



2 March 2021

Safestay plc

(“Safestay”, the “Company” or the “Group”)

Disposal

Safestay (AIM: SSTY), the owner and operator of an international brand of contemporary hostels, is pleased to announce the agreed sale to Beds and Foods Barcelona s.l.u, of the smallest of its three hostels in Barcelona, called Barcelona Sea, a leasehold site with 96 beds, for a total consideration of €900,000, which is also the book value of the hostel in the Group balance sheet. The annual EBITDA of the hostel pre-COVID 19 was €70,000.

The sale proceeds will be used to repay the majority of the final element of the acquisition consideration due to Equity Point Holding Empresarial totalling €1.18m, for the purchase in 2018 of the Barcelona hostel located in the avenue of Passeig de Gràcia, a much larger hostel offering 351 beds.

While Safestay’s 17 hostels continue to be temporarily closed, since the timetable for coming out of lockdown announced by the UK Government, the Company has been able to begin planning for an orderly reopening of the portfolio, in time for the summer season. With the additional expectation that European governments will start to announce similar plans for coming out of lockdown.

Larry Lipman, Chairman of Safestay, said:

“The sale of Barcelona Sea fits with our strategy of rationalisation of the portfolio as the business grows. It is particularly pleasing to conclude the sale during these difficult times. As we emerge from the COVID-19 lockdown, we shall continue to seek value added opportunities, whether through further disposals or acquisitions on the right terms.”

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About Safestay

Safestay (AIM: SSTY) is the owner and operator of an international brand of contemporary hostels.

For more information visit our:

Website: www.safestay.com

Vox Markets page: <https://www.voxmarkets.co.uk/company/SSTY/news/>

Instagram page: www.instagram.com/safestayhostels/