

## **Charlotte Russe Holdings Corporation Files Voluntary Chapter 11 Bankruptcy Petition in U.S.; Pursues Going Concern Sale of Business**

*Charlotte Russe and Peek Kids Stores and Websites Remain Open to Serve Customers*

**SAN FRANCISCO, February 4, 2019** - Charlotte Russe Holdings Corporation together with its subsidiaries (the “Company” or “Charlotte Russe”) today announced that the Company has voluntarily filed for relief under Chapter 11 of the Bankruptcy Code in the U.S. Bankruptcy Court for the District of Delaware on February 3, 2019. Charlotte Russe intends to use these proceedings to facilitate an orderly wind-down of a group of approximately 94 of its store locations, while continuing to pursue a going-concern sale of the business and assets.

Charlotte Russe and Peek stores and online platforms are currently open and continuing to serve customers. The Company will provide more details about the plans for the closing locations of Charlotte Russe and Peek and their store closing sales in the near term.

Charlotte Russe has received a commitment for a debtor in possession financing in the maximum amount of \$50 million. If approved by the Bankruptcy Court, the financing will support the Company’s operations and administration during the Chapter 11 proceedings.

Charlotte Russe has filed a number of customary motions with the U.S. Bankruptcy Court seeking authorization to operate its business in the ordinary course during the Chapter 11 proceedings, including, without limitation, authority to continue payment of employee wages and benefits, and amounts due to shippers and warehousemen, utility service providers and taxing authorities. The Company also seeks authorization from the Court to continue to honor certain customer programs.

Additional information regarding Charlotte Russe’s Chapter 11 filing and information about the claims process is available at [www.donlinrecano.com/charlotterusse](http://www.donlinrecano.com/charlotterusse) or by calling the Company’s claims agent, Donlin Recano, at (877) 864-4836 or submitting an inquiry via e-mail to: [crinfo@donlinrecano.com](mailto:crinfo@donlinrecano.com).

Cooley LLP is serving as the Company’s legal counsel, Berkeley Research Group is serving as its financial advisor, and Guggenheim Securities, LLC is serving as its investment banker.

### **About Charlotte Russe**

Charlotte Russe is a fashion brand for young women, offering affordable on-trend apparel, shoes and accessories for all sizes, with a fun and engaging shopping experience wherever and whenever she wants. Charlotte Russe operates in the contiguous 48 states, Hawaii and Puerto Rico through their online store and mobile app, as well as over 500 brick-and-mortar stores located primarily in malls and outlet centers. In 2016, the Company expanded to include Peek Kids, operating 10 stores and an ecommerce site. For more information, please visit <http://www.CharlotteRusse.com> and on Instagram @CharlotteRusse and @Peekkids.

### **Forward Looking Statements**

This press release contains or may contain forward-looking statements, including statements relating to Charlotte Russe’s strategic initiatives. Forward-looking statements typically are identified by use of terms such as “believe,” “expect,” “may,” “will,” “should,” “could,” “seek,” “intend,” “plan,” “estimate,” or “anticipate” or similar expressions, although some forward-looking statements are expressed differently. These forward-looking statements are subject to significant risks, uncertainties, contingencies and other factors that may change at any time, and, therefore, Charlotte Russe’s actual results may differ materially from those expressed in any forward-looking statement. Factors that could

cause such differences include, but are not limited to: risks related to retail businesses generally; deterioration of general economic conditions; consumer spending patterns, debt levels, and the availability and cost of consumer credit; additional competition from existing and new competitors or changes in the competitive environment; weather conditions that could negatively impact sales; the ability to attract and retain qualified management; the dependence upon relationships with vendors; operational disruptions; unsuccessful marketing initiatives; and changes in, or the failure to successfully implement, key strategies. Readers should not place undue reliance on these forward-looking statements, which speak only as of the date they were made. Charlotte Russe undertakes no obligation to update any forward-looking statements, whether as a result of new information, future events or otherwise, and such forward-looking statements speak only as of the date of this press release.

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