

Press release

Stockholm, 31/08/2021

Pandox takes over operations its hotel property in Nuremberg and makes extensive investment

Due to the expiration of the lease agreement, Pandox AB (publ) has per 31 August 2021 taken over the operations of Maritim Hotel Nürnberg in central Nuremberg, Germany, in a hotel property already owned by Pandox. Pandox sees great value potential in developing the hotel under own operations and will invest approximately MEUR 20 in a comprehensive renovation and repositioning of the hotel. The hotel property will be reclassified to Operator Activities from Property Management per 1 September 2021.

Pandox acquired the hotel property in 2019. The hotel has been operated by Maritim Hotels under a fixed lease agreement, which has now expired. The hotel is strategically and centrally located in Nuremberg, which is a growing regional city in Germany with generally, before Covid-19, high occupancy and high average prices. Hotel demand is mainly domestic, with a good balance of leisure and business travelers.

Pandox sees potential for high value growth in the hotel property through repositioning and investments in the hotel product. An extensive renovation will begin in the fall of 2021 and is expected to be completed during the third quarter of 2022. During this period the hotel will be closed. The total investment is estimated to amount to approximately MEUR 20.

"The hotel has a very strong location in the center of Nuremberg, with direct proximity to the main railway station, but it needs revitalisation and complete renovation. We have decided to carry out the investment and repositioning ourselves to maintain maximum flexibility. We have ambitious plans for the hotel, which we believe has great potential to create value for Pandox as well as for Nuremberg as a city", says Jan-Patrick Krüger, Director of Operations Germany at Pandox.

The hotel property was built in 1986 and has 316 rooms. 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, low unemployment and a growing technology cluster. Furthermore, the city has one of the largest exhibition facilities in Germany.

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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 156 hotels with approximately 35,000 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 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