

3 March 2025

PAI Partners enters partnership with Motel One to accelerate international growth

PAI Partners, a pre-eminent private equity firm, has agreed to enter into a proprietary partnership with a consortium led by Dieter Müller for Motel One Group, a leading economy design hotel chain in Europe, to support its next phase of international growth. PAI will become the majority owner of Motel One, with a share of c. 80% in the operating business. Following the transaction, Dieter Müller, Founder of Motel One, will remain Chairman of the company. Independently of the partnership with PAI, Dieter Müller will further develop the previously spun-off real estate arm to further support the growth of Motel One.

Since its founding in 2000, Motel One has been a pioneer and market leader in the budget design hotel category. Motel One's unique combination of affordable pricing, prime inner-city locations, leading guest satisfaction and high-end design has allowed it to become one of the best performing concepts in European hospitality over the past decade.

Motel One has been on a strong growth trajectory, attracting more than 10 million guests in 2024. Initially focused on the DACH region, the company today operates 99 hotels across 13 countries, including the UK, France and the United States, with approximately 28,000 rooms. The company's growth has been further accelerated by the launch of its new lifestyle brand, The Cloud One Hotels, with properties in New York, Hamburg, Düsseldorf, Prague and Gdańsk.

PAI is a recognised global leader in Consumer Services, following decades of investing in the Real Economy, transforming businesses into European and global leaders. The agreement for Motel One builds on its solid credentials in founder-led partnerships, deep European network and proven expertise in the hospitality industry, including the successful transformations of B&B Hotels, Roompot and European Camping Group.

Dieter Müller, Founder & Chairman of Motel One, said: "I am delighted to welcome PAI as a strategic partner with extensive expertise in the hospitality industry. Together, we will further accelerate the international expansion of Motel One. We look forward to partnering with PAI as we embark on the next chapter in our exciting growth story."

Daniel Müller and Stefan Lenze, Co-CEOs of Motel One, said: "On behalf of the entire management team, we welcome PAI's commitment to Motel One. We look forward to the new impetus they will bring to our international expansion, building on the company's successful business model."

Bertrand Monier and Ralph Heuwing, Partners at PAI, said: "We are thrilled to partner with Dieter Müller and the excellent Motel One management team. We look forward to building on the company's current momentum, supporting its next stage of international growth while preserving the unique DNA created by its visionary founder."

The transaction is subject to customary regulatory approvals and is expected to close in Q2 2025.

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About Motel One Group

Founded in 2000 and headquartered in Munich, Motel One has received numerous awards for its concept and is recognized as the pioneer of the budget design hotel category. The Motel One Group currently operates 99 hotels with 27,928 rooms in 13 countries (as of February 2025). Both industry

experts and guests appreciate the unique combination of high-quality furnishings, exclusive design, high service standards, and prime city-center locations at an attractive price. In 2022, Motel One Group launched its new lifestyle brand, *The Cloud One Hotels*, with its first property in New York. More information at: www.motel-one.com

About PAI Partners

PAI Partners is a pre-eminent private equity firm investing in market-leading companies across the globe. The Firm has more than €27 billion of assets under management and, since 1994, has completed over 100 investments in 12 countries and realised more than €26 billion in proceeds from over 60 exits. PAI has built an outstanding track record through partnering with ambitious management teams where its unique perspective, unrivalled sector experience, and long-term vision enable companies to pursue their full potential – and push beyond. Learn more about the PAI story, the team and their approach at: www.paipartners.com.