

Press release

Stockholm, 16/02/2023

Pandox acquires hotel in the UK for MGBP 53

Pandox AB (publ) has acquired and gained access to The Queens Hotel in central Leeds, UK. The acquisition includes both the hotel property and the hotel operations. The hotel has 232 rooms and will be operated as an independent brand under a new management agreement with Axiom Hospitality. The total acquisition price amounts to approximately MGBP 53 with an expected stabilised yield of more than 9 percent.

"We are pleased to acquire the iconic and market leading The Queens Hotel in central Leeds. The hotel is located next to the city's largest square and the central station, attracting both leisure and business travellers. The hotel product is in very good condition after a newly completed renovation. The transaction is made at an attractive yield, and we see good potential to further increase the hotel's return over time through active measures in operation, organization and product offering", says Liia Nõu, CEO of Pandox.

In recent years, The Queens Hotel has undergone a substantial renovation and upgrade of all rooms, public areas, restaurant and bar, and the hotel is in a strong position in its market. Per 16 February, the hotel will be reported under the business segment Operator Activities. The acquisition will initially be financed by existing liquid funds and credit facilities. The seller is Aprirose Ltd.

Leeds is one the biggest cities in the United Kingdom with more than two million inhabitants in the greater metropolitan area. Some 25 million people visit Leeds every year to do business and enjoy the leisure activities the city has to offer. Leeds is one of the largest economic centers in the UK and a major hub for financial and corporate services. Leeds can be reached by train in approximately two hours from London with some 30 departures daily.

Read more about The Queens Hotel Leeds here:

<https://www.thequeensleeds.co.uk/>

FOR MORE INFORMATION, PLEASE CONTACT:

Liia Nõu, CEO, +46 (0) 702 37 44 04

Anneli Lindblom, CFO, +46 (0) 765 93 84 00

Anders Berg, SVP Head of Communications and IR, +46 (0) 760 95 19 40

The information was submitted for publication, through the agency of the contact persons set out above, at 17:40 CET on 16 February 2023.

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