

Press release

Stockholm, 23/09/2022

Pandox enters into an agreement to sell InterContinental Montreal

Pandox AB (publ) has entered into an agreement to divest InterContinental Montreal in Canada. The sale includes both the hotel property and hotel operations with a total transaction value of approximately MCAD 80, corresponding to approximately MSEK 660. The closing is planned to take place in the first quarter of 2023.

"We are pleased to have signed an agreement to sell InterContinental Montreal, which we have owned since 2007 and have developed in stages since then. The timing is right, the sale price is attractive, and the buyer has a strong local presence in Montreal. With the sale, we prove that Pandox's value creation model works well in all our markets. The divestment realises value and frees up capital for continued expansion in our main markets", says Liia Nõu, CEO of Pandox.

The total transaction value amounts to approximately MCAD 80, corresponding to approximately MSEK 660. The InterContinental Montreal has 357 rooms and is operated under a management agreement. In 2019, the hotel, which is reported in the business segment Operator Activities, had revenues of approximately MCAD 30 and a net operating income of approximately MCAD 5.

The transaction is made in form of divestment of assets and liabilities and is expected to be finalised in the first quarter of 2023, following a customary due diligence process, according to Canadian practice, where the buyer pays a deposit that is forfeited if the transaction is not completed. The buyer is a well-established real estate investor and developer with operations in eastern Canada.

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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 35,500 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