

Press release

Stockholm, 12/11/2019

Pandox acquires hotel property in Nuremberg for MEUR 61

Pandox AB (publ) has entered into an agreement to acquire Maritim Hotel with 316 rooms in central Nuremberg, Germany. The total transaction value amounts to approximately MEUR 61, including transfer tax, and will be financed by cash and existing credit facilities. The tenant is Maritim Hotels and the hotel is expected to contribute approximately MEUR 3.2 in net operating income in 2020, on an annualised basis. The acquisition is expected to close during the first quarter of 2020 and the hotel will be reported under the business segment Property Management.

“We are very pleased to acquire Maritim Hotel Nuremberg since it meets all of Pandox’s acquisition criteria and is made at an attractive valuation. The hotel is strategically and centrally located in a growing regional city in Germany with generally high occupancy and high average prices. It is a full-service hotel with dynamic demand from the business, meeting and leisure segments. We see clear potential for the hotel to increase its revenues and strengthen its profitability over time, through re-positioning and comprehensive investments in the hotel product”, says Anders Nissen, CEO of Pandox.

The transaction is made in form of acquisition of assets and liabilities, including the hotel property and an existing short-term fixed lease agreement with Maritim Hotels. Pandox is currently exploring different options for the hotel, such as entering into a new lease agreement or taking over the hotel operations.

The total transaction value amounts to approximately MEUR 61, of which approximately MEUR 59 for the hotel property and approximately MEUR 2 for transfer tax. The current lease agreement contains a fixed and indexed annual rent, and Pandox expects the hotel to contribute approximately MEUR 3.2 in net operating income in 2020, on an annualised basis. The initial yield corresponds to approximately 5.4 percent, before transaction costs, and is expected to increase significantly following active ownership and value-adding investments. The seller is a German institution. The acquisition is expected to close during the first quarter 2020, provided that all conditions in the transfer agreement have been fulfilled.

Pandox sees significant value potential in the hotel property and will invest MEUR 18 in a comprehensive upgrade of the hotel’s technical standard, as well as rooms, meeting areas, restaurant, bar and other public areas.

Maritim Hotel Nuremberg was built in 1986 and has 316 rooms and nine meeting rooms, of which the largest accommodates up to 850 persons. Nuremberg is the second largest city in Bavaria with more than 3.5 million inhabitants including suburbs. It is one of Germany’s fastest growing economic zones with high in-migration and low unemployment. Furthermore, the city has one of the largest exhibition facilities in Germany with over 1.5 million visitors annually.



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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 currently comprises 146 hotels with approximately 32,700 hotel rooms in 15 countries. Pandox's business is organised into Property management, which comprises hotel properties leased on a long-term basis to market leading 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