



## ascena retail group Continues Optimization of Brand Portfolio

October 13, 2020

*Enters Asset Purchase Agreement with Premier Brands Justice to Sell Justice Intellectual Property, E-Commerce Business and Other Assets*

MAHWAH, N.J., Oct. 13, 2020 (GLOBE NEWSWIRE) -- ascena retail group, inc. (OTCMKTS: ASNAQ) and certain of its subsidiaries (collectively, "ascena" or the "Company") today announced that it has entered into an asset purchase agreement ("APA") with Premier Brands Justice LLC ("Premier Brands Justice") to sell the intellectual property, e-commerce business and other assets of its Justice brand.

ascena intends to conduct an auction pursuant to Section 363 of U.S. Bankruptcy Code. Accordingly, Premier Brands Justice will serve as the "stalking horse bidder" in a court-supervised auction process whereby the APA is subject to higher or otherwise better offers, among other conditions. ascena expects a decision about the remaining Justice retail locations to be made as part of the auction process.

"A sale of the Justice intellectual property, e-commerce business and other assets brings us closer to the completion of our restructuring process. All of our restructuring activities are focused on maximizing value for all of our stakeholders and positioning the ascena brands for long-term success," said Gary Muto, Chief Executive Officer. "With a reduced store footprint and a more focused collection of go-forward brands, we believe that ascena will emerge from Chapter 11 better able to strategically invest in our future and generate sustainable, profitable growth. Justice remains a brand beloved by tween girls, and we look forward to a competitive auction process."

Mr. Muto continued, "I remain incredibly proud of our entire team and thank them for their dedication and commitment to our customers. We remain steadfast in our commitment to delivering meaningful experiences for her every day as we prepare for the important upcoming holiday season."

The Company continues to operate its Ann Taylor, LOFT, Lane Bryant and Lou & Grey brands through its retail stores and online.

### Additional Information

Additional resources for customers and other stakeholders, and other information on ascena's financial restructuring, can be accessed by visiting the Company's restructuring website at <https://www.ascenaretail.com/restructuring/>. Court filings and other documents related to the Chapter 11 process are available at <http://cases.primeclerk.com/ascena>, by calling the Company's claims agent, Prime Clerk, toll-free at (877) 930-4319 (toll free) or (347) 899-4594 (international) or sending an email to [ascenainfo@primeclerk.com](mailto:ascenainfo@primeclerk.com).

Kirkland & Ellis LLP is serving as legal counsel to the Company and Alvarez and Marsal Holdings, LLC is serving as restructuring advisor. Guggenheim Securities, LLC is serving as the Company's financial advisor.

### About ascena retail group, inc.

ascena retail group, inc. (OTCMKTS: ASNAQ) is a national specialty retailer offering apparel, shoes, and accessories for women under the Premium Fashion segment (Ann Taylor, LOFT, and Lou & Grey), Plus Fashion segment (Lane Bryant and Cacique) and for tween girls under the Kids Fashion segment (Justice). ascena retail group, inc. through its retail brands operates ecommerce websites and approximately 1,500 stores (as of August 29, 2020) throughout the United States.

For more information about ascena retail group, inc. visit:

[ascenaretail.com](http://ascenaretail.com), [AnnTaylor.com](http://AnnTaylor.com), [factory.anntaylor.com](http://factory.anntaylor.com), [LOFT.com](http://LOFT.com), [outlet.loft.com](http://outlet.loft.com), [lanebryant.com](http://lanebryant.com), and [shopjustice.com](http://shopjustice.com).

### Forward-Looking Statements

Certain statements made within this press release may constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements are subject to certain risks and uncertainties that could cause actual results to differ materially. Forward-looking statements are statements related to future, not past, events, and often contain words such as "expect," "anticipate," "intend," "plan," "believe," "seek," "see," "will," "would," "estimate," "forecast," "target," "preliminary," or "range," or similar words. Forward-looking statements are based only on the Company's current assumptions and views of future events and financial performance. They are subject to known and unknown risks and uncertainties, many of which are outside of the Company's control that may cause the Company's actual results to be materially different from planned or expected results. Those risks and uncertainties include, but are not limited to, risks attendant to the bankruptcy process, including the Company's ability to obtain approval from the Court with respect to motions or other requests made to the Court throughout the course of the Chapter 11 petitions (the "Chapter 11 Cases"); the ability of the Company to negotiate, develop, confirm and consummate a plan of reorganization; the effects of the Chapter 11 Cases, including increased legal and other professional costs necessary to execute the Company's reorganization, on the Company's liquidity (including the availability of operating capital during the pendency of the Chapter 11 Cases), results of operations or business

prospects; the length of time that the Company will operate under Chapter 11 protection; risks associated with third-party motions in the Chapter 11 Cases; conditions to which any debtor-in-possession financing is subject and the risk that these conditions may not be satisfied for various reasons, including for reasons outside the Company's control; more stringent or costly payment terms and/or the decision by a significant number of vendors not to sell the Company merchandise on a timely basis or at all; the Company's ability to attract, motivate and retain key executives and other personnel; risks associated with the COVID-19 pandemic (including any resurgence) and actions we have taken in response thereto; general economic conditions that adversely impact consumer spending; disruptions at ports used to import the Company's products; increases in the price of raw materials, labor or energy and transportation costs; the Company's ability to anticipate and respond to changing fashion trends and customer preferences in a timely manner; the Company's ability to maintain its brand image; the impact of cost reduction initiatives; the Company's ability to successfully achieve its business strategies; and changes in U.S. trade policies and trade restrictions, as well as other factors described in the Company's most recent Annual Report on Form 10-K and subsequent filings with the Securities and Exchange Commission. The Company does not undertake to publicly update or review its forward-looking statements even if experience or future changes make it clear that its projected results expressed or implied will not be achieved.

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