

Press release

Stockholm, 23/09/2022

Pandox acquires hotel in the UK for MGBP 40

Pandox AB (publ) has acquired and gained access to a hotel property including hotel operations in central Bath, Great Britain. The hotel has 176 rooms and will be operated under a new management agreement with Axiom Hospitality, subject to a franchise under the DoubleTree by Hilton brand. The total acquisition price amounts to approximately MGBP 40 and will initially be financed by cash and existing credit facilities.

"We are pleased to make this acquisition. The UK is a priority market for us and a hotel in Bath provides exposure to an attractive tourist destination that ranks as a top destination with both domestic and international visitors. The hotel is well invested and has a strong, strategic location in central Bath, attracting both leisure and business travelers. At the same time, we have clear ideas of how we can further strengthen the hotel's position and profitability. We are also pleased to add Axiom Hospitality as a new business partner", says Liia Nõu, CEO of Pandox.

The seller is a controlled affiliate of Starwood Capital Group. Pandox expects the hotel to generate a stabilised yield of approximately 7.5 percent. The hotel will per 23 September be reported under the business segment Operator Activities.

The hotel is in direct proximity to the city's famous historic core and its Roman baths. The leisure segment forms an important part of demand through its historical heritage, theatres, museums, and cultural life. Sports (rugby) and the university are also important drivers for demand, and the city has a rich business life, mainly in the service sector. Around 3.8 million people visit the city each year and the destination has UNESCO World Heritage status, which guarantees its long-term status as a high-quality destination. Communications are good both to the nearest city and airport in Bristol (about 40 min), as well as connectivity by train to London (1.5 h).

Read more about DoubleTree by Hilton Bath: <https://www.hilton.com/en/hotels/bathndi-doubletree-bath/>

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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