

TraWell Co

PRESS RELEASE

THE BOARD OF DIRECTORS EXAMINES THE PRELIMINARY DATA OF FY 2020 AND APPROVES THE COMPANY'S CAPITAL STRENGTHENING PLAN

AN EXTRAORDINARY SHAREHOLDERS' MEETING HAS BEEN CALLED FOR 28 MAY 2021 TO GIVE THE BOARD OF DIRECTORS A PROXY TO INCREASE SHARE CAPITAL BY A MAXIMUM AMOUNT OF 60 MILLION EUROS

Gallarate, 12 May 2021 – The Board of Directors of TraWell Co S.p.A. (AIM Italia, ticker: TWL), which met today, has examined the preliminary data for FY 2020, acknowledging favourably that – thanks to the timely launching of the efficiency-making and savings actions by the management to contain the negative impacts of the Covid-19 pandemic still underway – the expected loss for FY 2020 will not entail for the Company any of the types of significant losses of capital mentioned in articles 2446 and 2447 of the Italian civil code.

As already notified on previous occasions, the preliminary economic-financial results of FY 2020 clearly suffered from the negative effects generated by the Covid-19 pandemic, which, during 2020, caused a severe reduction in passenger traffic, of 76.8% in Italy (Assaeroporti estimation) and of 64% in the world (ACI – Airports Council International estimation) and forced the almost total closure of points of sale all over the world starting from March 2020.

Below we report the main preliminary consolidated figures for FY 2020, reminding you that on the basis of the current calendar of corporate events circulated by the Company, approval of the draft financial statements for FY 2020 and the consolidated financial statements 2020 is planned for 27 May 2021:

- preliminary consolidated revenues of FY 2020 are estimated at around 16.9 million euros, compared with 45.7 million euro as at 31 December 2019;
- the preliminary consolidated EBITDA 2020 is estimated at -1,4 million euro, compared with 3.7 million as at 31 December 2019.

In addition to the numerous actions already taken by the management to mitigate the negative effects of Covid-19 on the business in order to preserve the company's economic and financial solidity (reduction of structural costs, utilisation of social safety nets envisaged by the legislation of the various countries in which the Group operates, activation of new financing lines also benefiting the concessions provided by the Covid-19 emergency legislation in the various countries), the Board of Directors deliberated to approve a plan to strengthen the Company's capital and, consequently, deliberated to call the Extraordinary Shareholders' Meeting for the **28th May 2021** in first call, and, if necessary, in second call on 29th May 2021, to grant the Board of Directors a proxy to increase share capital by a maximum amount of 60 million euros, including any share-premium, to be carried out also in one or more *tranches*, within five years of the date of the deliberation, in compliance with article 2443 of the Italian civil code, both with recognition of the pre-emption right in compliance with article 2441, sub-section 1, of the Italian civil code and also with exclusion of the pre-emption right in compliance with article 2441, sub-sections 4 and 5 of the Italian civil code, also through the issue of warrants.

The Board of Directors believes it can implement the capital strengthening plan after calling the Extraordinary Shareholders' Meeting, by executing the aforementioned proxy through an increase in capital, against cash contributions, and in *tranches*, for the maximum amount (including share-premium) of 6 million Euros to be offered in pre-emption to Shareholders in compliance with article 2441, sub-section 1, of the Italian civil code ("**Increase Delegated under Option**"), and combining free of charge with newly issued ordinary shares (having the same characteristics as the ordinary shares in circulation and regular enjoyment) warrants incorporating the right to underwrite new ordinary shares of the company with corresponding capital increase to exercise the warrants for a maximum amount (including share-premium) of 54 million Euros, always within the limits of the aforementioned proxy ("**Delegated Warrant Increase**").

The terms and conditions of the Delegated Increase under Option and the Delegated Warrant Increase, including the exact number of ordinary shares to be issued, the ratio of allocation under option and the relevant issue price, the exact number of warrants to be assigned free of charge to the shares coming from the Increase Delegated under Option, the assignment ratio of the warrants and the relevant exercise price, will be defined by the Board of Directors during the implementation of the proxy and close to the time the offer under option is launched. With regard to the warrants which will be issued in combination with the new shares coming from the Increase Delegated under Option, the Company will present an application for admission to dealings on the AIM Italian multilateral dealing system.

With regard to the Increase Delegated under option, the capital strengthening plan currently planned to start before the first half of 2021 so as to be able to benefit from the tax concessions provided by Law Decree n. 34/2020 (converted with Law no. 77/2020) is aimed at supporting the development and stratification strategies, from an anti cyclic point of view, of the *business* launched by the Company's management, making it possible to seize opportunistically and promptly the opportunities which may be presented in the current economic situation, both in Italy and abroad.

The capital strengthening plan has the support of the Shareholders of the controlling Company RG Holding S.r.l. (holder of a 56.77% stake in the Company's share capital, which has confirmed its commitment to underwrite the stake to which it is entitled in the Increase Delegated under Option.

Note that the mentioned Increase Delegated under Option falls within the cases of non-applicability of the provisions regarding the offer to the public of financial instruments provided by art. 100 of Legislative Decree no. 58/98 ("*Consolidated Law on Finance*"), by art. 34-*ter* of the Regulations adopted with Consob deliberation no. 11971/99 ("*Issuers Regulations*"), in compliance with that provided by art. 3 of EU Regulation 2017/1129 ("*Prospectus Regulation*"), while the free attribution of warrants does not constitute an offer to the public of securities in compliance with the Prospectus Regulation and the Consolidated Law on Finance.

Rudolph Gentile, CEO and Chairman of TraWell Co declares: "We are launching the process for a capital increase with the hope that it will be underwritten by all shareholders. The aim – continues Gentile – is to guarantee the right financial balance to support the development of TraWell Co's core businesses and the marketing of the new telemedicine service for travellers (*Dr. Travel*), and also to re-launch a selective campaign of acquisitions, so as to be able to seize the consolidation opportunities which the historic situation offers. Today more than yesterday it is necessary and strategic for success, to join forces to create new wealth. Finally, the preliminary results of 2020, with an EBITDA of -1.4m, an improvement compared with the figures of the first half of 2020, clearly demonstrate the excellent work carried out to optimise our structural costs. An excellent basis for a solid new start".

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