales of the Retail segment declined sharply to EUR 113.2 million in the first nine months of 2021 (previous year: EUR 122.9 million) due to the lockdown. At EUR 52.3 million, third quarter sales were up by a pleasant 8,1 % on the prior year period (EUR 48.43 million). The online business grew strongly in the period from January to September 2021, with sales totalling EUR 30.5 million (previous year: EUR 23.5 million). Even after the physical stores reopened, online sales continued to pick up to EUR 9.7 million in the third quarter of 2021. The GERRY WEBER Group's Wholesale segment generated sales of EUR 78.3 million (previous year: EUR 104.2 million). The sales trend in the third quarter reflects the Wholesale customers' reluctance to place orders during the lockdown. While sales declined to EUR 31.5 million (previous year:

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EUR 38.2 million), the latest order round exceeded the prior year level and the company has been able to win back the first “lighthouse customers”.

In spite of the 15.6% decline in sales, gross profit deteriorated by a disproportionate 12.6% in the first nine months and amounted to EUR 119.7 million (previous year: EUR 137.0 million). Accordingly, the gross profit margin improved by 2.2 percentage points from 60.3% to 62.5% thanks to the reduced cost of materials. Due to lower costs resulting from the use of short-time work and strict cost discipline in the Group, earnings before interest, taxes, depreciation and amortisation (EBITDA) increased to EUR 19.3 million (previous year: EUR 15.6 million); at 10.1%, the EBITDA margin clearly exceeded the prior year level (6.9%). Adjusted for the effects of lease accounting pursuant to IFRS 16, normalised EBITDA also improved noticeably and stood at EUR -4.0 million (previous year: EUR -14.8 million); the normalised EBITDA margin thus reached -2.1% (previous year: -6.5%). Consequently, the result for the period increased to EUR -24.4 million from EUR -32.2 million in the previous year.

At EUR 21.3 million, cash flow from current operating activities clearly exceeded the previous year's EUR 11.0 million, which is attributable to an improved operating result and the stopgap aid (“Überbrückungshilfe III”) received by the company. Cash and cash equivalents amounted to EUR 90.4 million as of 30 September 2021, up from EUR 85.3 million as of 31 December 2020. Moreover, the revolving credit was fully repaid in the third quarter.

“The positive sales trend across our distribution channels – Retail, E-commerce and Wholesale – continued in the third quarter. We see this as a sign that our strategy with regard to full price, collection and brand communication is bearing fruit,” says Angelika Schindler-Obenhaus, CEO of GERRY WEBER International AG. “Our earnings are also pointing in the right direction,” says Florian Frank, Chief Financial Officer (CFO) of GERRY WEBER International AG. “We were able to further increase our normalised EBITDA and our operating cash flow in the first nine months of 2021.”

Operationally, the company launched the “WE ARE GERRY” campaign in early September to attract new target groups from the baby boomer generation to the GERRY WEBER brand. The communication campaign celebrates women aged 50+ and aims to inspire them to a new lifestyle and community spirit. In September, a store was opened in Münster to test elements of a possible store concept placing a stronger focus on service, exchange and shopping experience. In addition, the TAIFUN brand's new online shop went live in August. Also, the E-commerce segment continued its international expansion and now has a presence on foreign marketplaces as well as its own “Rest of World” shop in 184 countries.

The “WE ARE GERRY” campaign also includes employer branding activities to target current and potential employees. These and other measures, such as a mobile working concept and a change in values and culture, have measurably increased GERRY WEBER's popularity as an employer. “Employer attractiveness demonstrably makes an important and growing contribution to the overall economic performance of the company. This is why we have anchored the strategic goal of noticeably improving our attractiveness as an employer in our overall strategy and have pushed ahead with corresponding measures,” says Florian Frank. The Ravenna Park logistics centre was transferred to WB Logistik GmbH in Solingen in September. Ravenna Park will be used jointly by both companies in the future and will thus remain the company's logistics hub.

Since the beginning of the COVID-19 pandemic, the GERRY WEBER management has responded to the crisis with financial measures, operational measures and the use of government aid. To secure its liquidity, the company raised an additional credit facility of EUR

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5 million and obtained government aid (“Überbrückungshilfe III” stopgap aid) in the amount of EUR 12 million in the first nine months. In October 2021, the company applied for extended stopgap aid. Depending on capacity utilisation, short-time work has been introduced for the employees based in Germany. Similar solutions have been implemented for our employees at foreign locations as required. We plan to do both also in the future, depending on pandemic developments. The operational measures taken by the GERRY WEBER Group are aimed at profitable growth and cost efficiency. Investments continue to be reviewed critically and will be postponed where appropriate. Due to the global and cross-sector logistics and supply chain problems, the company is closely monitoring its supply chain so as to be able to act flexibly and at short notice.

While all stores remain open at present, incidence rates are picking up, which is why it is possible that opening rules may be adjusted at short notice. For the fiscal year 2021, the Managing Board continues to project consolidated revenues of between EUR 260 million and EUR 280 million, and at the same time intends to further improve the company’s profitability. Normalised consolidated EBITDA (excluding the effects of lease accounting under IFRS 16) are to be improved to a negative low double-digit million figure. For the fiscal year 2022, the Managing Board expects consolidated net sales to amount to between EUR 360 million and EUR 380 million and at the same time intends to increase normalised EBITDA (excluding the effects from lease accounting to IFRS 16) to a positive low double-digit million amount.

The Managing Board is convinced that it has taken all necessary measures to secure sufficient liquidity to make the GERRY WEBER Group future-proof and to successfully complete the refinancing due at the end of 2023.

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About the GERRY WEBER Group

Headquartered in Halle/Westphalia and employing some 2,200 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 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

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IN ZAHLEN

EUR Mio./%	Q1-Q3 2021	Q1-Q3 2020	Q3 2021	Q3 2020
Umsatz nach Regionen	191,5	227,1	83,9	86,6
Inland	99,7	125,1	46,0	46,4
Ausland	91,8	102,0	37,9	40,2
Umsatz nach Segmenten	191,5	227,1	83,9	86,6
GERRY WEBER Retail	113,2	122,9	52,3	48,4
davon E-Commerce im Segment Retail	25,7	19,4	8,1	6,6
Like-for-like Wachstum	-14,8%	-34,5%	6,3%	-15,9%
GERRY WEBER Wholesale	78,3	104,2	31,5	38,2
davon GERRY WEBER E-Commerce	4,8	4,1	1,6	1,8
Umsatzanteil nach Marken				
GERRY WEBER	71,7%	71,0%	72,7%	71,7%
TAIFUN	20,9%	21,8%	20,1%	21,3%
SAMOON	7,4%	7,2%	7,2%	7,0%
Ertragslage				
EBITDA	19,3	15,6	14,0	16,7
EBITDA-Marge	10,1%	6,9%	5,1%	7,6%
Normalisiertes EBITDA ¹	-4,0	-14,8	6,3	8,1
Normalisierte EBITDA-Marge ¹	-2,1%	-6,5%	7,4%	9,8%
EBIT	-12,6	-22,2	3,8	5,1
EBIT-Marge	-6,6%	-9,8%	8,6%	9,7%
Jahresüberschuss/Jahresfehlbetrag	-24,4	-32,2	-0,2	2,0
Ergebnis je Aktie in Euro	-19,7	-26,0		
Finanzlage				
Cashflow aus operativer Geschäftstätigkeit	26,9	13,0	5,9	10,0
Investitionen	2,3	2,4	0,7	0,4
Vermögenslage				
Eigenkapital	32,2	56,1 ²		
Eigenkapitalquote	8,1%	13,0% ²		
Liquide Mittel	90,4	85,3 ²		
Finanzverbindlichkeiten	127,1	140,9 ²		
Nettoverschuldung	36,7	55,6 ²		
Weitere Erfolgsfaktoren				
Mitarbeiter im Jahresdurchschnitt	2.215	2.562		

¹ Ohne Effekte aus der Leasingbilanzierung nach IFRS 16

² Stand zum 31.12.2020