

Ad-hoc announcement pursuant to Article 17 MAR

Ahlers AG, Herford

ISIN DE0005009740

Ahlers AG's medium-term financing secured. Restructuring report to IDW S6 confirms Ahlers full financing as well competitiveness and potential profitability. Biggest profitability programme in the company's history launched.

On the basis of a restructuring report ("Sanierungsgutachten") to IDW S6, Ahlers AG has today agreed medium-term financing with its partner banks. The increased financing will be backed by a guarantee from the State of NRW. The competent committee of the Ministry of Economy has already given its approval. Subject to unforeseeable developments, the company is thus fully financed.

The restructuring report confirms that the business model of Ahlers AG is viable, and a positive going concern forecast has been issued for the company. According to the report, Ahlers AG is very likely to fully restore its competitiveness and profitability with the successful implementation of the comprehensive profitability programme 'New Tomorrow' developed and already initiated by the Management Board. The overall project comprises, inter alia, a sharpening of the brand profiles, the reorganisation of the distribution and procurement structures, the optimisation of administrative processes and the expansion of e-commerce.

The Europe-wide measures to combat the coronavirus pandemic were the main reason why the Group's sales revenues declined by EUR 55.4 million or 26.8 percent to EUR 151.6 million and consolidated earnings after taxes came in at EUR -17.2 million in the fiscal year 2019/20 (previous year: EUR -3.0 million).

The fiscal year 2020/21, which has just started, will be another year of transformation and will still be strongly affected by the coronavirus pandemic. With physical retail stores successively reopening, the Management Board expects sales revenues for the full fiscal year to be slightly lower than in the previous year. Large parts of the profitability programme will be implemented and completed in 2021, but many of the measures will not be reflected in the results before the fiscal year 2021/22. The Management Board therefore expects EBIT before one-time effects in the current fiscal year to be more or less on a par with the previous year (EUR -12.4 million).

Detailed information on the 2019/20 financial statements and the forecast for 2020/21 will be published at the annual accounts press conference on March 17, 2021.

Herford, February 26, 2021

The Management Board

Ahlers AG
Elverdisser Str. 313
32052 Herford