

Media Release, February 29, 2016

## **RBR Capital (RBR) and Cologne Advisors (Cologne) make a proposal to implement best-in-class corporate governance and remedy mistakes made by the board of directors of gategroup**

Despite the progress made since last year's AGM, gategroup continues to suffer from poor corporate governance, failure of oversight and inadequate management supervision. In addition, the focus on growth through acquisitions instead of needed improvements to profitability through internal measures risks further destroying shareholder value.

The proposal to not re-elect Gerard van Kesteren at the next AGM jeopardizes the fragile progress that has been achieved over the last 12 months. It is another clear sign of the unhealthy state of affairs and poor corporate governance which still rattles the current board. For this reason, RBR and Cologne have decided to give shareholders an alternative, a choice to put things right and continue down the path chosen by the last AGM to further strengthen and improve the composition of the board at the upcoming AGM. RBR and Cologne propose to:

- 1) Re-elect Julie Southern, David Barger and Fred Reid, as they contribute the necessary industrial and financial expertise to the board of directors of gategroup.
- 2) Re-elect Gerard van Kesteren, as he is an indispensable guarantor of best-in-class corporate governance. Furthermore, he will ensure that targets will be achieved rather than announced and disregarded.
- 3) Elect Nils Engel, an entrepreneur and former CEO of BZ Bank. Nils Engel has vast experience in advising CEOs and board members of publicly listed Swiss companies on shareholder value creation and corporate governance.
- 4) Elect Rudolf Bohli, founder and CEO of RBR Capital, as a representative of the largest shareholder group.
- 5) Not re-elect Andreas Schmid, Anthonie Stal and Remo Brunschwiler.

As a further sign that it is not RBR's and Cologne's intention to gain undue weight on or control of gategroup's board (as the company claims), they deliberately decided not to propose a candidate for chairmanship. Instead, they asked the current board to propose an alternative candidate for chairman. After eight years of dismal underperformance, poor corporate governance, insufficient oversight and weak operating performance, they are convinced it is time that shareholders are given an alternative choice for chairman.

In an open letter to the board of directors, RBR Capital and Cologne Advisors provided a detailed analysis of the situation and the reasons for their proposal. This letter as well as the CV's of the newly proposed candidates can be found on the website [www.savegategroup.com](http://www.savegategroup.com).

**For more information please contact:**

RBR Capital: info@rbrcapital.com, +41 58 705 0000

Cologne Advisors: info@cologne.co.uk, +44 203 642 0660

**About RBR Capital Advisors**

RBR Capital Advisors AG, founded in 2003, is an investment management boutique specializing in investments in continental European equities, including long-short and long-only strategies. We are committed to generating double-digit returns for our investors in the equity markets with a commensurate amount of risk taken. We achieve this through our rigorous, robust and time-tested bottom-up research approach which involves several hundred company management meetings per year. We believe that entrepreneurial freedom and passion for what you do brings the best out in people. We set very high standards for what we do and as a consequence we align ourselves with our investors: our own money is invested alongside client assets. Our strengths have been externally recognized in a number of industry award nominations, in particular for long-term performance, such as EuroHedge and HFM Awards. We are proud of our long-term track record – but we remain hungry to perform.

**About Cologne Advisors**

Cologne Advisors LLP is an investment-management organization based in London – authorized and regulated by the Financial Conduct Authority. We invest primarily in European publicly traded equities through the Camox Fund, a long/short hedge fund. Our strategy is one of "bottom-up" stock picking with a focus on fundamental research. We believe markets are efficient except when they are not: we look for "reversion to efficiency", i.e. mispriced companies where the real value will be revealed through a catalyst.

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