



29 April 2015

Safestay PLC
("Safestay" or "the Company")

New Loan Agreement

Safestay (AIM: SSTY), the owner and operator of a luxury hostel brand, is pleased to announce that it has signed a £1.0 million loan facility with Coutts & Co (the "Loan"). The purpose of the Loan is to settle £1.024 million of loan notes which were issued to part finance the acquisition of the Group's York hostel and are due for repayment by 23 May 2015.

The Loan which is secured against the Group's York hostel is repayable over 5 years and interest is charged at LIBOR plus 3.25%.

For further information:

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About Safestay:

- Safestay is a new brand of luxury hostel, designed to appeal to a broad range of guests. Known as a "boutique hostel" within the travel industry, it is aimed at providing safe, stylish accommodation which offers a more attractive alternative to both traditional hostels and budget hotel accommodation.
- Established in April 2011 as a joint venture between the Moorfield Funds and the Safeland Group, the Company then listed on AIM in May 2014, to widen the shareholder base and raise new equity to support the European roll-out of the Safestay brand.
- Today, the Group operates from three sites 2 in London and 1 in York and once refurbishments are complete will have c.1000 beds.
- The Group wishes to expand the business by the acquisition and development of further properties and create a branded hostel group known for providing safe and stylish, but relatively inexpensive accommodation.



- The current hostel market is undergoing substantial change, after years of little or no investment, the concept of staying in clean, safe, stylish rooms for less than £25 per night has gained momentum and there is, in the opinion of the Directors, the potential for significant growth and sector consolidation.