



To concerned creditors

Regarding Brothers AB, 556513-6826 ("the Company"), in company reorganisation; decision to continue the reorganisation

As you know, the Company has been going through a company reorganisation since March 23, 2020. This letter aims to inform you of the current situation. Please find a preliminary timeline attached.

Since the approval of the company reorganisation, the Company must pay for deliveries and services either in cash or in advance. The Company is not allowed to accrue new debt during the reorganisation. Debts arisen after the reorganisation, that are considered necessary and are approved in writing by the reorganisers, have a so-called "super priority" in the event of bankruptcy (see section 10, subsection 4 of the Rights of Priority Act [Swedish: *förmånsrättslagen*]) if they are unpaid at that point.

Involved parties have support the company reorganisation in an admirable manner based on the prevailing situation, with the ongoing COVID-19 pandemic. As illustrated from the Company's preliminary company reorganisation plan, several measures have been taken during the relatively short period of reorganisation, both in terms of operations and financially. Evaluating the personnel situation and negotiating around the Company's premises have been essential.

The operations are financed through the sale of the Company's products. New goods are purchased in accordance with the liquidity forecasts that the Company has prepared and continuously monitors. There is an ongoing dialogue with various stakeholders that aims to secure long-term financing of the business. External capital will be necessary in the long run.

A creditor's meeting took place at the Stockholm District Court on April 29. The Court decided, on the basis of the measures presented in the reorganisation plan and with the approval of the Company's creditors, that the reorganisation should continue, a decision that we welcome. The Company expects to request an extension of the current reorganisation period, which expires on June 23, 2020.

The Company hopes to present an arrangement with creditors at the time of the extension request. We have no reason to question that the reorganisation will be carried out as planned. We, the reorganisers, and the Company will be updating <https://www.rnb.se/en/Reorganisation/> with key documents and additional information about the company reorganisation.

Malmö/Stockholm, May 7 2020



Ola Sellert
Reorganisor



Mats Emthén
Reorganisor