

Press release

Stockholm, 21/09/2016

Pandox AB (publ) acquires Hilton Grand Place Brussels for MEUR 55

Pandox AB has entered into an agreement to acquire Hilton Grand Place Brussels, Belgium. The hotel is a full service hotel in the premium segment with 224 rooms and an attractive meeting product. The purchase price amounts to MEUR 55, corresponding to approximately MSEK 525, and is financed by existing credit facilities. The acquisition is expected to be completed during the fourth quarter 2016, and the hotel will then be reported under the business segment Operator Activities. For 2017 the hotel is expected to contribute the equivalent of approximately MSEK 125 in revenue and MSEK 20 in cash earnings.

“The acquisition of Hilton Grand Place Brussels is industrially sound and offers good potential. The hotel is strategically located adjacent to the Grand Place in Brussels with direct access to the central station, and benefits from both business and leisure demand. Based on its location, product, brand and meeting offering the hotel has good prospects to further gain market shares. The hotel property adds a distinct value to Pandox’s hotel portfolio in the continued development of the hotel market in Brussels”, says Anders Nissen, CEO of Pandox.

The acquisition of the hotel property is made in a company owned by a private investor with an underlying property value of MEUR 55. In addition, MEUR 3 will be invested in room upgrades during 2017-2018. The total investment corresponds to a yield of more than 6 percent.

The hotel has 224 rooms, 17 conference rooms and a complete F&B offering and is currently operated under a management contract with Hilton, which can be converted to a franchise agreement 2019.

FOR MORE INFORMATION, PLEASE CONTACT:

Anders Nissen, CEO, +46 (0) 708 46 02 02

Liia Nõu, CFO, +46 (0) 702 37 44 04

Anders Berg, Head of Communications and Investor Relations, +46 (0) 760 95 19 40

This information is information that Pandox AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, 21 September 2016, 08:00 CEST.

About Pandox

Pandox is a leading owner of hotel properties in Northern Europe with a focus on sizeable hotels in key leisure and corporate destinations. Pandox’s hotel property portfolio comprises 112 hotels with more than 24,000 hotel rooms in eight countries. Pandox’s business is organised into Property Management, which comprises hotel properties leased on a long-term basis to market leading regional hotel operators and leading international hotel operators, and Operator Activities, which comprises hotel operations executed by Pandox in its owner-occupied hotel properties. Pandox was founded in 1995 and the company’s B shares are, as of 18 June 2015, listed on Nasdaq Stockholm. www.pandox.se