

Corporate Governance Report



Corporate Governance at Wolford

Commitment to the Corporate Governance Code

Wolford is convinced that carefully implemented and actively practiced corporate governance can make an important contribution to enhancing the trust placed in the company by the capital markets. In September 2002, the Austrian Working Group for Corporate Governance issued a framework for responsible corporate management and control that is designed to support the sustainable creation of value. The goal of this guideline is to protect the interests of all stakeholders whose welfare is linked to the success of the company.

The Austrian Corporate Governance Code ensures a high degree of transparency for all of the company's stakeholders. Wolford has been committed to the principles of the code since the 2002/03 financial year. The Austrian Working Group for Corporate Governance is responsible for publishing the Corporate Governance Code in its respective versions. The current version is available at www.corporate-governance.at and at Wolford's [website](#). The latest revision to the code, which took effect as of January 1, 2020, focused on adapting the code to the requirements of the Austrian Stock Corporation Amendment Act 2019, and in particular to the new requirements governing remuneration policy and the remuneration report.

The code is based on the requirements of Austrian stock corporation, stock exchange and capital market law, the recommendations of the European Commission concerning the duties of the Supervisory Board and the remuneration of Management Board members, and the corporate governance guidelines issued by the OECD. The code provides a framework for corporate management and control.

Enhancing trust

The guiding principles of the code are intended to enhance the trust placed by investors in the company – and in Austria as a place to do business. They include equal treatment of all shareholders, transparency, the independence of the Supervisory Board, open communication between the Supervisory Board and the Management Board, the avoidance of conflicts of interest on the part of directors and officers, and efficient control by the Supervisory Board and auditor. Compliance with the code, which goes beyond legal requirements, is voluntary, and takes the form of a self-imposed obligation on the part of the company. Observance of the code also means that any failure to meet C-Rules must be explained and disclosed (“comply or explain”). The Corporate Governance Report of Wolford AG forms part of this annual report and is also available in the [“Investor Relations”](#) section of Wolford's website.

To prevent insider trading, Wolford has issued a compliance guideline that implements the requirements of the Market Abuse Regulation issued by the European Union. Adherence to this guideline is monitored by the compliance officer. Wolford's objective is to meet the expectations of capital market participants with respect to transparency and to provide shareholders with a true and fair view of the company. The Market Abuse Regulation issued by the European Union requires the simultaneous and identical communication of information. Wolford consistently meets this requirement by distributing the latest company news, including information with the potential to influence its share price, in parallel to analysts, investors and the media. This information is simultaneously published on the company website to provide private shareholders as well with equal access to the information.

One share – one vote

The company has issued 6,719,151 zero par value common shares. There are no preferred shares or restrictions on the common shares. The principle of “one share – one vote” is therefore met in full. The Austrian Takeover Act ensures that every shareholder receives the same price for his or her

Wolford shares in the event of a takeover (mandatory offer). The Austrian Takeover Act ensures that every shareholder receives the same price for his or her Wolford shares in the event of a takeover (mandatory offer). The current shareholder structure is shown in the "Wolford Shares" section of this Annual Report.

Systematic risk management

The Management Board of Wolford AG bears overall responsibility for ensuring that an effective risk management system is in place at the company. Acting on its behalf, the central risk management function coordinates the implementation of the risk management system and ensures that this is continually updated and enhanced. This function has a direct reporting line to the Chairman of the Supervisory Board Audit Committee. The Supervisory Board of Wolford AG is responsible for monitoring the effectiveness of the risk management system. This responsibility is met by the Audit Committee.

Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H., Wagramer Strasse 19, 1220 Vienna, was elected by the 32nd Annual General Meeting (AGM) to audit the annual financial statements of Wolford AG and the consolidated financial statements of the Wolford Group for the 2019/20 financial year. There are no grounds for exclusion or prejudice that would be incompatible with a conscientious and objective audit by the group auditor, Ernst & Young Wirtschaftsprüfungsgesellschaft m.b.H. The fees for the audit of the consolidated financial statements and related services amounted to € 0.2 million. All mandatory disclosures required by § 243a of the Austrian Commercial Code (UGB) can be found on Page 49 of the Management Report.

Management Board

Andrew Thorndike

Andrew Thorndike (born in 1966), Management Board member since October 1, 2019. He is appointed through to September 30, 2021 and does not hold any supervisory board or comparable functions outside the company. He is responsible for the Product Management and Technical Product Development, Purchasing and Procurement, Supply Chain, Finance (including Accounting, Controlling and Treasury), Legal Affairs, Investor Relations, Corporate Communications, Corporate IT & Infrastructure and Corporate HR at Wolford AG. Andrew Thorndike most recently worked as COO and CSO at the Berlin startup Thermondo GmbH. Prior to that, he worked as COO and CRO at ADLER Modemärkte, where he was responsible for areas including purchasing, product development, and supply chain management. Between 2013 and 2017, Andrew Thorndike worked as COO at Africa's largest fashion retailer, Ecdon (Pty) Ltd, in Johannesburg, where he was directly responsible for 2,300 employees. He previously gained further management experience, particularly in retail and finance, as a consultant at McKinsey & Company and at Accenture Ltd. Born in Cologne, he holds a degree in "Mining and Energy Technology" from the Technical University in Berlin.

Silvia Azzali

Silvia Azzali (born in 1971), Management Board member since November 1, 2019. She is appointed through to October 31, 2021 and does not hold any supervisory board or comparable functions outside the company. She is responsible for the Sales, Merchandising, Brand & Marketing, and Design divisions. Prior to this, she worked at Wolford as Global Sales & Merchandising Director from January 2019. Silvia Azzali joined Wolford as Managing Director for Southern Europe in 2011 and was later promoted to Head of International Wholesale. She subsequently left Wolford to work as Global Retail, Online & Franchising Director at Ermanno Scervino (2016–2018). Before returning to Wolford in January 2019, she worked as Head of Global Retail & Franchising at Moschino. Silvia Azzali can look back on a long career in the fashion industry. Back in 2000 and

2001, she worked in the Recruitment & Training department at Gucci, before moving to Dolce & Gabbana as Europe Retail HR Manager (2002–2004). She later decided to move to sales and gained experience at various brands, such as in Retail Management at Trussardi (2005–2007), as Italy Country Manager at L'Occitane en Provence (2007–2009), and as Retail Director Europe & Worldwide Top Doors at La Perla (2009–2011). Silvia Azzali studied philosophy at the University of Parma and was awarded a scholarship in 1996 to obtain a master's degree in personnel management in Milan.

Axel Dreher

Axel Dreher (born in 1965) was a member of the Management Board from March 1, 2013 and CEO from August 1, 2017. He left the company as of October 31, 2019.

Brigitte Kurz

Brigitte Kurz (born in 1974) was a member of the Management Board from August 1, 2017 and left the company as of October 31, 2019.

Supervisory Board Members and Committees

SUPERVISORY BOARD

The Supervisory Board of Woford AG currently comprises four members elected at the AGM and two representatives delegated by the Staff Council. The Supervisory Board held five meetings during the 2019/20 financial year. No Supervisory Board member was absent from more than half the meetings.

Name	End of period in function	Diversity factors ²	Committee membership	Supervisory Board positions or comparable functions
<p>Dr. Junyang Shao</p> <p>Independent</p> <p>First appointed: 05.04.2018</p> <p>Supervisory Board Chairwoman</p> <p>Vice President of Fosun Fashion Group, Managing Director of Koller Group and of Fosun Fashion Lifestyle GmbH</p>	<p>Appointed through to 35th AGM (2021/22)</p>	<p>Female, born in 1981, Chinese</p>	<p>Chairwoman of the Presidium, the Personnel and Nomination Committee, the Remuneration Committee, the Strategy and Marketing Committee, and Member of the Audit Committee</p>	<p>Supervisory Board Chairwoman of Tom Tailor Holding SE</p>
<p>Thomas Dressendörfer</p> <p>Independent</p> <p>First appointed: 05.04.2018</p> <p>Deputy Supervisory Board Chairman</p>	<p>Appointed through to 36th AGM (2022/23)</p>	<p>Male, born in 1958, German</p>	<p>Member of the Presidium, the Personnel and Nomination Committee, the Remuneration Committee, and Chairman of the Audit Committee</p>	<p>No additional positions at listed companies</p>

Name	End of period in function	Diversity factors ²	Committee membership	Supervisory Board positions or comparable functions
Yun Cheng Independent First appointed: 09.13.2018 Chairman of Fosun Fashion Group, Chairman of the Board of Jeanne Lanvin S.A.	Appointed through to 36 th AGM (2022/23)	Female, born in 1976, Chinese		No additional positions at listed companies
Prof. Dr. Matthias Freise Independent First appointed : 09.25.2019 Professor at Reutlingen University	Appointed through to 37 th AGM (2023/24)	Male, born in 1965, German	Since 32 nd AGM (2018/19): Member of the Strategy and Marketing Committee	Supervisory Board member at Tom Tailor Holding SE
Birgit G. Wilhelm Independent First appointed : 09.12.2006 Real estate manager	Retired from Supervisory Board upon conclusion of 32 nd AGM (2018/19)	Female, born in 1975, Austrian	Until 32 nd AGM (2018/19): Member of the Strategy and Marketing Committee	No additional positions at listed companies
Anton Mathis¹ Independent First appointed : 12.16.1999		Male, born in 1960, Austrian	Member of the Personnel and Nomination Committee and of the Strategy and Marketing Committee	No additional positions at listed companies
Christian Medwed¹ Independent First appointed: 05.18.2017		Male, born in 1979, Austrian	Member of the Audit Committee	No additional positions at listed companies

¹ Delegated by Works Council.

² Diversity factors include gender, age, and nationality.

The Supervisory Board has established five committees: Presidium, Personnel and Nomination Committee, Remuneration Committee, Audit Committee, Strategy and Marketing Committee.

In the 2019/20 financial year, the Presidium comprised the Supervisory Board Chairwoman Dr. Junyang Shao and her Deputy Thomas Dressendörfer. The Presidium represents the company's interests in all matters related to the Management Board and also acts as the Remuneration Committee in respect of Management Board remuneration. In this function, it reviews the remuneration policy for the Management Board members at regular intervals and ensures compliance with the relevant provisions of the Corporate Governance Code.

At Wolford, the Presidium supplemented by the Works Council representative Anton Mathis serves as the Personnel and Nomination Committee. This body is responsible for preparing all appointments to the Management and Supervisory Boards. Prior to the appointment of persons to these corporate bodies, the Personnel and Nomination Committee defines a requirements profile and prepares resolutions for the Supervisory Board or AGM based on a predefined selection process and succession planning. The Personnel and Nomination Committee is also responsible for taking decisions concerning personnel-related matters at the company to the extent that transactions requiring approval pursuant to § 95 (5) of the Austrian Stock Corporation Act are involved or that such decisions are required by the articles of association or the Supervisory Board. The Personnel and Nomination Committee held one meeting in the past financial year.

The Audit Committee deals with the audit of the Group's annual financial statements and supervises financial reporting. It also monitors the effectiveness of the internal control, internal audit, and risk management systems and reviews the independence of the auditor. In the 2019/20 financial year, the Audit Committee comprised Thomas Dressendörfer (Chairman), Dr. Junyang Shao, and Christian Medwed (until the 32nd AGM: Thomas Dressendörfer [Chairman], Yung Cheng, and Christian Medwed). The Audit Committee met twice in the 2019/20 financial year and primarily dealt with the following issues:

- The auditor's report on the audit of the annual financial statements for the 2018/19 financial year
- The preparation of a recommendation to the Supervisory Board for the selection of the (group) auditor for the 2019/20 financial year
- The company's performance at the end of the 2019 calendar year
- The report by the Management Board on risk management at the Group
- The presentation of the audit plan (key audit matters) and statement of independence by the newly elected auditor
- Update on viability prognosis by Deloitte
- Performance in December 2019.

The Strategy and Marketing Committee comprised the following members in the 2019/20 financial year: Dr. Junyang Shao (Chairwoman), Prof. Dr. Matthias Freise, and Anton Mathis (until the 32nd AGM: Dr. Junyang Shao [Chairwoman], Birgit Wilhelm, and Anton Mathis). This committee held one meeting in the 2019/20 financial year and mainly dealt with the topics of marketing strategy and marketing organization.

Responsibilities and Working Methods of the Management and Supervisory Boards

The Management Board is responsible for conducting the company's business in compliance with the relevant laws, the articles of association of Wolford AG, and the applicable rules of procedure. It manages the business to the benefit of the company, and in keeping with the interests of all shareholders, employees and the general public. The rules of procedure for the Management Board, which are issued by the Supervisory Board, regulate working procedures and responsibilities. Irrespective of the allocation of specific responsibilities, the Management Board bears joint responsibility for managing the company. Issues of fundamental importance must be approved by the full Management Board. In addition, the rules of procedure for the Management Board include a catalogue of measures that require the approval of the Supervisory Board.

There is a continuous flow of information between the members of the Management Board. This takes place formally in at least two monthly Management Board meetings.

At regular meetings (at least once per quarter), the Management Board provides the Supervisory Board with timely and comprehensive information on all issues that are relevant to the company's economic and strategic development, including the risk situation and risk management at the company and major subsidiaries. Urgent information is communicated to the Supervisory Board Chairwoman immediately by the Management Board. Additional meetings are scheduled to deal with important issues such as the discussion of the company's strategy. The Management Board reports at least once a year to the Supervisory Board on the precautionary measures taken to combat corruption at the company. The Supervisory Board is thus furnished with all the information it requires to perform its advisory and supervisory functions. Consistent with the Corporate Governance Code, the Management and Supervisory Boards also hold regular discussions on the company's performance and strategic alignment outside the framework of Supervisory Board meetings.

The Supervisory Board performs its duties in accordance with legal requirements, the articles of association, and its rules of procedure. The Supervisory Board is responsible for decisions on issues of fundamental importance to the company and its strategic alignment. It establishes qualified committees in accordance with specific circumstances at the company and its own number of members. These committees are designed to increase the efficiency of the Supervisory Board's work and improve the treatment of complex issues. However, issues delegated to individual committees may still be handled by the full Supervisory Board. Each committee chairperson regularly reports to the full Supervisory Board on the work of his or her committee.

Employee participation on the Supervisory Board and its committees is a legally regulated aspect of the Austrian Corporate Governance system. Consistent with the Austrian Labor Constitution Act, employees are entitled to delegate one representative to the Supervisory Board and its committees for every two Supervisory Board members (shareholder representatives) elected by the AGM. Employee representatives exercise this function on an honorary basis and can be recalled by the Staff Council at any time. None of the Supervisory Board members has business or personal relationships with the company or the Management Board that could provide grounds for a material conflict of interest and therefore influence the behavior of the respective Supervisory Board member.

All members of the Wolford AG Supervisory Board are considered independent according to the criteria defined by the Austrian Corporate Governance Code. Statements to this effect were submitted by all Supervisory Board members. In determining the criteria used to assess the independence of its members, the Supervisory Board is guided by the independence guidelines set out in the Corporate Governance Code (Annex 1). In accordance with § 95 of the Austrian Stock Corporation Act, the Supervisory Board's main responsibility is to supervise the work of the Management Board. The

Supervisory Board members appointed met and meet this responsibility in full. The company has a free float component of less than 20%. Wolford AG has not granted any loans to members of the Supervisory or Management Boards.

Wolford AG evaluates compliance with the provisions of the code each year based on a questionnaire developed by the Austrian Working Group for Corporate Governance. Based on the results of this evaluation, the deviations from the C-Rules are explained below.

Deviations from C-Rules Corporate Governance Code

C-Rule	Description
16, Question 2	Until such time that the position of CEO, currently vacant, is successfully filled, the Management Board comprises two members with equal rights.
36, Question 3	The Supervisory Board forewent performing any self-evaluation in the past 2019/20 financial year. This was due to the company's economic performance and the significant additional time required of Supervisory Board members to discharge their duties.
43, Question 5	The principles underlying the remuneration system are presented in great detail in the Remuneration Report within the Corporate Governance Report. Additional reporting to the Annual General Meeting would therefore be superfluous. Potential questions about these principles at the Annual General Meeting are answered immediately. This decision was taken by the Supervisory Board.
62, Question 1	The company's compliance with the C-Rules of the code has not been evaluated by any external institution in the past three years. However, an annual review is carried out by the company departments entrusted with internal audit topics. A separate review by an external institution would not produce any different results and would only cause avoidable costs. The decision in favor of exclusively performing an internal audit of compliance with the C-Rules was taken by the Management Board following agreement with the Supervisory Board.
83, Question 1	The audit assignment did not include an evaluation of the effectiveness of the risk management system. The Supervisory Board took this decision in agreement with the Management Board. However, the auditor issued a management letter that reports on select aspects of the internal control system in respect of the financial reporting process. This letter was presented to the Chairwoman of the Supervisory Board and discussed in detail at a Supervisory Board meeting. The Audit Committee also held two meetings during the past financial year in which it addressed the findings of the company's risk management activities. In addition, there is a direct reporting line from the employees responsible for internal audit to the Chairman of the Supervisory Board Audit Committee. Overall, the Supervisory Board is thus able to form its own impression of the effectiveness of the risk management system.

Remuneration Report

The Remuneration Report summarizes the principles used to determine the remuneration paid to the Management Board of Woford AG and sets out the amount and structure of this remuneration. It also describes the underlying principles and amount of Supervisory Board remuneration. The Supervisory Board has assigned responsibility for determining the remuneration of Woford's Management Board to the Presidium, which also acts as the Remuneration Committee.

Consistent with the requirements of the Austrian Stock Corporation Act, members of the Management Board are appointed for specific terms in office. The employment contracts with individual members of Woford's Management Board have been concluded for these periods and also set out the level and structure of remuneration. The goal of the remuneration system is to provide Management Board members with remuneration that stands up to comparison with national and international practice and adequately reflects the scope of their functions and responsibilities.

The Management Board remuneration system basically comprises fixed and variable components. The fixed component reflects the respective area of responsibility of each Management Board member and, in line with standard practice in Austria, is retrospectively disbursed in the form of 14 monthly installments. The variable component is based on the company's performance and on that of the individual Management Board member. It is linked in particular to the achievement of quantitative targets and sustainable, long-term and strategic goals and also accounts for non-financial criteria. The total amount of remuneration is appropriate to the duties and responsibilities of the individual Management Board members, as well as to the position of the company and remuneration customary to the sector in which it operates.

The variable share of Management Board remuneration is based on various components, and specifically on:

- achievement of a target for net revenues
- achievement of a target for EBIT
- achievement of a target for operating cash flow
- non-financial criteria.

Current Management Board remuneration in €	2019/20 Fixed	2019/20 Variable*	2019/20 Total	2018/19 Total
Andrew Thorndike	150,000	50,000 ¹	200,000	0
Silvia Azzali	170,000	0	170,000	0
Axel Dreher	339,000	0	588,000 ²	455,000 ⁴
Brigitte Kurz	164,000	0	194,000 ³	325,000 ⁵
Total	823,000	50,000	1,152,000	780,000

* The variable remuneration will be measured in the course of the 2020/21 financial year.

¹ One-off bonus of € 50,000 at beginning of Management Board activity.

² Fixed salary for 2019/20 including a voluntary payment of € 249,000.

³ Fixed salary for 2019/20 including a voluntary payment of € 30,000.

⁴ Total salary for 2018/19 including the bonus now paid of € 26,526.50.

⁵ Total salary for 2018/19 including the bonus now paid of € 25,125.

Upon the termination of a Management Board contract, the respective member is entitled to severance pay with analogous application of the requirements of the Austrian Salaried Employees Act. There are no pension fund agreements or defined benefit commitments for active Management Board members at Wolford AG. Expenses of € 0.5 million were recognized in the 2019/20 financial year for former Management Board members (2018/19: € 0.10 million). Members of the Management Board may only take on additional duties outside the company with the approval of the Supervisory Board. This ensures that neither the time involved nor the remuneration received lead to any conflict of interest with the individual's responsibilities on behalf of the company.

The AGM determines the remuneration paid to elected Supervisory Board members and meeting allowances. The 27th AGM approved a new remuneration structure for the Supervisory Board that took effect from the 2014/15 financial year and applies until further notice:

Remuneration for the function assumed and for preparing and attending four regular Supervisory Board meetings each financial year: Chair(wo)man: € 50,000; Deputy Chair(wo)man: € 35,000; members: € 25,000.

Committee members receive the following additional remuneration:

- Audit Committee with two regular meetings per financial year: Chair(wo)man: € 5,500 and members € 5,000 each
- Strategy and Marketing Committee with two regular meetings per financial year: Chair(wo)man: € 5,500 and members € 5,000 each
- Unscheduled meetings are compensated with € 4,000 per member and meeting.

The remuneration for the year under report totaled € 0.21 million (2018/19: € 0.18 million) and was structured as follows:

Supervisory Board remuneration ¹ in €	2019/20	2018/19
Dr. Junyang Shao, Chairwoman (6 Supervisory Board meetings, 1 Personnel Committee meeting ² , 1 Strategy and Marketing Committee meeting)	69,000	63,500
Thomas Dressendörfer, Deputy Chairman (6 Supervisory Board meetings ¹ , 1 Personnel Committee meeting, 2 Audit Committee meetings)	53,000	48,500
Yun Cheng (3 Supervisory Board meetings and 1 Audit Committee meeting)	30,000	19,000
Prof. Dr. Matthias Freise (4 Supervisory Board meetings)	29,000	0.00
Birgit G. Wilhelm (2 Supervisory Board meetings, 1 Strategy and Marketing Committee meeting) (retired from Supervisory Board upon conclusion of 32 nd AGM (2018/19))	30,000	34,000
Claudia Beermann (retired from Supervisory Board as of 2019/20 financial year)	0.00	15,000
Total	211,000	180,000

¹ Five regular meetings and one unscheduled meeting.

² The Personnel Committee meeting was held on the same day as a meeting of the Supervisory Board. In view of this, no separate remuneration was paid for this Personnel Committee meeting (unscheduled meeting).

³ Attendance of an unscheduled meeting of the Supervisory Board.

No pension commitments have been made to Supervisory Board members at Wolford AG. Wolford AG has concluded directors and officers (D&O) insurance with coverage of € 25 million for the members of the Supervisory and Management Boards, key employees, and the managing directors of subsidiaries. The company covers the cost of this insurance. Purchases and sales of treasury stock by members of the Management and Supervisory Boards and closely related individuals ("directors' dealings") are made public in accordance with Article 19 of the Market Abuse Regulation and are published in the "Investor Relations" section of the Wolford AG website pursuant to the Austrian Corporate Governance Code.

Diversity Concept and Measures to Promote Women

Mutual respect, diversity, and, inclusivity are integral and indispensable components of the corporate culture at Wolford AG and are accounted for when identifying candidates for all functions at the company. With regard to the candidates proposed to the Annual General Meeting for election to the Supervisory Board and the nomination of Management Board members, the company pays due attention to achieving a balance in terms of specialist skills and diversity. After all, this can play a key role in ensuring the professionalism and effectiveness of the activities of the Supervisory and Management Boards. Alongside specialist and personal qualifications, the company also takes due account of aspects such as the age structure, background, gender, professional training, and previous experience of potential candidates.

At the end of the 2019/20 financial year, the Supervisory Board of Wolford AG comprised four members elected by the Annual General Meeting, of which two women and two men. Four Supervisory Board members are of non-Austrian nationality.

As of the balance sheet date, the Supervisory Board members were aged between 39 and 62. In terms of their professional skills, they covered areas including business administration, finance, production and process management, and procurement. Furthermore, they have experience in the fashion industry and corporate strategy.

The Management Board of Wolford AG comprised one male member (aged 53) and one female member (aged 48) at the end of the 2019/20 financial year. Both members have non-Austrian roots. The Management Board members together have expertise in sales and operating processes and experience of restructuring, as well as longstanding management experience gained both within the Group and at competitors and in other industries.

Unlike at many other listed companies, two out of four of the Supervisory Board members elected by the AGM at Wolford AG in the 2019/20 financial year were women. This corresponds to a female quota of 50% (until 32nd AGM: 75%). Since August 2017, the Management Board of Wolford AG has been 50% female. Women made up around 40% of the extended management team in the 2019/20 financial year. The company nevertheless does not have any specific plan for the promotion of women on the Management Board, Supervisory Board, or in other key functions at the company and its subsidiaries. The best possible candidates are selected for available positions, irrespective of their gender, age, religion, or ethnic origin. Many of the leading positions at Wolford AG and its subsidiaries are held by women. Attractive part-time models are offered to mothers returning from maternity leave, thus helping them to combine their family and professional commitments. The Wolford Group focuses on its own retail locations and its product line chiefly targets female customers. These factors are reflected in its workforce, in which women make up more than 85% of employees.

Events After the Balance Sheet Date

On May 28, 2020, the buyer of the company property in Bregenz, the neighboring Blum Group, transferred the agreed purchase price of around € 72 million to Woford AG. In the same move, Woford AG repaid all outstanding credit lines owed to its financing banks. Furthermore, the company also redeemed the shareholder loan granted by its principal shareholder, Fosun Fashion Investment Holdings (HK) Limited, together with interest. This means that the company is debt-free upon publication of its financial statements.