

Press release

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Pandox AB (publ) plans to acquire Silken Berlaymont in Brussels for MEUR 32.7

Pandox plans to acquire Silken Berlaymont in Brussels, Belgium. The hotel is a full service hotel with 212 rooms and a competitive meeting product. The purchase price amounts to MEUR 32.7, corresponding to approximately MSEK 315, and is financed by existing credit facilities. The transaction and transfer of possession are expected to be completed at the end of May 2017 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 70 in revenue and MSEK 10 in cash earnings on an annualised basis.

“The acquisition of Silken Berlaymont is industrially sound and is made at an attractive valuation. The hotel is positioned in a market segment with good average prices and a stable base occupancy level. The hotel product is underperforming and offers good improvement potential supported by inter alia its strong location adjacent to the EU Commission with efficient communications to both the city centre and the airport. The hotel property adds further value to Pandox’s already strong hotel portfolio in Brussels”, says Anders Nissen, CEO of Pandox.

The transaction is in form of an acquisition of a selection of assets and liabilities, including the building and the hotel business. The purchase price amounts to MEUR 30, plus transfer tax of maximum MEUR 2.7. In addition, MEUR 3.5 will be invested in upgrading of rooms, corridors, public areas and meeting areas. The total investment corresponds to a yield in excess of 7 percent. The seller is Hotel Berlaymont SA/Urvasco Hotel SA via trustee where Pandox has received the necessary court approval to enter into an agreement to acquire the hotel. The hotel will initially be operated under an independent brand.

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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 120 hotels with more than 26,000 hotel rooms in ten 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