

Press release

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Pandox signs a new lease agreement with Citybox for a hotel property in central Brussels

Pandox AB (publ) has signed a lease agreement with the Norwegian operator Citybox Hotels for the current NH Brussels Louise, which Pandox acquired earlier in 2022. The lease agreement is expected to become effective during the first half of 2024 when the hotel reopens after an extensive renovation. The lease is revenue-based with a minimum rent and runs over 25 years with an option for a further 10 years.

"It feels very good to start a cooperation with Citybox, which is an expansive and ambitious operator with a distinct and modern concept in the budget segment. The hotel concept suits the hotel property very well and attracts a different type of demand compared to our other hotels in Brussels. The lease is attractive with good minimum levels and proves well how Pandox's active model for value creation works in practice", says Liia Nõu, CEO of Pandox.

"For Citybox Hotels, it is a major breakthrough to get access to a hotel in Brussels of this size and location. We have worked several years for this. We are very proud of signing Citybox Brussels and that it is happening in collaboration with such a large and professional player as Pandox. Now we are very much looking forward to taking the Citybox concept to yet another European city", says Martin Smith-Sivertsen, chairman of Citybox Hotels.

The hotel, which has 246 rooms, will continue to be operated in Operator Activities under a franchise with the NH Hotels brand until the start of the renovation in April 2023. The renovation covers all parts of the hotel property, including BREEAM certification, and is expected to amount to approximately MEUR 12 with a good stabilised return. The hotel will be closed during the renovation and is expected to reopen in the first half of 2024 with Citybox Hotels as tenant.

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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 157 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