



PRESS RELEASE

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Due to the coronavirus pandemic, clothing retailers throughout Europe have been ordered to close their stores. The Management Board therefore withdraws the forecast for the fiscal year 2019/20 published in the Annual Report for 2018/19. Major burdens are expected, which will reduce sales revenues and earnings in the current fiscal year. The Management Board has initiated extensive measures to secure liquidity. In Q1 2019/20, EBIT declined from EUR 3.3 million to EUR 1.5 million (-55 percent) due to shifts in deliveries.

Because of the measures taken to contain the spread of the coronavirus, the Management Board withdraws the forecast for the fiscal year 2019/20 published in the 2018/19 Annual Report and at the annual accounts press conference on February 27, 2020. Significant adverse effects are expected on sales revenues and earnings. As the extent and duration of the pandemic and the adoption of further containment measures cannot be predicted at present, no reliable forecast for the fiscal year 2019/20 is possible at this stage. Ahlers will use all possibilities to cut costs and has initiated extensive measures to secure liquidity.

In the first quarter of the fiscal year 2019/20 (1 December 2019 to 29 February 2020), orders could not be invoiced due to delayed jeans deliveries. The resulting shortfall in sales revenues and gross profits is the main reason for the decline in EBIT from EUR 3.3 million to EUR 1.5 million (-55 percent, both figures before application of IFRS 16 - Leasing accounting). As soon as clothing retailers reopen their stores, this shortfall in revenues and earnings may be offset. Besides the shift in deliveries, the discontinuation of ladies' trousers and Jupiter Sportswear also led to a drop in revenues according to plan. Overall, revenues fell by 13 percent to EUR 51.2 million (previous year EUR 59.0 million). The set of earnings and efficiency increasing measures has helped to reduce operating expenses by 10 percent.

Due to the current ban on public gatherings, the Managing Board and the Supervisory Board have decided to postpone the Annual General Meeting scheduled for April 22, 2020. No new date has been set.

All figures are provisional. The company will publish the statement for Q1 2019/20 and the final figures on April 7, 2020.



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