

Company announcement:**COVID-19 outbreak and contemplated amendments to bond terms**

PWT Group generated solid progress in business performance and met expectations of increasing revenue and earnings in 2019. While PWT Group has continued the positive development in January and February 2020, the global outbreak of COVID-19 and subsequent closure of the Group's stores in mid-March will have a severe negative impact on operational and financial performance for the full-year.

PWT Group has taken necessary measures and introduced several initiatives to secure the financial position of the Group from both a short and a long-term perspective. More than 80% of the staff has been temporarily sent home, external payments have been restricted and negotiations have been initiated and will continue with suppliers, etc. regarding payment terms. However, management deems that the reduced volumes will likely have a detrimental effect to the Group's cash flow and subsequent liquidity position during the remainder of 2020 and 2021 and result in negative earnings for, at least, 2020.

The company's Super Senior Working Capital Facility, which is uncommitted, is currently being renegotiated. Even in case the stores may re-open in May, the company's liquidity might not suffice unless the existing facility remains and its amount available is increased.

To mitigate any potential liquidity shortfall, PWT Group has approached the lender under its Super Senior Working Capital Facility and initiated discussions regarding a potential increase of the facility – to be partially guaranteed as part of the Danish state-backed COVID-19 initiative.

As part of the discussions, PWT Group will approach the bondholders under its bond maturing in 2022 to renegotiate the existing terms and conditions to facilitate an increase in the Super Senior Working Capital Facility and other potential amendments including, *inter alia*, a partial debt-to-equity swap, an extension of the bond tenor and interest payment deferral. Management believe that the sought-after solution will strengthen the Group's liquidity significantly during the remainder of 2020 and 2021 and that it will provide the Group with a solid basis for a future going concern.

PWT Group has mandated Pareto Securities AB as sole financial advisor in the discussions together with its senior lender and bondholders.

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