

REORGANISATION IN SELF-ADMINISTRATION AT DEUTSCHE STEINZEUG CREMER & BREUER AG

Witterschlick / Sinzig / Ötzingen/ Schwarzenfeld. Deutsche Steinzeug Cremer Breuer AG, a world-renowned and leading German manufacturer of architectural and swimming pool ceramics, is reorganising itself and its subsidiary Agrob Buchtal GmbH. The companies are each utilising the option of restructuring under self-administration.

The Executive Board of Deutsche Steinzeug Cremer & Breuer AG and the management of the subsidiary Agrob Buchtal GmbH, based in Alfter-Witterschlick (NRW), filed for insolvency under self-administration with the competent local court in Bonn on 21 February 2024. This was approved by the court. The process is intended to clear the way for a new start aimed at preserving the locations and securing jobs. The business operations and production of the manufacturer of ceramic solutions will continue in full at all four sites. Deutsche Steinzeug's international sales organisations remain unaffected by the proceedings.

"All orders will be processed, produced and delivered as planned. Our customers will continue to receive the high-quality products they know from us," says Dieter Schäfer, CEO of Deutsche Steinzeug Cremer & Breuer AG. Together with Thomas Musial and Norbert Schäfer, the members of the Executive Board responsible for Sales and Finance, he informed around 1,000 employees in detail about the current situation at a staff meeting on Wednesday.

Aiming for swift conclusion

Restructuring under self-administration is a procedure under insolvency law that the company can carry out on its own. In this process, the management remains fully authorised to act and can act without restriction. It is supervised by a trustee appointed by the court. The aim is to swiftly conclude the two reorganisation proceedings with a reorganisation plan for each. The management will draw up these plans with the support of Schultze & Braun, a law firm specialising in corporate restructuring, within the next few weeks and submit them to the court.

The initial situation

"The decision in favour of insolvency proceedings was made after careful consideration and taking into account the current economic challenges," explains Schäfer. "The decisive factor for the financial imbalance was the change in the amortisation of current loans. The inflow of funds planned and finally prepared by Schäfer, which was required by the

challenging market environment in the construction and property sector, was made impossible by this turnaround. "We started early on to adapt our production capacities and processes to the lacking market. However, the change in our loans prevented the necessary and already finally prepared supplementary liquidity flow," says Schäfer.

"We see ourselves as 'ceramic solution providers' for our customers. This will not change in the future, and our experience and innovative strength will help us to master this problem phase for our companies. After overcoming the flood crisis in the Ahr valley, two exhausting pandemic years, the energy crisis caused by the Russian war of aggression in Ukraine, Deutsche Steinzeug is now making a fresh start. Our business model is fundamentally intact. We want to continue the measures that we have already initiated and bring them to a successful conclusion. We are confident that we will succeed," summarises Dieter Schäfer.

Deutsche Steinzeug Cremer & Breuer AG specialises in architectural, residential, swimming pool and façade ceramics. Production takes place in four German plants at the Ötzingen, Schwarzenfeld, Sinzig and Witterschlick sites. With around 1,080 highly qualified and experienced employees worldwide and various manufacturing processes, it ensures that the comprehensive product range and services relating to ceramic covering materials are constantly maintained and further developed at the highest level. The Deutsche Steinzeug Group has its own sales organisations in China, France, Switzerland and the USA as well as a global network of local partners.