

## PRESS RELEASE

15 July 2025

# Scandic has entered into a framework agreement with Pandox AB and Eiendomsspar AS with the intention to acquire the hotel operations of Dalata Hotel Group Plc

Scandic Hotels Group AB (publ) ("Scandic") has entered into a framework agreement with a consortium consisting of Pandox AB and Eiendomsspar AS (the "Consortium") with the intention to acquire the hotel operations of Dalata Hotel Group Plc ("Dalata") from the Consortium (the "Transaction"). Proceeding with the Transaction is conditional upon completion of the Consortium's takeover of Dalata, which was announced today, a separation of Dalata's real estate and operating businesses and necessary regulatory approvals. Upon completion of the Transaction, Scandic will add 56 new hotels to its portfolio with around 12,000 additional rooms and a further pipeline of approximately 1,900, mainly across Ireland and the UK. For the financial year ended 31 December 2024, Dalata reported revenue of EUR 652.2 million; operating profit of EUR 158.5 million; and basic earnings per share of EUR 35.5 cent.

### The Transaction

The key terms of the Transaction are as follows:

- In connection with the Consortium's cash takeover offer for the entire share capital of Dalata (the "Dalata Acquisition"), Scandic has entered into a framework agreement with the Consortium with the intention to acquire the hotel operations of Dalata, subject to and conditional upon completion of the Consortium's public takeover offer, the separation of Dalata's real estate and operating business and necessary regulatory approvals.
- The Dalata Acquisition has been recommended unanimously by the Board of Dalata.
- Dalata owns and operates hotels primarily in Ireland, where it holds a leading market position, and in the UK.
- Under the terms of the Transaction, Scandic would take over the operations of 56 hotels (the "Operating Business"). Of those hotels, 53 would be acquired on a leasehold basis and three would be managed. Scandic would be subject to new lease agreements with the Consortium for 31 of the hotels, with the remainder continuing to operate under existing third-party agreements. The Consortium would maintain ownership of Dalata's freehold and long leasehold property portfolio.
- Subject to completion of the Dalata Acquisition, the Transaction is expected to take place towards the end of 2026.
- Under the terms of the Transaction, Scandic would manage Dalata's hotel portfolio pursuant to the terms of a management agreement in the interim period between completion of the Dalata Acquisition and completion of the Transaction (the "Interim Period"). The management fee would be paid to Scandic quarterly and calculated on the revenue of the Operating Business during the Interim Period.
- In proceeding with the Transaction, Scandic would pay an anticipated price of EUR 500 million (on a cash and debt-free basis and subject to normal completion adjustments for cash, net debt and net working capital) for the Operating Business, subject to adjustments as agreed upon in the framework agreement reflecting the outcome of the separation of the Operating Business.

### About Scandic Hotels Group

Scandic is the largest hotel company in the Nordic countries with a network of about 280 hotels with 58,000 rooms in operation and under development, in more than 130 destinations. The company is the leader when it comes to integrating sustainability in all operations and its award-winning Design for All concept ensures that Scandic hotels are accessible to everyone. Well loved by guests and employees, the Scandic Friends loyalty program is the largest in the Nordic hotel industry and the company is one of the most attractive employers in the region. Scandic is listed on Nasdaq Stockholm. [www.scandichotelsgroup.com](https://www.scandichotelsgroup.com)

- The consideration payable under the Transaction will be fully financed from available cash and debt facilities, committed by DNB and Nordea.
- Scandic's current financial targets and dividend policy remain unchanged.
- If the Transaction is completed, net debt to adjusted EBITDA is expected to temporarily exceed Scandic's financial target of 1.0x but not exceed 2.0x on a full-year basis.
- Scandic's previously announced intention to launch a new share buyback program of SEK 500 million will now not proceed. However, Scandic would like to emphasize that the Board continues to view share buybacks as a useful tool for optimizing capital allocation.

## **Jens Mathiesen, Scandic President & CEO, comments:**

*"Scandic has a strong platform, making us well-positioned to deliver on our 2030 strategy. At the same time, we are always open to new business opportunities that can create more value for our stakeholders. Dalata is a high-performing operator with strong brands and leading or established positions in attractive markets. The company primarily operates in the mid-market segment and shares a similar business model with Scandic. Overall, Dalata is a good fit for us. We see this as an opportunity to add a growth platform in new and attractive markets at an attractive valuation. Scandic's strong financial position enables us to pursue this opportunity with balanced leverage. At the same time, we will continue to deliver on our existing strategy that we presented on the capital markets day."*

## **Background and rationale for the Transaction**

The Transaction represents a value creating opportunity to add a growth platform in new and attractive markets.

- **Dalata has a proven track record and is a strong fit for Scandic**  
Dalata is the market leader in Ireland and has an established presence in the UK, operating primarily in the mid-market segment under its well-known brands, Clayton and Maldron. In combination with a large part of its portfolio comprising of lease agreements, Dalata shares similar characteristics with Scandic, making it a strong complementary fit.  
  
Dalata is well-managed with a strong track record, having delivered average revenue growth of 9 percent between 2019 and 2024, along with good profitability. In addition, Dalata has consistently reported high average room rates (ARR), occupancy, and revenue per available room (RevPAR) levels, which are expected to enhance Scandic's performance. The hotel portfolio is well-invested, implying limited future capex needs, aligned with Scandic's maintenance capex level.
- **Attractive market fundamentals in Ireland and the UK**  
Ireland and the UK, including major cities Dublin and London, offer compelling market characteristics, including high ARR, strong occupancy levels, and good RevPAR performance that exceeds levels in the Nordics.
- **Value creating capital allocation**  
The Transaction is expected to be EPS accretive from completion. The cash purchase price reflects an expected EV/Adjusted EBITDA multiple at a discount to Scandic's current valuation. While net debt to adjusted EBITDA is expected to temporarily exceed the financial target following completion, it is not expected to exceed 2.0x on a full-year basis.

For additional information about the Dalata Acquisition, including the terms and conditions to which it is subject, please visit Pandox [press room](#).

## **About Dalata**

Dalata Hotel Group Plc has a leading position in Ireland and an established position in the UK. Established in 2007, Dalata has a portfolio of 56 hotels, primarily comprising a mix of owned and leased hotels operating through its two main brands, Clayton and Maldron hotels. For the financial year ended 31 December 2024, Dalata reported revenue of EUR 652.2 million, operating profit of EUR

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158.5 million, basic earnings per share of EUR 35.5 cent and Free Cashflow per Share of 55.8 cent. Dalata is listed on the Main Market of Euronext Dublin (DHG) and the London Stock Exchange (DAL). For more information visit: [www.dalatahotelgroup.com](http://www.dalatahotelgroup.com)

## Webcast and telephone conference

Jens Mathiesen, President & CEO, together with Pär Christiansen, CFO, will present the Transaction in Scandic's half-year report 2025 webcast and telephone conference today, at 09.00 CEST on 15 July 2025. The presentation and subsequent Q&A session will be held in English.

Telephone conference: [Click here to register](#)

Webcast: [Click here to join the webcast](#)

The presentation material and webcast will be made available on Scandic's website after the presentation via: [www.scandichotelsgroup.com/investors/financial-reports/](http://www.scandichotelsgroup.com/investors/financial-reports/).

*This information is information that Scandic Hotels Group AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact person set out below, at 07.00 CEST on 15 July 2025.*

## For more information, please contact:

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