

# Presentation at the annual general meeting 2017

29 March 2017

Anders Nissen, CEO

# A solid full-year 2016

20%

Return on equity<sup>1</sup>

1

Strong and dynamic hotel market.

2

Profitable acquisitions and investments.

3

High business tempo and efficiency.

19%

Growth in cash earnings<sup>2</sup>

7%

Growth in NOI  
Property Management<sup>3</sup>

-1%

Growth in NOI  
Operator Activities<sup>3</sup>

1) Measured as growth in EPRA NAV including dividend and excluding proceeds from directed share issue at annual rate.

2) Adjusted for extra tax cost of MSEK -29 in Q4 2015.

3) Adjusted for currency effects and comparable units.

# Delivering on our promises

## Main achievements from listing

- ✓ Profitable acquisitions and divestments  
*26 hotels acquired for MSEK 8,300. Divestment of nine non-core assets for MSEK 1,000*
- ✓ Expansion of lease portfolio  
*Almost 40 acquired, extended and new long-term revenue-based lease agreements.*
- ✓ Active ownership model confirmed  
*Taking over operations, develop and repositioning and lease out.*
- ✓ Cash-flow generating investments  
*MSEK 750 invested and MSEK 1,035 in pipeline.*
- ✓ Continued high financial flexibility  
*Directed share issue of MSEK 1,012.*



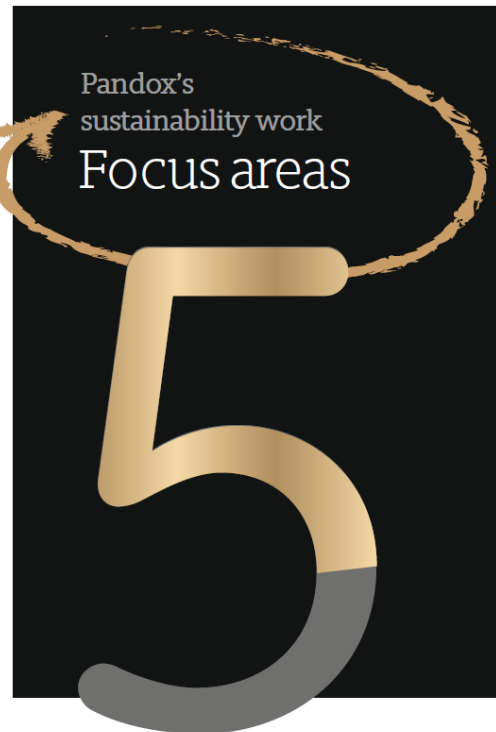
# A focused strategy

Based on specialisation

- 1 Focus on hotel properties only  
*Specialist competence.*
- 2 Large hotel properties in good locations in larger markets  
*Full-service hotels in strategic cities.*
- 3 Long-term revenue-based leases with the best hotel operators  
*Profitable long-term relations.*
- 4 High quality property portfolio  
*Well invested and with shared incentives.*
- 5 Geographical diversification reduces fluctuations  
*A sound mix of international, regional and domestic demand.*
- 6 Operator Activities reduce risk and create opportunities  
*Active across the hotel value chain.*

# Pandox's sustainability work

Based on stakeholder dialogue and materiality analysis



## Ourselfs

Employer of choice

- Aspects
- Health, safety and security of employees
  - Fair labour practises
  - Hospitality skills and availability of skilled staff
  - Anti-corruption



## Our guests

Customers choice

- Aspects
- Guest satisfaction
  - Guest privacy and information safety
  - Health, safety and security of guests



## Environment

Green footprint

- Aspects
- Energy and emissions
  - Water



## Business partners

Quality of value chain

- Aspects
- Sourcing and procurement practises
  - Fair labour practises for our subcontractors



## Community

Inclusive company

- Aspects
- Social responsibility

# Ourselves

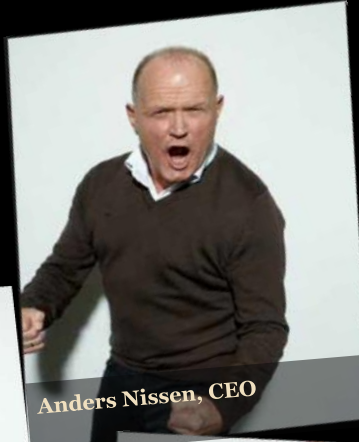
## Our dreamteam



**Liia Nõu, Senior Executive VP and CFO**



**Lars Häggström, Senior Executive VP, Asset & Technical Development**



**Anders Nissen, CEO**



**Cornelia Kausch, VP, Development**



**Helge Krogsbøl, SVP, Director of Operations Nordics and Germany**



**Erik Hvesser, SVP, Director of Property Management Nordics**



**Jonas Törner, SVP, Business Intelligence**



**Ulrika Grewe Ståhl, Head of Group Control**



**Leif Kristen Olsen, VP, Business Area Manager, Sweden & Norway**



**Aldert Schaaphok, SVP, Director of Operations International**



**Anders Berg, Director of Communications and IR**

# Well diversified hotel property portfolio

Dynamic and balanced markets

**26,240**  
Rooms

**62**  
Cities

**10**  
Countries

# Top leisure destinations in Europe

## Amsterdam

“A major leisure and business destination in Europe”

OCC: 78%, ADR: €136, RevPAR €106

## Berlin

“The third largest leisure destination in Europe”

OCC: 77%, ADR: €96, RevPAR €74

Airport passengers

63 million

Population

1.3 million

Guest nights\*

13 million

Airport passengers

33 million

Population

3.5 million

Guest nights\*

30 million



# Dynamic and international markets

## Brussels

“One of Europe’s most important  
meeting markets”

OCC: 58%, ADR: €107, RevPAR €63

## Vienna

“A historic metropolis and strong  
convention destination”

OCC: 75%, ADR: €99, RevPAR €74

Airport passengers

28 million

Population

1.0 million

Guest nights\*

6 million

Airport passengers

23 million

Population

1.7 million

Guest nights\*

15 million

# German cities in strategic regions with high international demand...

## Hamburg

“One of the richest regions in EU”

Airport passengers: 16 million

Population: 1.7 million

Guest nights: 13 million

Pandox hotels and rooms: 2 hotels – 311 rooms

## Frankfurt

“Major financial and exhibition hub”

Airport passengers: 61 million

Population: 0.7 million

Guest nights: 9 million

Pandox hotels and rooms: 3 hotels – 902 rooms

## Düsseldorf

“City of fashion, exhibitions and business”

Airport passengers: 24 million

Population: 0.6 million

Guest nights: 4 million

Pandox hotels and rooms: 3 hotels – 586 rooms

## Munich

“The capital of southern Germany”

Airport passengers: 42 million

Population: 1.2 million

Guest nights: 14 million

Pandox hotels and rooms: 1 hotel – 236 rooms

---

...and markets with high domestic demand create balance

Cologne

Population: 960,000

Dortmund

Population: 590,000

Bremen

Population: 550,000

Mannheim

Population: 310,000

Hannover

Population: 520,000

Mönchengladbach

Population: 260,000

# Nordic capitals are growing international destinations

## Stockholm

“The Capital of Scandinavia”

Airport Passengers: 25 million

Guest nights: 13 million\*

Population: 1.3 million

Pandox hotels and rooms: 12 hotels – 2,800 rooms

## Copenhagen

“Dynamic leisure and business market”

Airport Passengers: 29 million

Guest nights: 8 million\*

Population: 1.2 million

Pandox hotels and rooms: 7 hotels – 1,656 rooms

## Oslo

“The fastest-growing capital in Europe”

Airport Passengers: 26 million

Guest nights: 4 million\*

Population: 0.6 million

Pandox hotels and rooms: 3 hotels – 573 rooms

## Helsinki

“City of design, architecture and culture”

Airport Passengers: 17 million

Guest nights: 5 million\*

Population: 0.6 million

Pandox hotels and rooms: 4 hotels – 1,421 rooms



---

## Balanced and domestic in the Nordics

Kuopio

Population: 110,000

Jyväskylä

Population: 130,000

Jönköping

Population: 130,000

Linköping

Population: 150,000

Karlstad

Population: 90,000

Luleå

Population: 77,000

# Strong operators and brands

High productivity, high conversion and lower risk

Twenty well-known and well-established external brands

Scandic



NH  
HOTELS

Radisson  
HOTELS & RESORTS



HYATT



Pandox own brands



The Hotel.  
BRUSSELS



hotelbloom!  
Brussels

HOTELLI KORPILAMPI

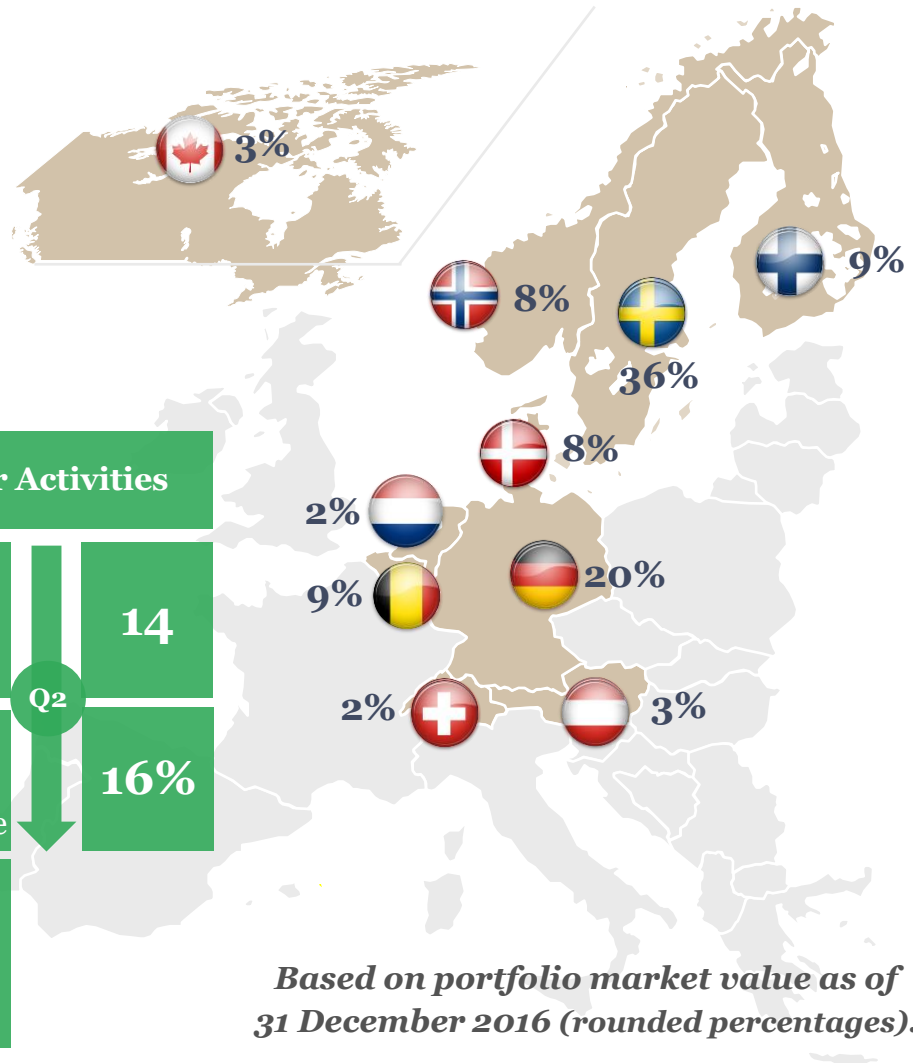


# Portfolio overview

Increasingly well-diversified portfolio with 60/40 Nordic/International

- Focused strategy on large hotel properties in the upper-medium to high-end segments in strategic locations.
- Urban House Copenhagen leased by MEININGER (reclassified 1 January, 2017).
- Seven hotels in the Nordics leased by Scandic (reclassified during Q2 2017).

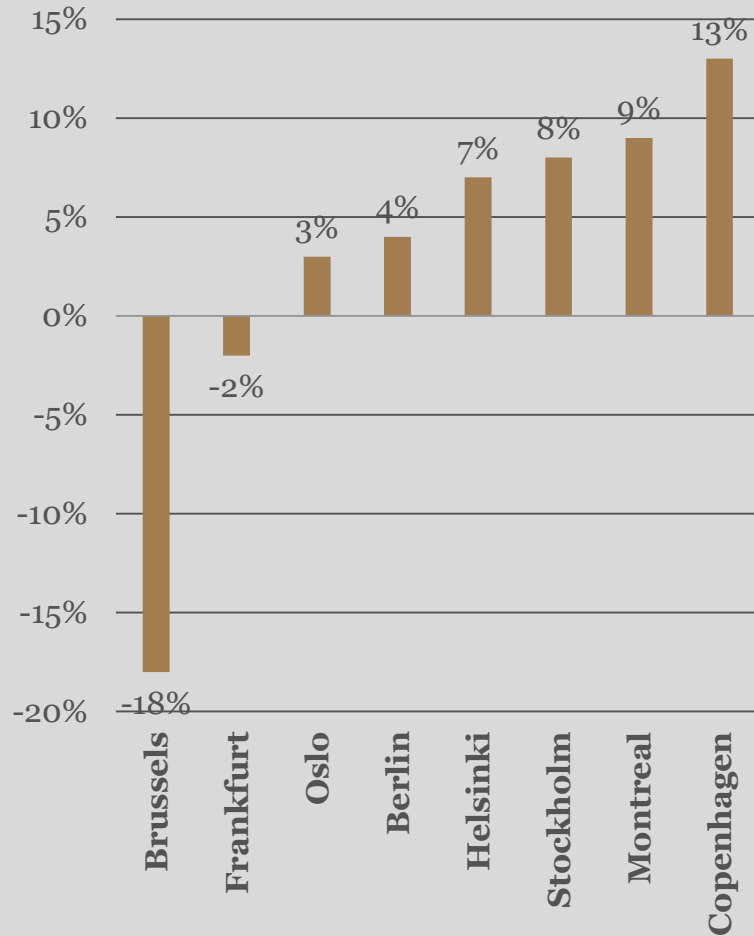
Pandox Group	Property Management		Operator Activities
120 Hotel Properties	98 Leased Properties	106	22 Operated Properties
SEK 38.2bn Portfolio Market Value	79% Property Market Value	84%	21% Property Market Value
	5.7% Valuation Yield		7.5% Valuation Yield



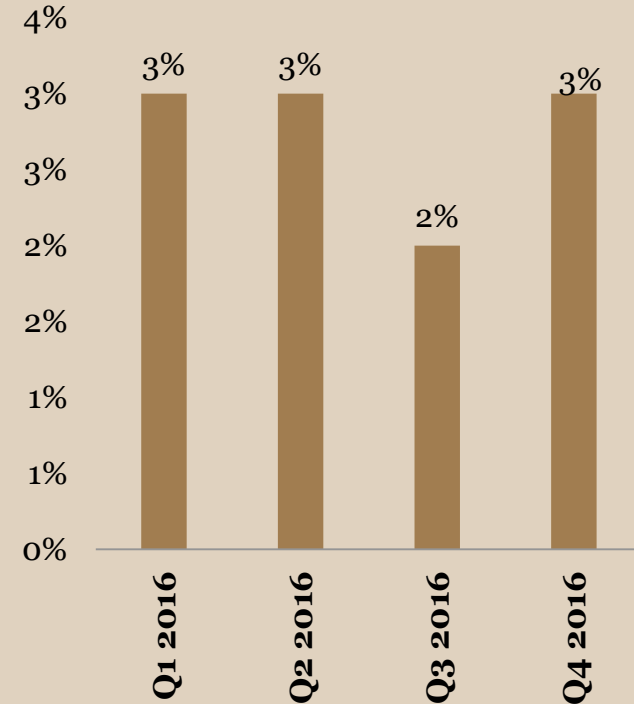
*Based on portfolio market value as of 31 December 2016 (rounded percentages).*

# Sustained growth in important hotel markets (RevPAR y/y)

## Key markets



## Europe



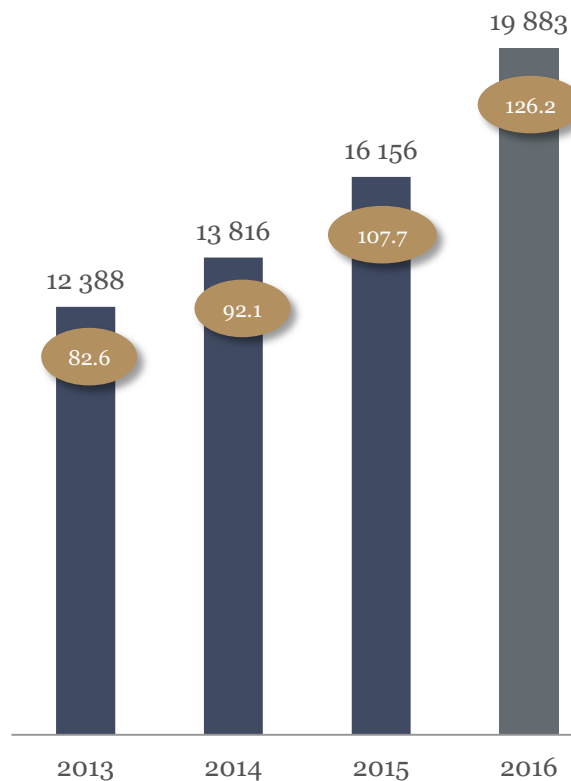


# Financing and capital structure

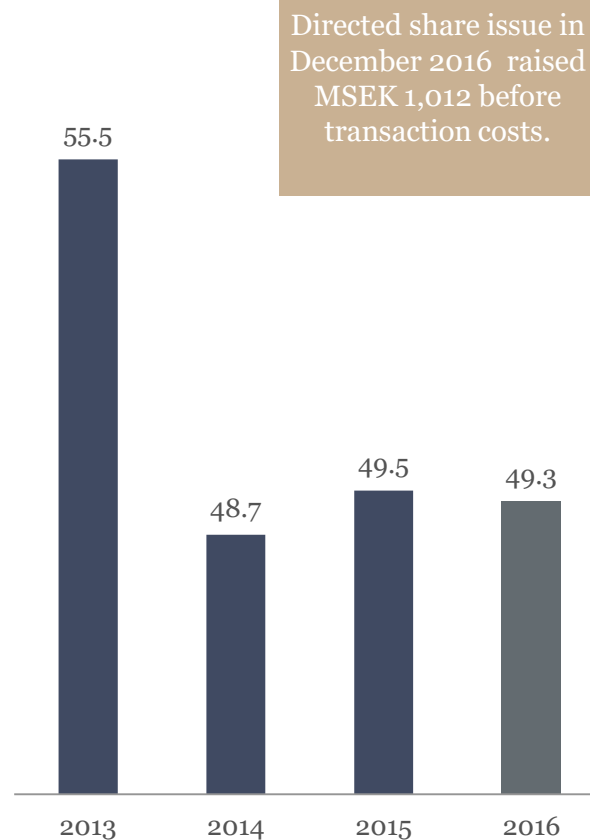
Solid growth in EPRA NAV and strong financial position

## EPRA Net Asset Value (MSEK)

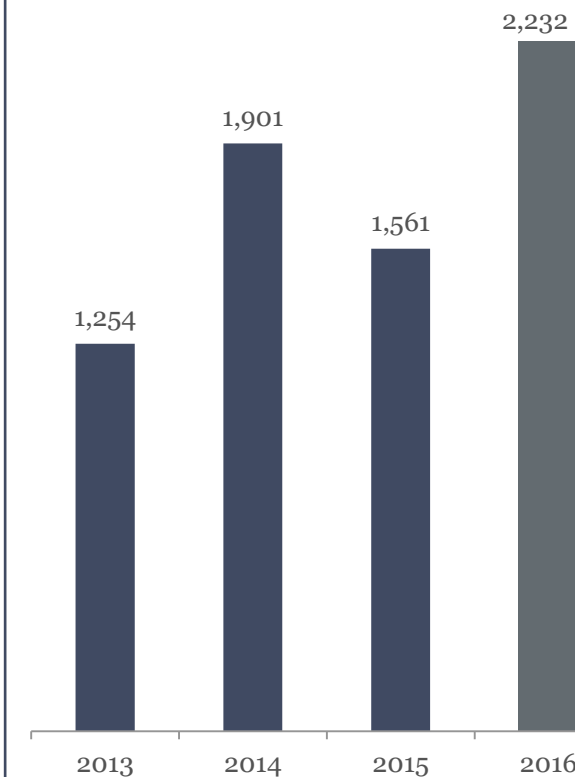
EPRA NAV per share, SEK



## Loan to value (gross) (%)



## Liquid funds including long-term unutilised credit facilities (MSEK)



# A summary of the main drivers for growth in cash earnings



# Q&A



**Pandex AB (publ)**

Box 15  
SE-101 20 Stockholm  
Sweden

Visiting address:  
Vasagatan 11, 9th floor  
Stockholm  
Sweden

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

### **Financial calendar:**

- 29 March 2017 – Annual General Meeting
- 4 May 2017 – Interim report Q1, January–March 2017
- 9 May 2017 – Capital Market Day 2017