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Scandic and Pandox agree on major investment in Nordic hotels

## Investment of SEK 1.6 billion to upgrade and develop 40 hotels in the Nordic countries

**Working in close collaboration with the Pandox hotel property company, Scandic has decided to invest approximately SEK 1.6 billion in upgrading and developing 40 existing hotels. The project will run over the next three years. Just over half of the hotels are in motorway locations, while the others are located in city centres.**

The city centre hotels include Malmen in Stockholm, Continental and Strand in Helsinki and the KNA Hotel in Oslo. The project includes most of Scandic's motorway hotels, such as Kungens Kurva in Stockholm, Backadal in Göteborg, and hotels in Jönköping, Uppsala, Sundsvall, Luleå, Östersund and Södertälje.

"Scandic will continue to lead the market with creative solutions. The key to our success is concern for the guests' needs and satisfaction. We're remaining faithful to our roots by strengthening the informal and relaxed atmosphere in the hotels and by creating more social meeting places. We're also refurbishing and redesigning the 40 hotels and 4,000 rooms to meet tomorrow's needs," says President and CEO of Scandic, Anders Ehrling.

The new hotel concept is characterised by flexibility and innovative solutions that cater for new family constellations, travel patterns and trends. Everything from the car park, reception, lobby and restaurant to the hotel rooms.

"This is one of the biggest joint investment agreements ever made between a hotel operator and a property owner in the Nordic countries. The project creates value and is strategically important for both Scandic and for Pandox, which is making the investment through its associated company, Norgani. We're continuing to develop our portfolio and are now concentrating specifically on recently-acquired hotels that need investment," says Anders Nissen, CEO of Pandox.

With its 160 hotels and 30,000 rooms, Scandic has led the Nordic hotel market since 1963. Scandic was responsible for introducing many features now regarded as standard in modern hotels, such as specific measures to promote sustainability, high level of accessibility for guests with various kinds of functional disability, free fitness centres, 24-hour hotel shops and playrooms for the youngest guests.

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*Pandox is one of the leading players in the hotel property market in Europe in terms of geographic area, number of hotels, brands and size. The portfolio comprises 121 hotels, eleven operational businesses, with 24,800 rooms located in Sweden, Finland, Norway, Denmark, Germany, Belgium, the UK, Switzerland, the Bahamas and Canada. Pandox hotels are run through various business structures under familiar brand names such as Scandic, Hilton, InterContinental, Hyatt, Radisson Blu, Crowne Plaza, Holiday Inn, Clarion, Quality, Elite, First, Rica, Park Inn, Ibis, Best Western, Rantasipi, Omena or through independent distribution channels. Pandox is owned by Eiendomsspar AS and Sundt AS.*