

**Press release**  
**August 13, 2019**

## **Nustay decides to initiate a process of raising capital.**

The Board of Nustay A/S (“Nustay”) has decided to initiate the process of raising additional capital of a minimum of 10 MDKK to rebuild the cash-buffer and finance further growth.

Nustay has suffered a decline in cash flow due to challenges with Nustay’s primary marketing integration as the integration is converting from a beta version to a full release. This decline comes on top of some industry- and seasonality factors, which have been more profound in the current high season: The meta-data delivered from hotel bed suppliers during the current peak season has been of mixed quality and have resulted in a high number of failed bookings. Also, the average days between booking and check-in have been shorter than expected, which has a negative impact on cash flow. As a result of the above, the growth has been more cash demanding than expected, but at the same time, the EBITDA margin has developed better than expected.

The decline in the cash flow has consumed the cash buffer.

As communicated in the IPO-prospectus, Nustay’s expansion and aggressive market initiatives involve a risk related to the company’s cash flows. Such a risk has now materialized.

In connection with Nustay’s IPO in March 2019, the goals were to achieve a positive free cash flow for 2019, have sufficient working capital on a 12 months basis from listing, and double-digit growth in monthly handled revenue. These goals are not achieved. Nustay’s focus is now on healthy growth and further EBITDA margin improvement.

To improve performance, the Management has initiated operational improvements, adjustment of the marketing model, launched new marketing channels, added new margin earning features to the platform, and developed mobile-marketing.

Given the measures initiated and the expected contemplated capital increase, the Board believes that the capital position will be sufficient, considering the commercial outlook, to have a positive cash-generation in 1st half of 2020 and be net profitable towards the end of 2020. The risk factors described in the IPO-prospectus will continue to apply, also following the contemplated capital increase.

Nustay’s platform is cutting edge. Nustay has world-class in-house resources for the platform- and system integration development and is building and operating the most disruptive innovative hotel booking platform in the world. Nustay’s vision is to give the customers a great hotel booking experience at competitive prices.

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*This information is information that Nustay A/S is obliged to publish following the EU Market Abuse Regulation. The information was provided by the contact person above for publication on August 13, 2019.*

**About Nustay:**

Nustay is a Danish company within the hotel booking market that offers its customers a new booking concept. Nustay has a vision of becoming the best and most disruptively innovative hotel booking platform in the world with Nustay's innovative and advanced hotel booking platform which has proven its ability to handle customers all over the globe. Nustay is an Online Travel Agency that delivers personalized hotel deals for each registered user depending on the preferences of the user and the type of stay. Nustay differs itself from its competitors by combining the best and most important aspects of existing online booking – a large hotel inventory, a great booking experience, and competitive prices.