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Press Release

Several potential Investors interested in Gellertstadt Bakery

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The restructuring expert Mr Stefan Kahnt from PLUTA Rechtsanwalts GmbH is currently in the process of finding an investor for the bakery Gellertstadt Bäckerei GmbH. He has already received initial offers from several potential investors. Negotiations will take place in the next few days or weeks to ensure that a long-term solution for the traditional bakery will be found in the near future.

Following the decision taken on 1 August 2016, the Local Court of Chemnitz opened the insolvency proceedings according to plan and appointed Mr Stefan Kahnt as the insolvency administrator for Gellertstadt Bakery. Together with his team, the insolvency administrator is continuing business operations while implementing the necessary restructuring measures at the same time. This involved closing seven of the 28 branches in total with effect from 1 August 2016 since it was not possible to operate them economically. The branches affected by these measures are in Bannewitz, Cottbus, Gera, Glashütte, Lauchhammer and Magdala and Schwarzheide. A total of 13 employees had to be laid off.

In the remaining 21 branches in Saxony and Thuringia, it was possible to continue the full scope of business operations. The customers can continue shopping there and can count on obtaining bakery products of a proven

PLUTA press contact

Patrick Sutter
relatio PR
+49 89 210 257-22
presse@pluta.net

PLUTA expert

Stefan Kahnt

Rechtsanwalt,
Fachanwalt für Insolvenz- und Sanierungsrecht

Further information about PLUTA and the contents of these Press information you will find under www.pluta.net

About PLUTA

PLUTA helps companies in legally and economically difficult situations. Since the company was founded in 1982, PLUTA has constantly grown. Today PLUTA has a staff of about 500 employees in Germany, Spain and Italy including more than 290 graduates in business economics and business management, attorneys, business lawyers, tax consultants, public auditors, certified accountants, economists, bankers, bookkeepers, engineers and insolvency administration specialists. Many of them own multiple qualifications what ensures practicable and economically sensible solutions. In particular, PLUTA provides support in restructuring companies affected by a crisis or insolvency and in continuing business operations, if necessary by involving restructuring experts in a responsible role. PLUTA is one of the top enterprises specialising in restructuring and turning around companies, as demonstrated by rankings and awards from INDat, JUVE, The Legal 500, Who's Who Legal, brandeins, and Focus. Further information at www.pluta.net

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high quality. At present, the Hainichen-based bakery has a workforce of 95 employees. Some of the original 130 employees decided to leave the company at their own request. Moreover, some time-limited employment contracts expired.

The PLUTA attorney Mr Stefan Kahnt said, "Reducing the number of branches is a difficult, but necessary step in the restructuring process. Business operations are continuing at 21 branches. Now the task is to find a buyer for the bakery. Currently we are holding promising talks with several investors." The insolvency administrator is aiming at giving the traditional bakery and the employees good prospects of a successful future.

The company had to file for insolvency on account of liquidity problems in June. Following this, the Local Court of Chemnitz appointed Mr Stefan Kahnt from PLUTA Rechtsanwalts GmbH as the provisional insolvency administrator for Gellertstadt Bäckerei GmbH. The company is a traditional producer of baked goods with headquarters in Hainichen, the city in which the German poet Gellert was born. For more than 50 years now, its bakers have been using their excellent workmanship to produce for the customers baked goods from high-quality raw materials. The bakery operates a total of 21 branches in the following towns and cities: Hainichen, Altenberg, Bürgel, Chemnitz, Dresden, Eisenberg, Jena, Leipzig, Limbach-Oberfrohna, Meißen, Mittweida, Oederan, Radebeul, Stadtroda and Waldheim.

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