

## PRESS RELEASE

Agios Stefanos, 16.12.2022

The Board of Directors (the “**Board**”) of the company with the name “**Folli Follie Commercial, Manufacturing and Technical Company SA**” (the “**Company**”) has been advised of the decision of the 5<sup>th</sup> Three-Member Felony Appeal Court to postpone the trial against certain former executives of the Company and other persons for June 19<sup>th</sup> 2023, which will further delay the completion of the trial (in the first instance) by at least 1.5 year.

The Board does not wish to delve into the merits of the main case of the trial, or to the grounds for the postponement. However, the Board must point out the serious side effects of such delay to the completion of the Company’s restructuring, which is the main mission of the Board. It is noted that the restructuring of the Company, as ruled by the competent Courts, benefits the national economy, given that it disconnects the business from the accused shareholders and permits its recovery, assisting the productive activity of the country, providing employment positions, generating taxes in favor of the Greek State and, therefore, contributing the Greek economy. After all, this is the purpose of the institution of restructuring.

Indicatively,

- 1) An ancillary aspect of the trial - yet essential to the restructuring - concerns the Company’s request for the release of its real estate property (worth approximately 28m EUR approx.) and certain bank accounts (amounting to 3m EUR approx.) that were ceased during the pre-trial stage pursuant to Law 4557/2018 (*on combatting money laundering*). It is noted that the acts attributed to the defendants, which led to the seizure of said assets, damaged firstly the Company and its creditors, whose damages are sought to be cured - at least partially - through the restructuring.
- 2) According to the ratified Restructuring Agreement of the Company, these assets will be transferred to the new companies, which will continue the business activity on a healthy platform and will be controlled by the contracting creditors, who have waived all their claims, amounting to 430m EUR approx. (as a capital). These assets are absolutely essential for the recovery of the business and the successful effective completion of the restructuring.
- 3) The lack of an immediate release of said assets impedes the restructuring, which has been sought by the Hellenic Capital Market Commission and the other competent institutions through the appointment of current Board. At the same time, the country’s image to the international investment community is prejudiced.

Considering the above, the Company will exhaust its only means of reaction, by requesting once again the release of said assets by the competent Council of the Athens Court of Appeal, with the hope, that this time, the urgent need for the immediate disentanglement of the restructuring from the criminal proceedings and the completion thereof, will be acknowledged, to the benefit of the creditors, the Greek State and the 1,000 employees and their families.