



## **ascena retail group Announces Justice Brand Holdings Wins Auction to Acquire Justice Intellectual Property**

November 11, 2020

MAHWAH, N.J., Nov. 11, 2020 (GLOBE NEWSWIRE) -- ascena retail group, inc. (OTCMKTS: ASNAQ) and certain of its subsidiaries (collectively, "ascena" or the "Company") today announced that, following a comprehensive sale process and a competitive auction conducted under Section 363 of the U.S. Bankruptcy Code, Justice Brand Holdings LLC, an entity formed by Bluestar Alliance LLC (a leading brand management company), will acquire the intellectual property of ascena's Justice brand, certain other Justice brand assets and assume certain liabilities for total consideration of approximately \$90 million.

Gary Muto, Chief Executive Officer of ascena, commented, "The conclusion of the sale process for our Justice brand is a significant step forward in our efforts to complete our restructuring process and maximize value for all our stakeholders."

Mr. Muto continued, "The optimization of our portfolio better positions ascena for long-term success and supports our vision for the future. As we seamlessly transition ownership of Justice over the coming weeks, we remain committed to delivering meaningful experiences for our customers every day. I thank our entire team for their continued focus as we prepare for the important holiday season."

Justice stores will remain open and continue serving customers through the holiday season. A wind down of all Justice locations is expected to conclude by early 2021. In addition, Justice customers can continue to shop online at [www.shopjustice.com](http://www.shopjustice.com) through the holidays.

The transaction is subject to approval by the United States Bankruptcy Court for the Eastern District of Virginia (the "Court") and certain other customary closing conditions. A hearing to seek Court approval is scheduled for November 12, 2020. The transaction is expected to close before the end of November 2020.

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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