

ZMB BRAUN GmbH in Friedrichshafen initiates restructuring in protective shield proceedings - focus on restructuring measures

- Business operations continue as usual during the restructuring process.
- Employees' salaries are secured for the remaining months.
- Managing Director Andreas Treut emphasizes: "ZMB Braun GmbH will continue to guarantee quality in the future - we will remain a reliable partner for our customers and suppliers."

[Friedrichshafen, 27.03.2024] - ZMB BRAUN GmbH has filed for the opening of insolvency proceedings at Ravensburg Local Court. The decision to initiate protective shield proceedings was unavoidable due to the current development of the construction industry in the European core markets, which is accompanied by a sharp slump in demand in the housing construction sector, among other things. Turnover has already been below 50% of normal business activity for several months. Business operations are continuing without restriction during the protective shield proceedings.

Protective shield proceedings are court-ordered restructuring proceedings in which the necessary restructuring measures are to be developed quickly during ongoing business operations in order to create long-term prospects for the company and all parties involved in the proceedings. As a rule, protective shield proceedings are only approved if the company has a chance of sustainable restructuring and there is no risk of disadvantages for the creditors. The Ravensburg Local Court granted the protective shield application and appointed lawyer Thorben Schmidt from the law firm WINKLER & PARTNER Insolvenzverwalter GbR as provisional administrator.

The management remains fully capable of acting within the restructuring in self-administration in order to be able to fully implement the initiated restructuring measures. Together with the experienced restructuring experts from the law firm LUTHER, the restructuring options will be examined and the restructuring will be monitored for the creditors.

Developments in the building industry, the rise in the price of building materials, rising interest rates, disruptions in the supply chain and material shortages that delay and increase the cost of construction projects are the main reasons for the difficult economic situation in the industry and at ZMB BRAUN GmbH. Unfortunately, the current positioning in terms of diversification and internationalization is not crisis-proof enough to cope with such a sharp decline in sales in the main European market. Adjustments to the company's personnel and process structure are necessary to secure the company's future.

Around 50 employees were informed about the initiation of the protective shield proceedings and the next steps at a works meeting at the Friedrichshafen site. Wages and salaries are secured for the next three months by the insolvency money from the employment agency and also by the self-administration. The management of ZMB BRAUN regrets the necessity of these measures and assures the affected employees of the best possible support and that the interests of all parties involved will be taken into account as comprehensively as possible.

The management and shareholders are confident that the company can be continued in the long term. Managing Director Andreas Treut emphasizes: "ZMB Braun GmbH will continue to guarantee quality in the future - we will remain a reliable partner for our customers and suppliers."

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#ZMB BRAUN

Dies and pressure heads from ZMB BRAUN are used worldwide to manufacture high-quality products in the brick and tile industry and in technical ceramics. Many years of experience and continuous further development of the shaping tools make ZMB BRAUN a reliable, competent and dependable partner.