

Q2 2024 presentation

# Profitable growth and strong cash flow

Liia Nõu, CEO  
Anneli Lindblom, CFO  
Anders Berg, Head of IR

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# Investment highlights

1

## A global & growing market

We are active in travel and tourism – a global and dynamic industry with strong structural growth factors.

2

## Hotel properties only

We invest exclusively in hotel properties and create value through active and engaged ownership.

3

## Revenue-based leases

We have long-term revenue-based leases with a good guaranteed minimum level with skilled operators.

4

## Investing for growth & ambitious ESG targets

Profitable project portfolio that increases our organic profit and value potential over the coming years. We are investing in climate change projects with good returns.

5

## Higher yields & long leases

Portfolio\* with an average valuation yield of 6.26 percent mainly with long leases, and a WAULT of 14.6 years.

6

## Solid financial position

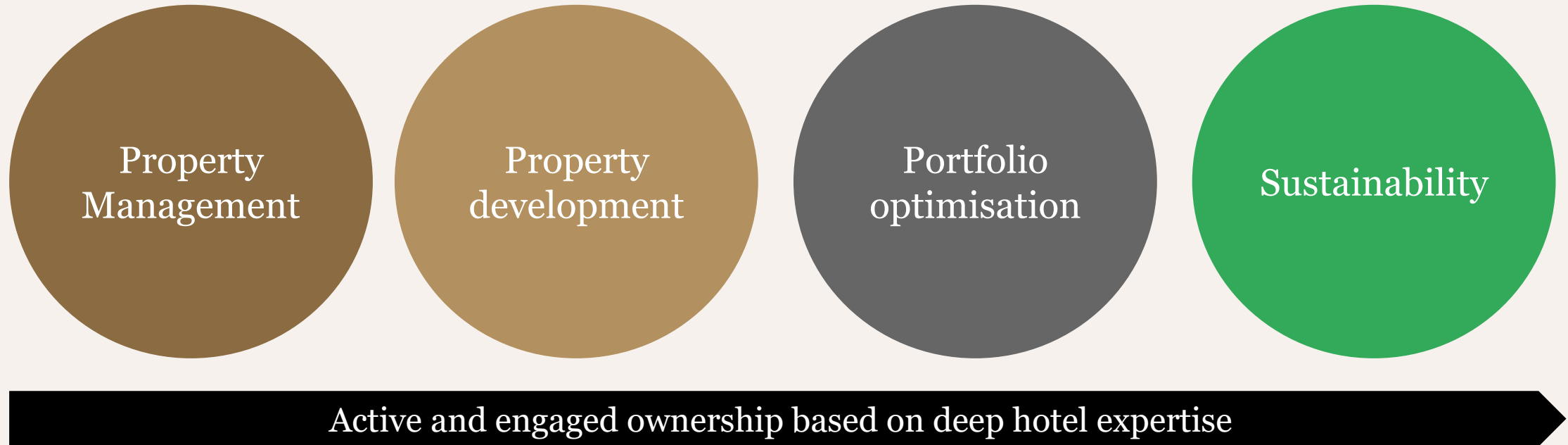
Only bank financing with strong and positive lender relationships. LTV of 46.2% and Net Debt to EBITDA of 8.5x.

\* Per 30 June 2024

Strategic position

# Our business model

To own, improve and lease hotel properties to strong hotel operators under long-term revenue-based leases



Strategic position

# A strong and well-diversified business portfolio

## Pandox Group

157  
Hotel properties

35,018  
Rooms

SEK 70,815bn  
Property market value

6.26%  
Yield

MSEK 4,041  
Net operating income (R12)

## Leases

138  
Leased properties

29,963  
Rooms

SEK 59,271bn  
Property market value

6.13%  
Yield

MSEK 3,252  
Net operating income (R12)

## Own Operations

19  
Operated properties

5,055  
Rooms

SEK 11,544bn  
Property market value

6.90%  
Yield

MSEK 789  
Net operating income (R12)

HOTEL  
INDIGO

Scandic

IHG  
InterContinental Hotels Group

adagio  
APARTHOTEL

Mercure  
HOTELS

Hilton  
Garden Inn

Hotel Hubert  
Grand Place

NH  
HOTELS

Axiom  
Hospitality

SIRCLE  
COLLECTION

Radisson  
BLU

Hilton  
HOTELS & RESORTS

CROWNE PLAZA  
HOTELS & RESORTS

LOANICHO  
HOTELS

RHG RADISSON  
HOTEL GROUP

H  
Holiday Inn

The Hotel.  
BRUSSELS

HOTEL  
mayfair

MOTEL ONE

Strawberry

REGID

ELITE HOTELS  
OF SWEDEN

M  
MEININGER

DOUBLE TREE  
BY HILTON

NOVOTEL  
HOTELS & RESORTS

Scandic GO

Citybox

Grape  
HOSPITALITY

pullman  
HOTELS AND RESORTS

Dorint  
HOTELS & RESORTS

skylne  
AIRPORT HOTEL

Park  
Centraal  
AMSTERDAM

VIENNA HOUSE  
Easy  
BY WYNDHAM

Hotel Berlin, Berlin

THE QUEENS HOTEL

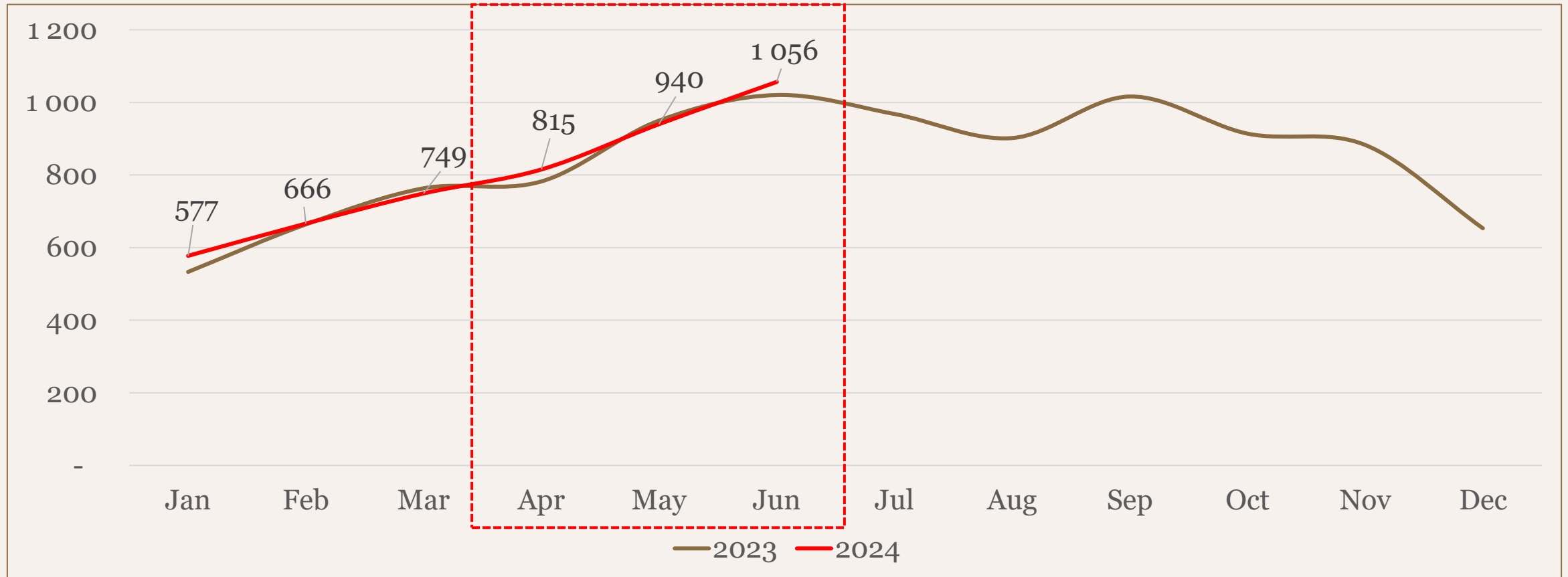
Quarter in brief

# Profitable growth and strong cash flow

- A positive and seasonally strong hotel market
- Well-filled event calendar, active leisure travel and stable business demand
- Good operational performance
  - Group revenue +6 percent LFL
  - Group NOI +6 percent LFL
- Growth in cash earnings of 10 percent and positive growth in EPRA NRV (annualised)
- A yield spread of more than 200 bps
- Well-positioned to act on market opportunities

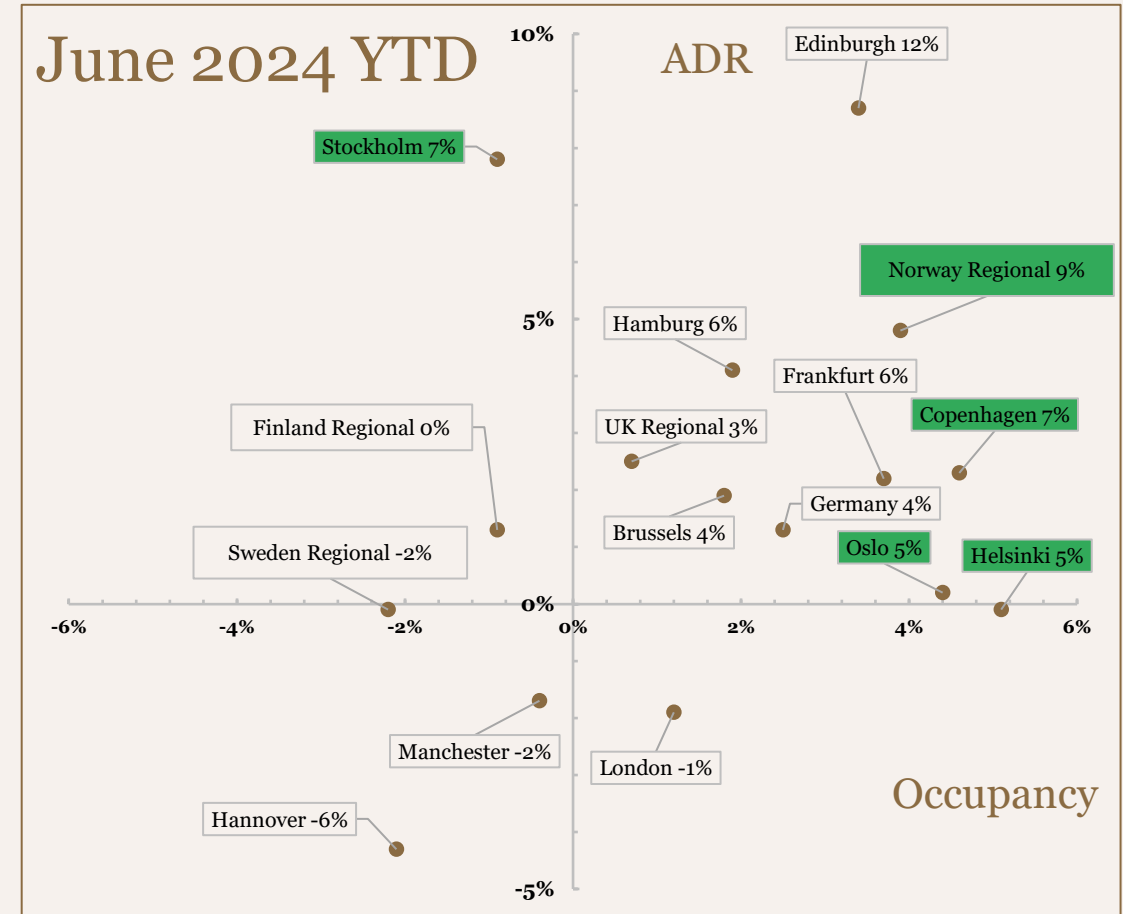
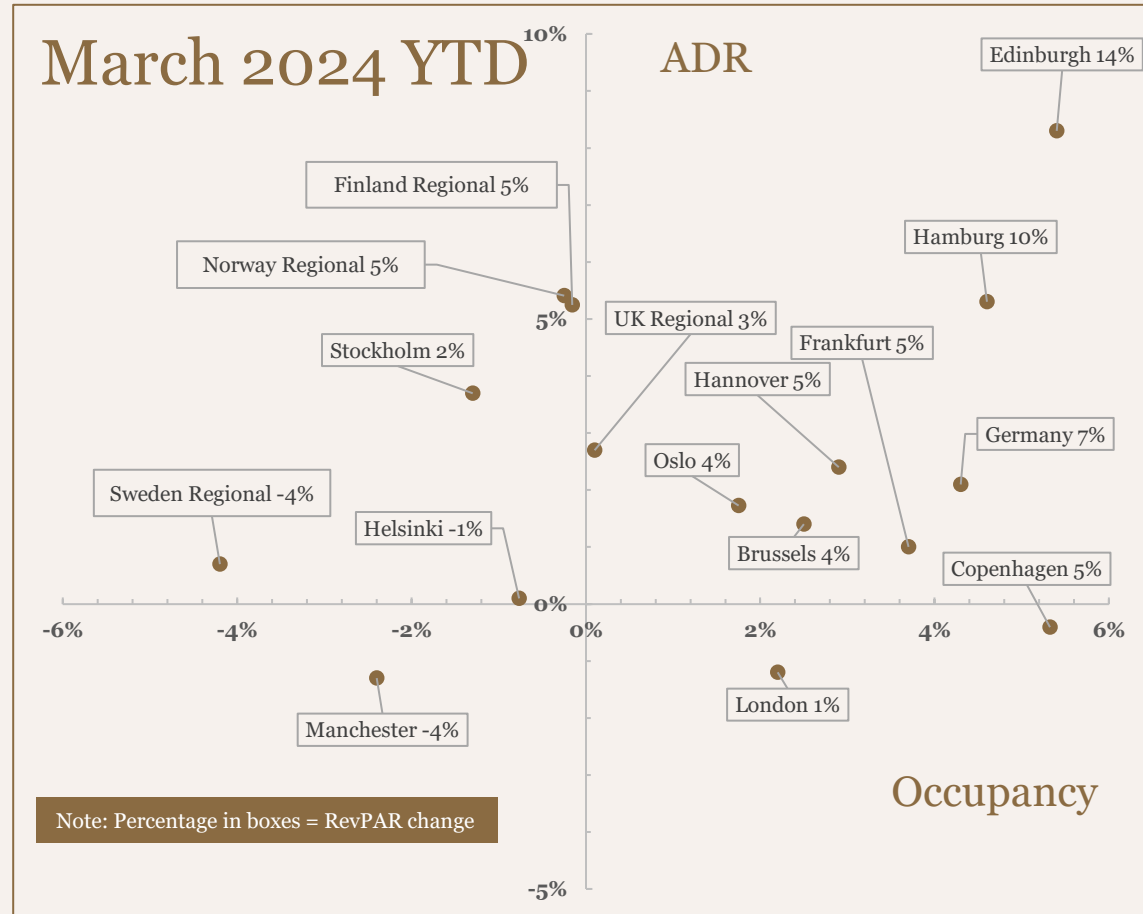
Business segment Leases RevPAR

# RevPAR YTD trending above 2023 (LFL)



## Hotel market development (vs 2023)

# A positive hotel market



Source: Benchmarking Alliance, STR Global

Note: Due to lack of data for June for non-Nordic countries and destinations YTD = January-May.

High quality project pipeline

# Investing for growth

On track to MSEK +300 in NOI per year by 2026...

Property	Location	Business segment	Type of investment	Completed
Hotel Pomander	Nuremberg, Germany	Leases	Total renovation	✓
Citybox Brussels	Brussels, Belgium	Leases	Full renovation of rooms and public areas	✓
Scandic Go Fridhemsplan	Stockholm, Sweden	Leases	Renovation of bathrooms, technical systems. More rooms built	H2 2024
Hotel Mayfair	Copenhagen, Denmark	Own Operations	Renovation rooms and public spaces, conversion of public areas	H1 2025
Radisson Blu Glasgow	Glasgow, UK	Own Operations	Renovation of rooms, public spaces, spa & gym	Q3 2025
DoubleTree by Hilton Brussels City	Brussels, Belgium	Own Operations	Extension with 151 rooms	H1 2026

...and we are adding to the project pipeline



The Hotel, Brussels  
Room upgrades  
Adding new rooms  
Adding mini-spa  
Completed Q1 2025



Leonardo Hotel Christchurch  
Full renovation of rooms, bathrooms and public areas  
Completed Q4 2025



# Profitable growth in an active quarter

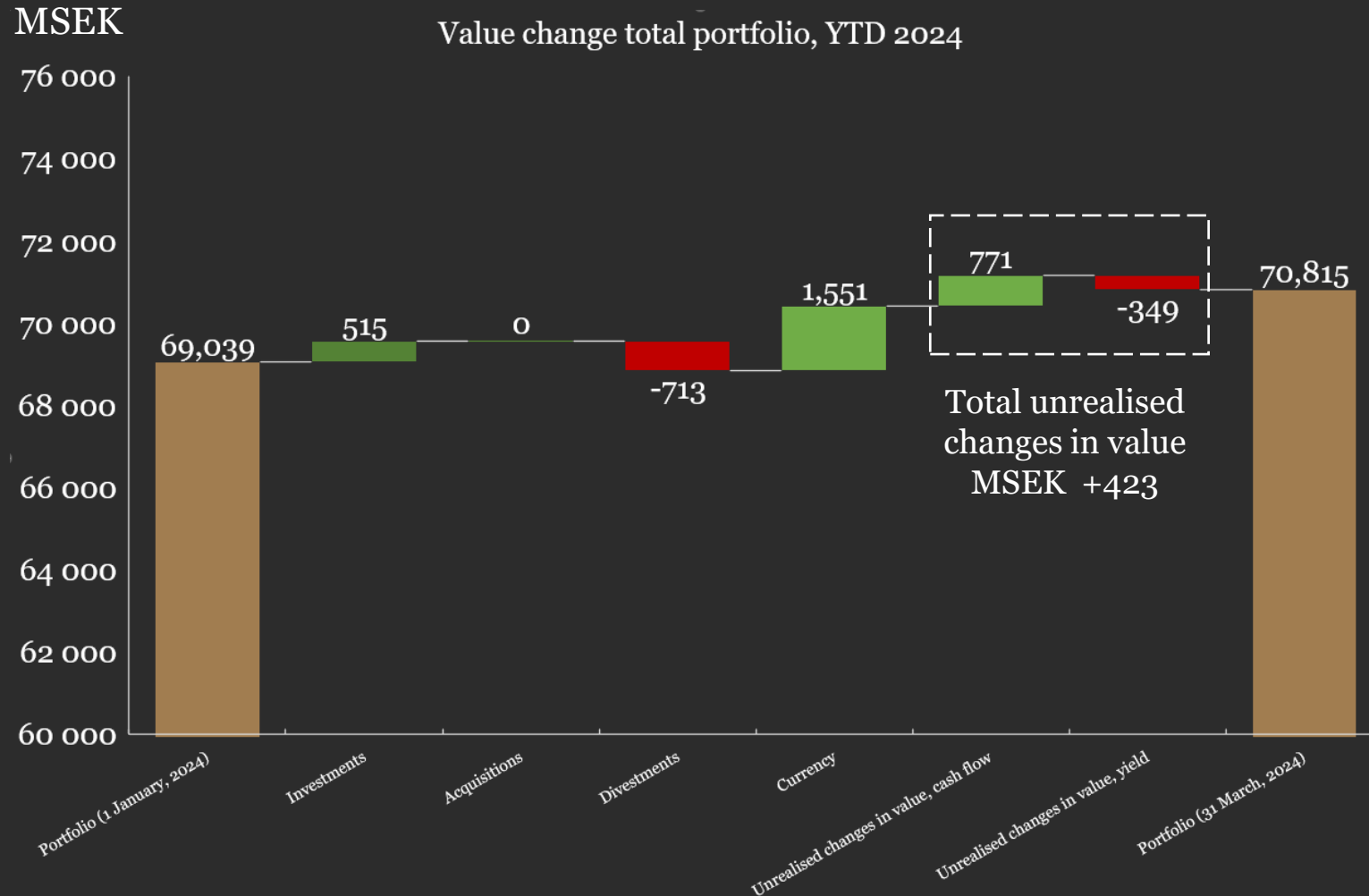
- Seasonally strong quarter and many events
- Good performance in both business segments
  - NOI Group +6 percent LFL
  - NOI Leases +4 percent LFL
  - NOI Own Operations +20 percent LFL
- Double digit earnings growth
  - Profit before changes in value +16 percent
  - Cash earnings +10 percent

Revenue and result (MSEK)	24Q2	23Q2	YoY%	LFL% <sup>1)</sup>
Padox Group revenue	1,866	1,774	5	6
Padox Group NOI	1,125	1,025	10	6
Leases revenue	1,009	942	7	3
Leases NOI	869	806	8	4
Own Operations revenue	857	832	3	10
Own Operations NOI	256	219	17	20
EBITDA	1,082	977	11	-
Profit before changes in value	597	513	16	-
Cash earnings	560	510	10	-

1) For comparable units at fixed currency

Property portfolio

# Positive unrealised changes in value



Comment:

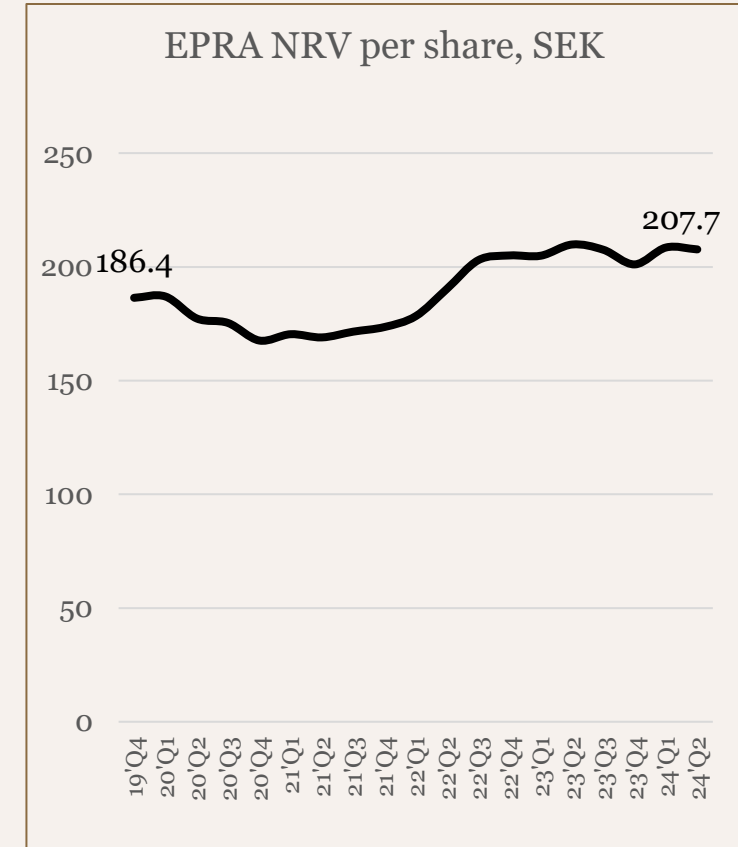
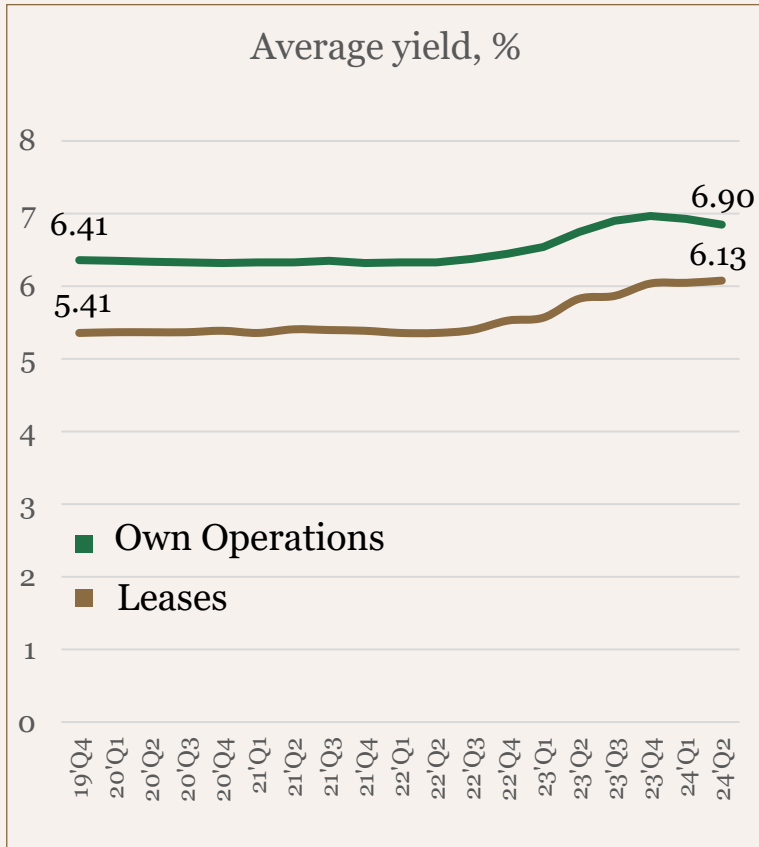
Slight increase in yields, stronger cash flow

Approximately 98 percent of the properties externally valued in the past 12 months, based on value

Divestments:

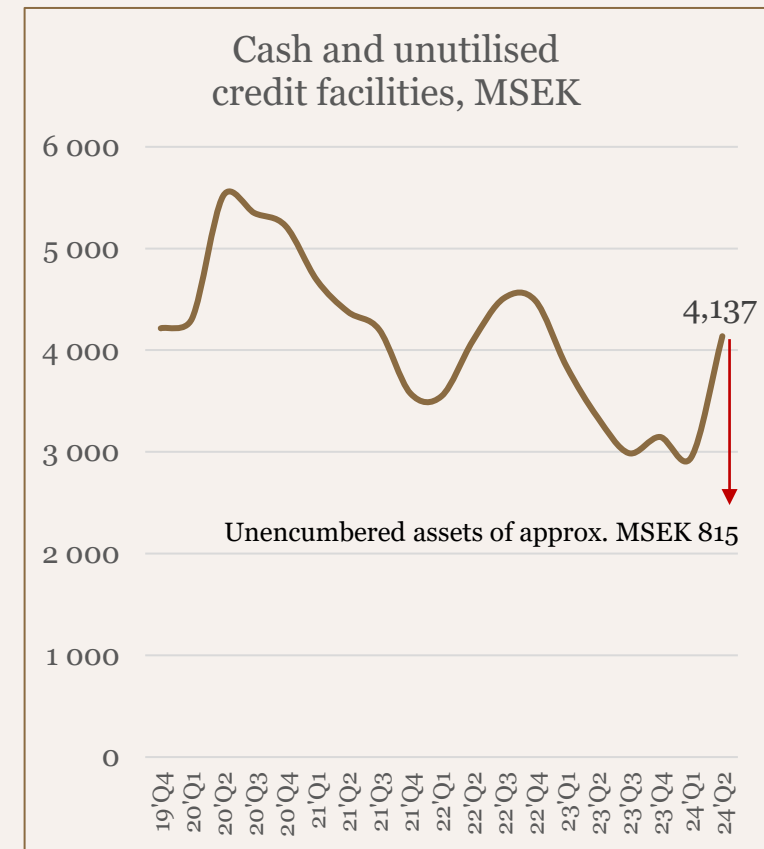
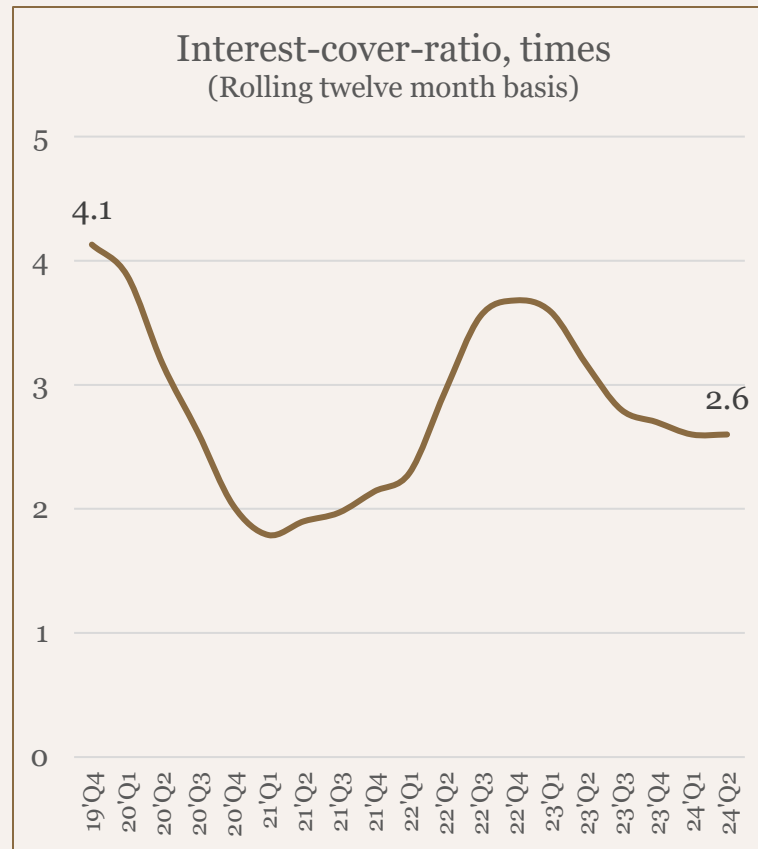
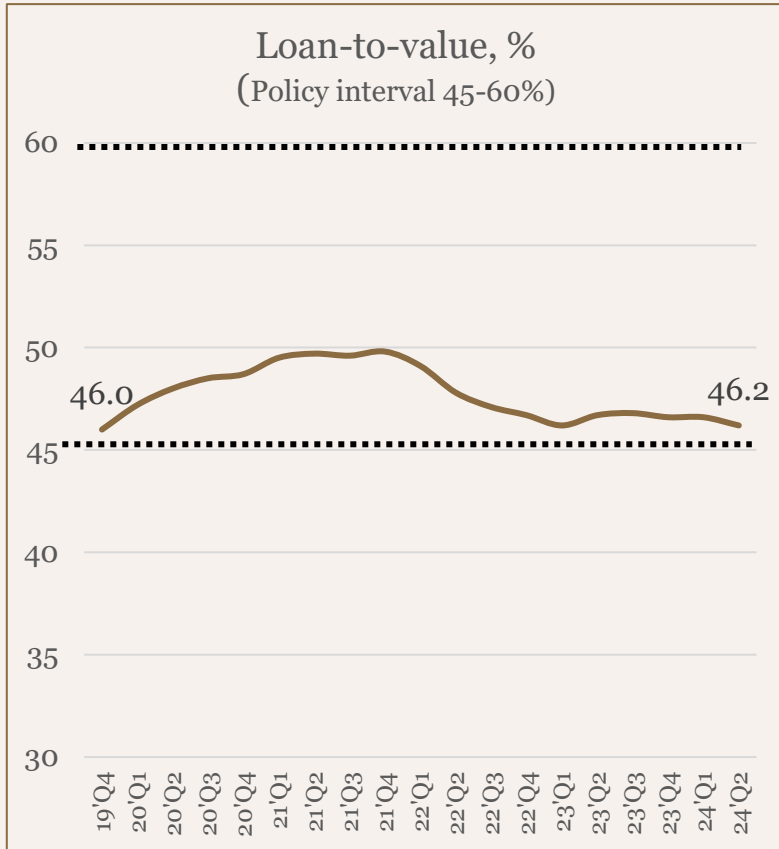
*DoubleTree by Montreal (closed 15 April)*

# Positive yield gap and growing EPRA NRV



## Key financial metrics

# Stable LTV, resilient ICR and solid cash position



# Solid financial position

- Refinancings of approximately MSEK 3,500 in the quarter
- Some MSEK 5,400 is now sustainability linked
- MSEK 7,397 of debt maturing within one year, of which approximately 60 percent in the fourth quarter
- Lower credit margins, slightly lower base rates
- Approximately 71 percent of net interest-bearing-debt is hedged

Key metrics (at end of period)	24Q1	23Q1	YoY%
Net interest-bearing debt, MSEK	32,705	33,718	-3
EPRA NRV, MSEK	38,187	36,976	+3(*)
Loan to value, %	46.2	46.7	-0.5pp
Interest cover ratio, times	2.9	2.9	-
Interest cover ratio (R12M), times	2.6	3.2	-0.6
Average interest on debt, %	4.1	4.3	-0.2pp
Average fixed rate period, years	3.3	4.3	-1.0
Cash and unutilised credit facilities, MSEK	4,137	3,340	+24%

(\*) Annualised growth of 1 percent adjusted for dividend

# Our outlook remains positive

- › We are currently in a seasonally strong period
- › Well-filled event calendar with active domestic and regional leisure travel
- › Increased international inbound travel to Europe
- › Good hotel demand expected for the third quarter
- › Some RevPAR growth expected in the hotel market for 2024

# Q&A





Pandox AB (publ)

Box 15

SE-101 20 Stockholm

Sweden

Tel: +46 8 506 205 50

[www.pandox.se](http://www.pandox.se)

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