

Safestay plc
("Safestay", the "Company" or the "Group")

Sale of Glasgow Freehold Property for £5.1 million

Safestay (AIM: SSTY), one of Europe's largest hostel groups, announces that it has exchanged conditional contracts for the sale of its freehold property and hostel, Safestay Glasgow Charing Cross (the "Property"), to an independent third-party investor for a cash consideration of £5.1 million (the "Transaction"). The Transaction is conditional on approval from the Company's lender, with completion of the sale expected to occur by 28 August 2026. Following completion, the Group will no longer operate the hostel at this site, and the property will cease to trade under the Safestay brand.

The net proceeds from the Transaction will be used to repay indebtedness, for working capital purposes, and to strengthen the Group's balance sheet, supporting the delivery of its long-term strategic growth ambitions. The Transaction follows the Company's announcement on 17 June 2025, in which Safestay confirmed that it was considering the conditional sale of certain UK assets. Since then, the Company has sold and franchised its Edinburgh freehold property and hostel for £5.4 million and sold and leased back its Brighton freehold property for £3.1 million.

In the 12 months to 31 December 2025, Safestay Glasgow Charing Cross generated audited revenue of approximately £1.5 million and profit before tax of approximately £0.4 million. As at 29 May 2026, the book value of the Group's fixed assets associated with the Property is approximately £5.2 million. Safestay purchased the Property in October 2019 for £3.2 million and subsequently invested approximately £0.4 million in preparing and refurbishing the site ahead of its successful opening. The sale therefore represents a return of approximately £1.5 million on the Group's investment in the Property, while resulting in a modest loss of approximately £0.1 million relative to the latest book value.

Larry Lipman, Chairman of Safestay, said:

"The sale of our freehold property and hostel, Safestay Glasgow Charing Cross, for £5.1 million is fully aligned with our strategy to crystallise value for shareholders while supporting sustainable long-term growth. Alongside the recent successful sales of two freehold sites in Edinburgh and Brighton, this Transaction will further strengthen the Group's balance sheet and provide additional flexibility as we continue to deliver our plans to selectively grow the portfolio and create shareholder value.

I would like to thank all members of our team at Safestay Glasgow Charing Cross for their hard work and commitment throughout our operation of the property."

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For more information visit our:

Website www.safestay.com

Instagram page www.instagram.com/safestayhostels/

About Safestay PLC

[Safestay](http://www.safestay.com) PLC, one of Europe's largest hostel groups, operates in the exciting and growing hostel segment of the global hospitality market. Worth approximately US 6.53bn in 2026, it is estimated to grow to US 15.25bn by 2034 (The Market Data Forecast, 2025).

Safestay's operational sites of 21 premium hostels and one hotel offer guests both private and shared rooms in destination cities across the UK, Spain, Belgium, Czech Republic, Germany, Greece, Italy, Poland, Portugal, Austria and Slovakia.

Safestay's mission at each of its locations is to provide a safe, inclusive, and enjoyable space that caters to the needs of different travellers. Its properties offer first-class locations and thoughtful designs that cater for the different needs of travellers, from digital nomads to backpackers and from families to group travellers.

Safestay's pan-European locations include:

- [Kitzbühel Alpine, Austria](#) Franchise
- [Kitzbühel Centre, Austria](#) Franchise

- [Brussels Grand Place, Belgium](#)
- [Prague Charles Bridge, Czechia](#)
- [Berlin Kurfurstendamm, Germany Hotel](#)
- [Athens Monastiraki, Greece](#)
- [Naples, Italy](#)
- [Pisa Centrale, Italy](#)
- [Warsaw Old Town, Poland](#)
- [Lisbon Bairro Alto, Portugal](#)
- [Bratislava Presidential Palace, Slovakia](#)
- [Barcelona Gothic, Spain](#)
- [Barcelona Passeig de Gracia, Spain](#)
- [Calpe Seafront, Spain \(in development\)](#)
- [Córdoba Mezquita Catedral, Spain](#)
- [Madrid Central, Spain](#)
- [Brighton, UK](#)
- [Edinburgh Cowgate, UK Franchise](#)
- [London Elephant & Castle, UK](#)
- [London Kensington Holland Park, UK](#)
- [York Micklegate, UK](#)

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