

Press Release

PLUTA restructuring expert Sebastian Laboga rescues Hello Vape

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Administration

The future of e-cigarette reseller Hello Vape has been secured. All of the company's current 16 stores throughout Germany will continue operating and the jobs will be retained. Insolvency administrator Mr Sebastian Laboga, a restructuring expert from PLUTA Rechtsanwalts GmbH, has been able to transfer the business to a strategic investor with effect from 16 May 2020. The investor has chosen to remain anonymous.

Hello Vape, a retail chain for e-cigarettes and associated equipment, had to file for insolvency in late February 2020 after a partner unexpectedly refused to provide funds to finance the company's growth. Working together with his PLUTA team, which included attorneys Mr Tillman de Vries and Mr Sven Braun, Mr Laboga kept the business operating under difficult conditions after the application had been filed. Due to the COVID-19 pandemic, almost all shops were closed in the meantime by official order.

Continuation and investor process in spite of the coronavirus

"The coronavirus pandemic has had a major impact on these proceedings. Following the lockdown throughout Germany, we succeeded in getting ten stores in Berlin and

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Rechtsanwalt, LL.M. (London)

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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Saxony reopened by late March already, in compliance with the relevant regulations. This was an important signal for the process as a whole. As a result, we were able within the PLUTA restructuring team to successfully secure pre-financing of the substitute benefits provided under German insolvency law for all employees. This was a very challenging undertaking given the interim closure of all shops due to the COVID-19 crisis," explained PLUTA attorney Mr Laboga.

The insolvency administrator launched a structured process of finding an investor during the provisional proceedings together with Centuros, an experienced M&A consultancy based in Potsdam. Mr Laboga added: "Thanks to the excellent work of the entire team, there was great interest from investors in spite of the COVID-19 pandemic. We received several binding offers, which we examined closely. We have achieved the best possible outcome – for creditors, also – with the agreement that has been reached." The jobs of some 60 employees have been saved.

The new owner will take over all of the 16 recently reopened shops as well as online stores www.e-zigarette-24.com and www.e-zigarette-grosshandel.com. The buyer is also considering opening further shops, as the company had originally intended before the insolvency put a halt to its plans.



Sven Braun

Rechtsanwalt

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

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