

N.B. The English text is an in-house translation of the original Swedish text. Should there be any disparities between the Swedish and the English text, the Swedish text shall prevail.

Press release

Stockholm, 05/03/2018

Notice to annual shareholders' meeting in Pandox Aktiebolag (publ)

The shareholders in Pandox Aktiebolag (publ) are hereby summoned to an annual shareholders' meeting to be held on 9 April 2018 at 10.00 at Hilton Slussen, Guldgränd 8 in Stockholm. Registration starts at 09.30 and breakfast is served from 09.00.

Notification, etc.

Shareholders who wish to participate in the shareholders' meeting must:

firstly be included in the shareholders' register maintained by Euroclear Sweden AB as of 3 April 2018; and

secondly notify the company of their participation in the shareholders' meeting no later than 3 April 2018. The notification shall be in writing to Pandox Aktiebolag, c/o Euroclear Sweden AB, "Årsstämma", Box 191, 101 23 Stockholm or via telephone +46 (0)8 402 91 53. Shareholders, who are private individuals and wish to participate in the annual shareholders' meeting, may also submit their notification via the company's webpage, www.pandox.se. The notification shall state the name, personal/corporate identity number, shareholding, address and daytime telephone number, and information about any assistants and, where applicable, representatives. When applicable, complete authorisation documents, such as powers of attorney for representatives, registration certificates or corresponding documents, shall be appended to the notification.

Nominee registered shares

Shareholders whose shares have been registered in the name of a bank or securities institute must temporarily re-register their shares in their own names with Euroclear Sweden AB in order to be entitled to participate in the shareholders' meeting. Shareholders wishing such re-registration must inform their nominee of this well before 3 April 2018, when such registration must have been completed.

Proxy, etc.

Shareholders represented by proxy shall issue a dated and signed power of attorney for the proxy. If the power of attorney is issued on behalf of a legal entity, a certified copy of a registration certificate or a corresponding document for the legal entity shall be appended. The power of attorney is valid for a maximum of one year after the issuance or for the duration indicated in the power of attorney, whichever is longer, but not for more than five years after issuance. The registration certificate, where applicable, may not be older than one year. The power of attorney in original and, where applicable, the registration certificate should be submitted to the company by mail at the address set

forth above well in advance of the shareholders' meeting. The form to use for a power of attorney can be found on www.pandox.se.

Shareholders' right to request information

Shareholders are reminded of their right to request information in accordance with Chapter 7 Section 32 of the Swedish Companies Act (Sw. aktiebolagslagen).

Number of shares and votes

There are a total of 75,000,000 class A shares, corresponding to 225,000,000 votes, and 92,499,999 class B shares, corresponding to 92,499,999 votes, in the company as of the date of this notice.

Proposed agenda

1. Opening of the meeting;
2. Election of a chairman at the meeting;
3. Preparation and approval of the voting list;
4. Approval of the agenda;
5. Election of two persons who shall approve the minutes of the meeting;
6. Determination as to whether the meeting has been duly convened;
7. Submission of the annual report and the auditors' report and the consolidated financial statements and the auditors' report for the group;
8. Resolutions regarding:
 - a. adoption of the income statement and the balance sheet and the consolidated income statement and the consolidated balance sheet;
 - b. allocation of the company's profits or losses in accordance with the adopted balance sheet;
 - c. discharge of the members of the board of directors and the CEO from liability;
9. The board of directors' proposal to amend the Articles of Association;
10. Determination of the number of members of the board of directors to be elected by the shareholders' meeting and the number of auditors and, where applicable, deputy auditors;
11. Determination of fees for members of the board of directors and auditors;
12. Election of the members of the board of directors;
13. Election of auditors and, where applicable, deputy auditors;
14. The nomination committee's proposal for principles for appointment of a nomination committee for the annual shareholders' meeting 2019;
15. The board of directors' proposal for guidelines for remuneration for members of management;
16. The board of directors' proposal on authorisation for the board of directors to resolve on new share issues;
17. Closing of the meeting.

The nomination committee's proposals

Proposal regarding the chairman of the annual shareholders' meeting, the number of members of the board of directors, the number of auditors and deputy auditors, fees to the board of directors and auditors, and election of members of the board of directors, as well as election of auditors and deputy auditors (items 2 and 10-13)

The nomination committee, consisting of Anders Ryssdal (representing Eiendomsspar Sverige AB), Christian Ringnes (chairman of the board of directors), Jakob Iqbal (representing Helene Sundt AB and Christian Sundt AB jointly), Lars-Åke Bokenberger (representing AMF – Försäkring och Fonder), and Marianne Flink (representing Swedbank Robur fonder), has submitted the following proposals:

- Christian Ringnes is proposed to chair the annual shareholders' meeting (item 2).
- The number of members of the board of directors is proposed to be seven (eight), with no deputy members, and the number of auditors is proposed to be one registered public accounting firm (item 10).
- The following fees to the board of directors are proposed (fees for 2017 in brackets):
 - o A fee to the chairman of the board of directors of SEK 750,000 (600,000) and, as applicable, a fee to the deputy chairman of the board of directors of SEK 550,000 (new), and a fee of SEK 400,000 (400,000) to each of the other board members elected by the shareholders' meeting.
 - o A fee of SEK 50,000 (50,000) to each of the two members, the chairman included, of the remuneration committee.
 - o A fee to the chairman of the audit committee of SEK 130,000 (130,000) and a fee of SEK 70,000 (70,000) to each of the other two members of the audit committee.

The proposed board fees, including fees for work in committees, thereby amount to a maximum of SEK 3,670,000 (3,770,000). The level of the fees is motivated by the complexity of Pandox' business and the high level of activity of the board. The nomination committee has been informed that the board of directors intends to appoint a deputy chairman of the board of directors and the nomination committee has therefore proposed that a special fee is paid for such board work in accordance with the above, in the event that a deputy chairman of the board of directors is appointed. Furthermore, it is proposed that the fees to the auditors shall be paid in accordance with approved invoice (item 11).

- Christian Ringnes, Leiv Askvig, Ann-Sofi Danielsson, Bengt Kjell, Helene Sundt and Jeanette Dyhre Kvisvik are proposed for re-election as board members and Jon Rasmus Aurdal is proposed for election as board member for the time until the end of the next annual shareholders' meeting. Olaf Gauslå and Mats Wäppling have declined re-election. Furthermore, it is proposed that Christian Ringnes is elected as the chairman of the board of directors (item 12).

Jon Rasmus Aurdal

Jon Rasmus Aurdal is a Norwegian citizen born in 1982. Since February 2018, Jon Rasmus Aurdal is CFO of Eiendomsspar AS and Victoria Eiendom AS and holds positions within the boards and managements of several of Eiendomsspar AS's and Victoria Eiendom AS's subsidiaries. He is also a board member of Lillunn AS. Jon Rasmus Aurdal's prior experience includes services as CFO/Finance director of NAF-gårdene (2017), Finance manager of Hoegh Eiendom (2014-2017), Manager of PWC, Deals (2010-2014) and corporate trainee at PWC (2008-2010). Jon Rasmus Aurdal has a Master of Science from the Norwegian Handelshøyskole (2008) and is since 2013 a state authorized public accountant.

Information on the other proposed board members

The other board members proposed for re-election until the end of the annual shareholders' meeting 2019 has been presented in the company's annual report and on the company's webpage.

- The accounting firm PwC is proposed for re-election as auditor for the time until the end of the annual shareholders' meeting 2019, in accordance with the audit committee's recommendation. Should PwC be elected as auditor, PwC has announced that Patrik Adolfson will be appointed auditor in charge (item 13).

The nomination committee's proposal for principles for appointment of a nomination committee for the annual shareholders' meeting 2019 (item 14)

It is proposed that the nomination committee for the annual shareholders' meeting 2019 is appointed in accordance with the following:

Ahead of annual shareholders' meeting 2019, the nomination committee shall be composed of representatives of the four largest shareholders, in terms of votes, listed in the shareholders' register maintained by Euroclear Sweden as of 31 July 2018 together with the chairman of the board of directors, who will also convene the first meeting of the nomination committee. If a shareholder, who is entitled to appoint a representative to the nomination committee, abstains from appointing a representative, the right to appoint a representative shall pass to the largest shareholder who was previously not entitled to appoint a representative to the nomination committee. The member of the nomination committee representing the largest shareholder shall be appointed chairman of the nomination committee.

If earlier than two months prior to the annual shareholders' meeting 2019, one or more of the shareholders having appointed representatives to the nomination committee no longer are among the four largest shareholders, representatives appointed by these shareholders shall offer to resign and the shareholders who then are among the four largest shareholders may appoint their representatives. Unless there are special reasons, no changes shall occur in the nomination committee's composition in the event of a marginal change in voting power or if the change occurs later than two months before the annual shareholders' meeting.

Should a member resign from the nomination committee before its work is completed and the nomination committee considers it necessary to replace him or her, such substitute member is to

represent the same shareholder or, if the shareholder is no longer one of the largest shareholders, the largest shareholder in turn.

Changes to the composition of the nomination committee must be announced immediately. The composition of the nomination committee shall be announced no later than six months before the annual shareholders' meeting.

Remuneration shall not be paid to the members of the nomination committee. The company is, however, to pay any necessary expenses that the nomination committee may incur in its work.

The term of office for the nomination committee ends when the composition of the following nomination committee has been announced.

The board of directors' proposals

Allocation of the company's profits or losses in accordance with the adopted balance sheet (item 8b)

The funds at the meeting's disposal consists of the profit of the year, SEK 30,387,975, the company's accumulated results, SEK 2,662,281,550, and the share premium reserve, SEK 1,435,507,773, in total SEK 4,128,177,298.

The board proposes that the funds at the meeting's disposal, SEK 4,128,177,298, shall be allocated as dividends to the shareholders of SEK 4.40 per share, in total SEK 736,999,996, and that the remaining unrestricted equity, SEK 3,391,177,302, is carried forward. Wednesday 11 April 2018 is suggested as record day for dividends. If the annual shareholders' meeting adopts a resolution in accordance with the proposal, the dividend is estimated to be paid through Euroclear Sweden on Monday 16 April 2018.

The board of directors' proposal to amend the Articles of Association (item 9)

The board of directors proposes that the annual shareholders' meeting resolves to amend 5§ and 6§ of the Articles of Association to the wording set out below. The reason for the proposed amendment of 5§ of the Articles of Association is that the law referred to in the current provision has changed name. The proposed amendment of 6§ of the Articles of Association concerns pre-emption rights upon an issue of warrants or convertible debentures. The current provision does not stipulate pre-emption rights upon such issues. The reason for the amendment is that the company considers it to be appropriate that the pre-emption rights are consistent upon issues of shares, warrants and convertible debentures, respectively.

5§: The company's shares shall be registered in a securities register in accordance with the Swedish Central Securities Depositories and Financial Instruments Accounts Act (1998:1479).

6§: The company's shares may be issued in two classes: class A shares carrying three (3) votes per share and class B shares carrying one (1) vote per share.

Class A shares may be issued up to a maximum number of shares that represents the full share capital. Class B shares may be issued up to a maximum number of shares that represents the full share capital.

If the company resolves to issue new class A and class B shares, where payment is not to be made in kind, owners of class A and class B shares shall enjoy pre-emption rights to subscribe for new shares of the same class pro rata to the number of shares previously held by them (primary pre-emption right). Shares which are not subscribed for pursuant to the primary pre-emption rights shall be offered to all shareholders (secondary pre-emption right). If the shares thus offered are not sufficient for the subscription pursuant to the secondary pre-emption rights, the shares shall be allocated between the subscribers pro rata to the number of shares previously held and, to the extent such allocation cannot be effected, by the drawing of lots.

If the company resolves to issue only class A or class B shares, where payment is not to be made in kind, all shareholders shall, irrespective of whether their shares are class A or class B shares, have pre-emption rights to subscribe for new shares pro rata to the number of shares previously held by them.

If the company resolves to issue warrants or convertible debentures where payment is not to be made in kind, the shareholders shall enjoy pre-emption rights in accordance with the third and fourth paragraphs above.

The above shall not limit the right to resolve upon an issue with a deviation from the shareholders' pre-emption rights.

If the share capital is increased by a bonus issue, new shares shall be issued in relation to the number of shares of the same classes already issued. In such cases, old shares of a specific class shall entitle to new shares of the same class. Following a requisite amendment in the Articles of Association, the aforementioned stipulation shall not infringe on the possibility to issue shares of a new class by a bonus issue.

The board of directors' proposal for guidelines for remuneration for members of management (item 15)

The board of directors proposes that the annual shareholders' meeting resolves to adopt the following guidelines for the remuneration of the members of management.

Remuneration in Pandox should be competitive in comparison to that of similar companies in order to attract, motivate and retain key employees. The purpose is to provide incentives for members of management to execute strategic plans and to deliver good results as well as to align the interests of members of management with the interests of the shareholders.

Total remuneration shall consist of base salary, short-term incentive programs as well as long-term share price based incentive programs ("**LTI-programs**"), in addition to pension and other customary benefits.

- Base salary depends on the complexity of work and the individual's performance and competence. The salary shall be on market terms and competitive. Salary levels are to be reviewed annually.
- Short-term incentive programs shall be based on company-wide and individual targets. For the CEO in Pandox, remuneration from the short-term incentive programs shall

amount to not more than six months' salary, and for other members of management in Pandox, not more than four months' salary.

- Vesting periods for LTI-programs shall be at least five years. LTI-programs shall be share-based, share price-based, or based on share-related instruments and shall be cash settled. LTI-programs shall provide long term incentives related to Pandox' development.
- Agreements concerning pensions for members of management shall, wherever possible, be based on fixed premiums and be in accordance with the levels, practice and collective bargaining agreements applicable in the country where the relevant member of management is employed.
- Other benefits may consist of health insurance and other customary benefits. Other benefits shall not be a significant part of the total remuneration.
- In the event of termination of employment by Pandox, the notice period of termination shall be not more than 12 months.

The board of directors may deviate from these guidelines under special circumstances that motivate such deviation.

The board of directors' proposal on authorisation for the board of directors to resolve on new share issues (item 16)

The board of directors proposes that the annual shareholders' meeting authorises the board to resolve – at one or several occasions and for the time period until the next annual shareholders' meeting – to increase the company's share capital by new share issues, to the extent that it corresponds to a dilution of not more than 10 percent of the number of shares outstanding at the time of the notice of the annual shareholders' meeting, after full exercise of the hereby proposed authorisation.

New share issues may be made with or without deviation from the shareholders' preferential rights and with or without provisions for contribution in kind, set-off or other conditions. Pursuant to Chapter 16 of the Swedish Companies Act, the board of directors may not by virtue of this authorisation resolve on issues to board members in group companies, employees, etc. The purpose of the authorisation is to increase the financial flexibility of the company and the acting scope of the board. Should the board of directors resolve on an issue with deviation from the shareholder's preferential rights, the reason shall be to secure financing capacity to current or future possible acquisitions of property companies, properties or hotel related businesses. Upon such deviation from the shareholders' preferential rights, the new issue shall be made at market terms and conditions.

The board of directors or the CEO shall have the right to make such minor adjustments in this resolution that may be necessary in connection with the registration of the authorisation with the Swedish Companies Registration Office.

Miscellaneous

A resolution in accordance with the board's proposal under item 9 and 16 shall only be valid where supported by not less than two-thirds (2/3) of both the votes cast and the shares represented at the meeting.

The nomination committee's and the board of directors' complete proposals will be available at the company's office, Vasagatan 11, 101 20 Stockholm, at the company's webpage, www.pandex.se, and be sent to shareholders that so request and inform the company of their postal address.

Stockholm, March 2018

Pandex Aktiebolag (publ)
The board of directors

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About Pandex

Pandex is a leading owner of hotel properties in Northern Europe with a focus on sizeable hotels in key leisure and corporate destinations. Pandex's hotel property portfolio comprises 143 hotels with approximately 31,500 hotel rooms in fifteen countries. Pandex'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 Pandex in its owner-occupied hotel properties. Pandex was founded in 1995 and the company's B shares are listed on Nasdaq Stockholm. www.pandex.se