

QUARTERLY
STATEMENT

FOR THE FIRST NINE MONTHS
OF FISCAL YEAR 2022



**WE ARE
GERRY**

GERRY WEBER

GERRY WEBER GROUP

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.

GERRY WEBER

PROFILE

Headquartered in Halle/Westphalia and employing some 2,100 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 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.

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BUSINESS PERFORMANCE

- 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

Preliminary remark:

Due to the error corrections listed in the 2021 Annual Report, the comparative figures for the first nine months of 2021 were adjusted accordingly. This is why the figures published in 2021 in the report for the first nine months of 2021 are not comparable with the figures in this report for the first nine months 2022. Also, the figures as such are not entirely comparable due to the store closures imposed by the government in the first quarter of 2021. In the first nine months of 2021, the GERRY WEBER Group's stores in Germany were closed for about 55 sales days in a row. In the first nine months of 2022, by contrast, the stores were open throughout, albeit subject to severe restrictions.

The start to the fiscal year 2022 was adversely influenced by the fourth Covid-19 wave and the restrictive 2G rules imposed on retail stores. While footfalls in the city centres were above the prior year levels, they were clearly below the pre-pandemic level due to the restrictive store opening regulations. As Russia started to invade Ukraine in February 2022, consumer sentiment in Germany deteriorated further. Consumer concerns about increasing inflation and a recession have intensified. Russia and Ukraine are important foreign locations for the GERRY WEBER Group. While business operations continue to be only little affected by the war, the war may lead to a noticeable drop in sales and margins and have an adverse impact on the net worth, financial and earnings position of the GERRY WEBER Group due to the importance of the region.

In the second and third quarter, 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 the three segments of the Group. Where sourcing and logistics are concerned, closed production facilities and energy shortages in the production plants are resulting in longer lead times. The internal task force was nevertheless able to deliver 85–95% of the goods

on time (within the grace period for delivery). During the reporting period, the GERRY WEBER Group managed to pass on the increased material, freight and energy costs to consumers by raising its selling prices.

Total 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 first nine months of 2021. This is equivalent to an increase by approx. 30.2% and is primarily explained by the fact that – unlike 2021 – stores remained open throughout. All three segments contributed to the increase in sales. The Retail segment's sales rose to EUR 116.0 million (previous year: EUR 86.3 million). The E-Commerce segment generated sales of EUR 41.5 million (previous year: EUR 30.6 million). The Wholesale segment achieved sales of EUR 89.8 million (previous year: EUR 73.0 million).

Adjusted for IFRS 16 effects, normalised consolidated earnings before interest, taxes, depreciation and amortisation (EBITDA) reached EUR 11.1 million – primarily due to the increase in sales and strict cost discipline –, which was well above the prior year level of EUR –2.2 million. The normalised EBITDA margin stood at 4.5% (previous year: –1.2%).

In January 2022, stopgap aid ("Überbrückungshilfe III") in the amount of EUR 17.2 million was granted and disbursed to the GERRY WEBER Group. Additional stopgap aid ("Überbrückungshilfe IV") in the amount of EUR 2.5 million was granted and disbursed in August 2022.

Moreover – as a first step on our way to refinancing – the existing revolving credit facility (RCF) of EUR 17.5 million was partly refinanced (EUR 10.0 million) in the first nine months of 2022. As of the end of September, this credit facility was utilised in full. During the term of the loan, GERRY WEBER International AG is obliged to deposit a credit balance of EUR 10.0 million in an account at this bank as collateral.

Due to the belated preparation and publication of the consolidated financial statements for the period ended 31 December 2021 (published on 30 May 2022), the GERRY WEBER Group failed to comply with financial covenants in the existing credit agreements on the long-term loans and the revolving credit facility. On 3 May 2022, the company therefore negotiated a waiver with its main financing partners, which has granted a deferral with regard

to the preparation and publication of the audited consolidated financial statements until 30 May 2022.

In addition, the Managing Board acquired shares in GERRY WEBER in the context of a capital increase resolved on 20/23 June 2022 in accordance with Article 19 MAR. On 24 June 2022, Angelika Schindler-Obenhaus acquired 3,961 shares at a price of EUR 17.69 per share. On 24 June 2022, Florian Frank acquired 4,118 shares at a price of EUR 17.69 per share. The new shares were entered in the Commercial Register on 18 July 2022. The total number of shares issued thus increased to 1,245,925. Angelika Schindler-Obenhaus (CEO) additionally purchased 400 shares at a price of EUR 8.50 per share on 27 September and 600 shares at a price of EUR 8.50 per share on 28 September via XETRA.

In view of the expected successful implementation of further optimisation measures in the current business operations, the Managing Board of GERRY WEBER International AG upgraded the outlook for the fiscal year 2022 and put it into more precise terms on 6 July 2022. The Managing Board now projects normalised consolidated EBITDA to be in the negative single-digit million to positive single-digit million range. The forecast for consolidated sales was raised to between EUR 315 million and EUR 340 million.

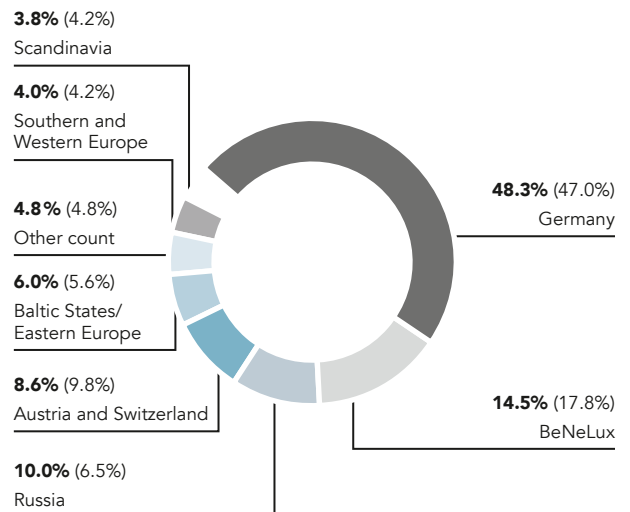
EARNINGS POSITION

Sales performance

- In the first nine months of 2022, the GERRY WEBER Group generated sales of EUR 247.4 million, compared to EUR 190.0 million in the first nine months of 2021. This is equivalent to a noticeable increase of approx. 30.2%.
- The market environment for German textile retailers improved noticeably in the first nine months of 2022 compared to the previous year; retail sales of textiles, clothing, shoes and leatherware were up by 38.9% on the prior year period in the first nine months of the year.¹

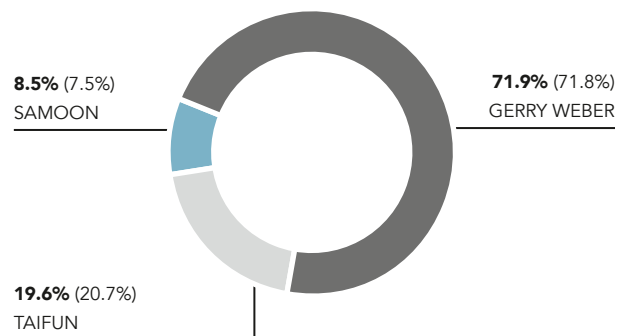
¹ Source: Federal Statistical Office; price-adjusted retail revenues

Sales Q1-Q3 2022 per region



* Prior-year period in brackets

Sales Q1-Q3 2022 by brands



* Prior-year period in brackets

Earnings position

- As sales increased, gross profit (sales revenues less cost of materials) improved by EUR 36.6 million. The gross profit margin reached 61.7%, compared to 61.1% in the prior-year period.
- Due to short-time work and strict cost discipline in the Group, earnings before interest, taxes, depreciation and amortisation (EBITDA) increased to EUR 36.9 million (previous year: EUR 23.6 million), resulting in an EBITDA margin of 14.9% (previous year: 12.4%).

- Adjusted for the effects of lease accounting pursuant to IFRS 16, normalised EBITDA also improved noticeably and stand at EUR 11.1 million (previous year: EUR –2.2 million); the normalised EBITDA margin reaches 4.5% (previous year: –1.2%).
- Accordingly, the result for the period amounts to EUR –10.2 million (previous year: EUR –24.3 million).

SEGMENT REPORT

The GERRY WEBER Group distributes its fashion collections through three distribution channels, **Retail**, **Wholesale** and **E-Commerce**, which also represent the three reporting segments. Since the fiscal year 2021, E-Commerce has been a separate reporting segment; previously, sales were broken down by Retail and Wholesale. To facilitate comparison, the prior-year figures have been adjusted accordingly.

The **Retail** segment distributes the collections of the GERRY WEBER brands through the company-managed sales spaces (GERRY WEBER stores, mono-label stores, concession stores and outlet stores) directly to end customers. The company's Retail operations are characterised by its own staff as well as the full merchandise risk.

In the first nine months of 2022, our Retail operations accounted for 46.9% of total Group sales (previous year: 45.4%).

The **Wholesale** segment delivers our collections to our trade partners, who then sell them to the final customer. In the Wholesale segment, we distinguish between three distribution channels – the GERRY WEBER stores run by franchisees, the shop-in-shops (incl. consignment contract stores) at our retail partners and the multi-label business. The Wholesale segment contributed 36.3% to Group sales in the reporting period (previous year: 38.4%).

The **E-Commerce** Segment markets collections of our GERRY WEBER, TAIFUN and SAMOON brands online through our own online shops as well as on external platforms such as Amazon, Zalando, Boozt, about you and Otto.

In the first nine months of 2022, E-Commerce accounted for 16.8% of total consolidated sales, compared to 16.1% in the prior year period.

GERRY WEBER Retail segment

- Sales in first nine months of 2022 at EUR 116.0 million (previous year: EUR 86.3 million) as stores remain open throughout.
- Like-for-like sales rise to EUR 104.8 million (previous year: EUR 74.5 million).
- EBITDA improve to EUR –5.3 million (previous year: EUR –15.2 million) in spite of increased personnel expenses of EUR 32.8 million (previous year: EUR 23.0 million).
- As a consequence, EBIT also exceed the prior-year level at EUR –7.9 million (previous year: EUR –18.8 million).

GERRY WEBER Wholesale segment

- Sales climb to EUR 89.8 million in first nine months of 2022 (previous year: EUR 73.0 million) as retail spaces remain open throughout.
- EBITDA improve to EUR 13.9 million (previous year: EUR 9.5 million), sending the EBITDA margin rising to 15.1% (previous year: 12.6%).
- Consequently, EBIT grow by EUR 4.9 million to EUR 12.7 million (previous year: EUR 7.8 million). The EBIT margin reaches 13.8% (previous year: 10.4%).

GERRY WEBER E-Commerce segment

- Online sales grow by a noticeable 35.7% to EUR 41.5 million (previous year: EUR 30.6 million).
- At EUR 3.1 million, EBITDA remain at prior year level (EUR 3.2 million) despite increased costs.

EUR million	Jan–Sep 2022	Jan–Sep 2021
Online sales in Retail segment (B2C)	29.9	25.7
Online sales in Wholesale segment (B2B)	6.2	4.7
Consolidated online sales	41.5	30.6

NET WORTH AND FINANCIAL POSITION

- At EUR 308.8 million, total assets were minimally lower than on 31 December 2021 (EUR 310.3 million).
- Inventories rose from EUR 65.3 million on 31 December 2021 to EUR 72.8 million at the end of September 2022.
- Cash and cash equivalents stood at EUR 57.2 million as of the reporting date (end of previous year: EUR 50.0 million), of which EUR 9.7 million is in escrow accounts (restricted due to insolvency liabilities).
- Equity declined to EUR 54.3 million (end of previous year: EUR 61.6 million) due to the loss incurred.
- Non-current liabilities amount to EUR 158.3 million (end of previous year: EUR 147.8 million); these mainly relate to lease liabilities of EUR 79.2 million (end of previous year: EUR 80.7 million), long-term loans of EUR 38.9 million (end of previous year: EUR 36.8 million) as well as non-current liabilities resulting from the insolvency of EUR 25.3 million (end of previous year: EUR 25.1 million). In the first quarter of 2022, the previously existing revolving credit facility (RCF) of KEUR 17,500 was partially refinanced (KEUR 10,000). This new loan is reported under non-current financial liabilities.
- Current financial liabilities amount to EUR 11.2 million (end of the previous year: EUR 7.2 million); these liabilities include the revolving credit facility of EUR 7.5 million, which is fully utilised (end of previous year: EUR 0.0 million), and current insolvency liabilities of EUR 3.4 million (end of previous year: EUR 5.3 million). As at 31 December 2021, current financial liabilities included EUR 1.9 million in liabilities from deferred interest. This was repaid in January 2022.
- Current liabilities from rights of use slightly lower at EUR 26.7 million (end of previous year: EUR 27.8 million).
- As of 30 September 2022, current liabilities totalled EUR 96.2 million (end of previous year: EUR 101.0 million).

OUTLOOK

On 6 July 2022, the Managing Board of GERRY WEBER International AG put the forecast for the fiscal year 2022 into more concrete terms:

The Managing Board had previously expected normalised consolidated EBITDA (excl. effects from lease accounting to IFRS 16) for the fiscal year 2022 to be in the negative single-digit million range. This forecast has been upgraded because of the expected successful implementation of further optimisation measures in the current business operations. The Managing Board now projects normalised consolidated EBITDA to be in the negative single-digit million to positive single-digit million range. Moreover, the forecast for consolidated sales has been raised to between EUR 315 million and EUR 340 million. The actual amount of normalised consolidated EBITDA will depend on the ultimate sales performance.

Should consolidated sales come in at the lower end of the projected range, the measures mentioned in the 2021 Annual Report would have to be implemented successfully for normalised EBITDA to reach the expected level.

Please also refer to the forward-looking statements on pages 53–55 of the 2021 Annual Report.

RISKS AND OPPORTUNITIES

The assessments made with regard to risks and opportunities have not changed materially since the preparation of the 2021 Annual Report. Therefore please refer to the risk and opportunity report on pages 53 et seq. of the 2021 Annual Report.

CONSOLIDATED BALANCE SHEET

as of 30 September 2022

ASSETS

KEUR	30 Sep. 2022	31 Dec. 2021
NON-CURRENT ASSETS		
Fixed assets		
Intangible assets	9,977	11,201
Rights of use	81,935	84,737
Property, plant and equipment	37,275	39,488
Other financial assets	486	3,021
	129,673	138,447
CURRENT ASSETS		
Intangible assets	4,310	3,280
Inventories	72,845	65,330
Receivables and other assets		
Trade receivables	22,946	14,712
Other assets	20,135	37,177
Tax refund claims	1,726	1,380
Cash and cash equivalents		
Freely disposable cash and cash equivalents	47,447	37,789
Restricted cash and cash equivalents	9,721	12,224
	179,130	171,892
Total Assets and Liabilities	308,803	310,339

LIABILITIES

KEUR	30 Sep. 2022	31 Dec. 2021
EQUITY		
Subscribed capital	1,246	1,238
Capital reserve	1,081	946
Retained earnings	103	103
Currency translation reserve	1	-2,727
Accumulated profits	51,839	62,020
	54,270	61,580
NON-CURRENT LIABILITIES		
Provisions for personnel	7	5
Other provisions	4,350	4,493
Financial liabilities	74,217	61,848
Other liabilities	487	809
Lease liabilities	79,243	80,638
	158,304	147,793
CURRENT LIABILITIES		
Provisions		
Tax provisions	50	67
Provisions for personnel	6,286	6,582
Other provisions	10,242	10,880
Liabilities		
Financial liabilities	11,174	7,233
Trade liabilities	17,271	30,307
Lease liabilities	26,684	27,781
Other liabilities	24,522	18,116
	96,229	100,966
Total Assets and Liabilities	308,803	310,339

CONSOLIDATED INCOME STATEMENT

for the fiscal year 1 January to 30 September 2022

KEUR	Q1-Q3 2022	Q1-Q3 2021*
Sales revenues	247,405	190,019
Own work capitalised	3,763	2,460
Other operating income	9,137	3,925
Cost of materials	-94,785	-74,006
Personnel expenses	-58,976	-48,879
Depreciation/amortisation	-28,157	-29,640
Other operating expenses	-69,313	-49,378
Other taxes	-291	-506
Operating result	8,783	-6,005
Financial result		
Incidental bank charges	-558	-356
Financial expenses	-17,432	-17,458
	-17,990	-17,814
Result before tax	-9,207	-23,819
Taxes on income	-973	-493
Consolidated net income/loss for the year	-10,180	-24,312
Earnings per share (diluted and basic) related to		
Consolidated net income for the period (attributable to the parent company's shareholders)	-8.21	-19.61

* Adjustments due to error corrections. Please refer to the information provided in the notes to the consolidated financial statements.

FINANCIAL CALENDAR

Date

31 March 2023	Publication of annual report 2022
15 May 2023	Publication Q1 interim statement 2023
July 2023	Annual General Meeting
15 August 2023	Publication H1 interim report 2023
15 November 2023	Publication Q3 interim statement 2023

IMPPRINT

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The interim financial report should be read together with our Annual Report for the fiscal year 2021 (ended 31 December 2021).

Future-related statements

The present report contains forward-looking statements based on current assumptions and forecasts made by the Managing Board of GERRY WEBER International AG. These in turn are based on the information available to the Managing Board at the time of completion of this financial report. Various known and unknown risks, uncertainties and other factors may lead to the actual business trend, results and financial position of GERRY WEBER International AG and the GERRY WEBER Group deviating from the assessment provided below. The forward-looking statements should not be understood as guarantees of the developments mentioned therein. GERRY WEBER International AG does not assume any obligation beyond the statutory publication requirements to update the forward-looking statements contained in this report and to adjust them to future events or developments.

GERRY WEBER

I LIVE MY STYLE.

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