

Press release

Stockholm, 02/10/2018

Pandox acquires Radisson Blu Glasgow for MGBP 39

Pandox AB (publ) has entered into an agreement to acquire Radisson Blu Glasgow in Scotland. The hotel is a full-service hotel with 247 rooms and a strong location in central Glasgow. The purchase price amounts to MGBP 39, corresponding to approximately MSEK 455, and is intended to be financed by a new bank loan and existing credit facilities. The transaction and transfer of possession are expected to be completed during the fourth quarter 2018. The hotel will be reported under the business segment Operator Activities. For 2018 the hotel is expected to contribute the equivalent of approximately MSEK 150 in revenue and MSEK 20 in cash earnings on an annualised basis.

“The acquisition of Radisson Blu Glasgow is industrially sound and meets all of Pandox’s acquisition criteria. The hotel is a full-service hotel in the premium segment with an attractive central location and a strong market position with demand from all segments. With the acquisition of Radisson Blu Glasgow, Pandox continues its expansion in the UK with yet another profitable hotel”, says Anders Nissen, CEO of Pandox.

The purchase price amounts to MGBP 39 before transaction cost - approximately MSEK 455 at current exchange rate (GBP/SEK 11.67) - and corresponds to a yield of approximately 7 percent. The transaction is made in form of an acquisition of a combination of shares (property) and assets and liabilities (hotel operation assets) from an institutional investor.

The hotel is well maintained and has 247 rooms, 15 conference rooms, pool/gym and a complete F&B offering. The hotel is operated under a management contract with Radisson Hospitality Group.

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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 143 hotels with approximately 31,600 hotel rooms in fifteen 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 listed on Nasdaq Stockholm. www.pandox.se