

## Press release

Stockholm, 26/02/2024

# Pandox enters into an agreement to sell DoubleTree by Hilton Montreal

**Pandox AB (publ) has entered into an agreement to divest DoubleTree by Hilton Montreal in Canada. The sale includes both the hotel property and hotel operations with a total transaction price of approximately MCAD 80. The closing is planned to take place in the second quarter of 2024.**

“With the divestment of DoubleTree by Hilton Montreal, we realise values and free up capital for investments with higher return potential in our home markets where we can execute hotel property development more efficiently. We have owned the hotel property since 2008 and have in stages, together with a strong team in Montreal, successfully developed the hotel product. We are happy to have reached an agreement with a strong local hotel property owner who can take the hotel property, with its challenges and opportunities, to the next level”, says Liia Nõu, CEO of Pandox.

The total gross transaction value amounts to MCAD 95. After deduction for structural investment needs (facade) of approximately MCAD 15, the transaction price amounts to MCAD 80, which also corresponds to the property’s book value per 31 December 2023. The transaction price reflects the hotel property’s future investment needs, the hotel operation’s estimated profitability potential, and Pandox’s limited economies of scale in operations and property management in Montreal, where we, after the divestment of InterContinental Montreal in 2023, only have one hotel property left. The hotel property is unencumbered. In 2023, the hotel’s revenue amounted to approximately MCAD 50.

The transaction is made in form of divestment of assets and liabilities and is expected to be finalised in the second quarter of 2024, following a customary due diligence process, according to Canadian practice, where the buyer pays a deposit that is forfeited if the transaction is not completed. The buyer is a well-established hotel property owner and developer with headquarters in Montreal.

The hotel has 595 rooms and is reported in the business segment Own Operations.

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The information was submitted for publication, through the agency of the contact persons set out above, at 08:00 CET on 26 February 2024.

### **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 159 hotels with approximately 35,900 hotel rooms in 12 countries. Pandox’s business is organised into Leases, which comprises hotel properties leased on a long-term basis to market leading regional hotel operators and leading international hotel operators, and Own Operations 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](http://www.pandox.se)*