

Interim report Q2 2025 presentation

# Stable earnings development

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# Profitable acquisitions drive growth

- Growth in revenue and NOI driven by acquisitions
  - Leases: stable earnings development
  - Own Operations: stable demand but lower average daily rates
- Tough comparable quarter
  - UEFA 2024 European Championship in Germany, Taylor Swift's Eras Tour and certain one-time revenue items in Q2 2024
- Large financial headroom to act
  - Low LTV and strong cashflow
  - Higher property values on somewhat lower yields
- Possible offer for Dalata Hotel Group plc announced

## Q2 2025

### Total revenue growth

+2% | -1% LFL\*

### Total NOI growth

+3% | -1% LFL\*

### Cash earnings per share growth

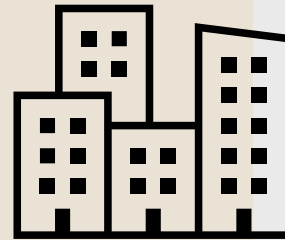
-1%

\*Like for like (LFL) = For comparable units in fixed currency, excluding growth contribution from transformative investments in reclassified properties

## Business model

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

Leases	Own operations
<p><b>Tenant lease models</b></p> <ol style="list-style-type: none"><li>1. Revenue-based</li><li>2. Revenue based with minimum guaranteed levels</li><li>3. Fixed</li></ol> <p><b>Value creation</b></p> <ul style="list-style-type: none"><li>• Long term, revenue-based leases offers upside</li><li>• Guaranteed minimum levels protects downside</li><li>• Shared risk and joint incentives to improve the hotel product and the hotel's profitability</li><li>• Predictable and growing earnings over time</li></ul>	<p><b>Operating models</b></p> <ol style="list-style-type: none"><li>1. We do it ourselves</li><li>2. Management agreement</li></ol> <p><b>Brand</b></p> <ul style="list-style-type: none"><li>• Franchised</li><li>• Independent</li></ul> <p><b>Value creation</b></p> <ul style="list-style-type: none"><li>• Important tool for acquisition, repositioning, and transformation of hotel properties</li><li>• Creating value through new leases or realising value through divestment</li></ul>
<p><b>Active, engaged and sustainable ownership model – enables efficient transformation and repositioning of hotels with the aim of signing new leases</b></p>	

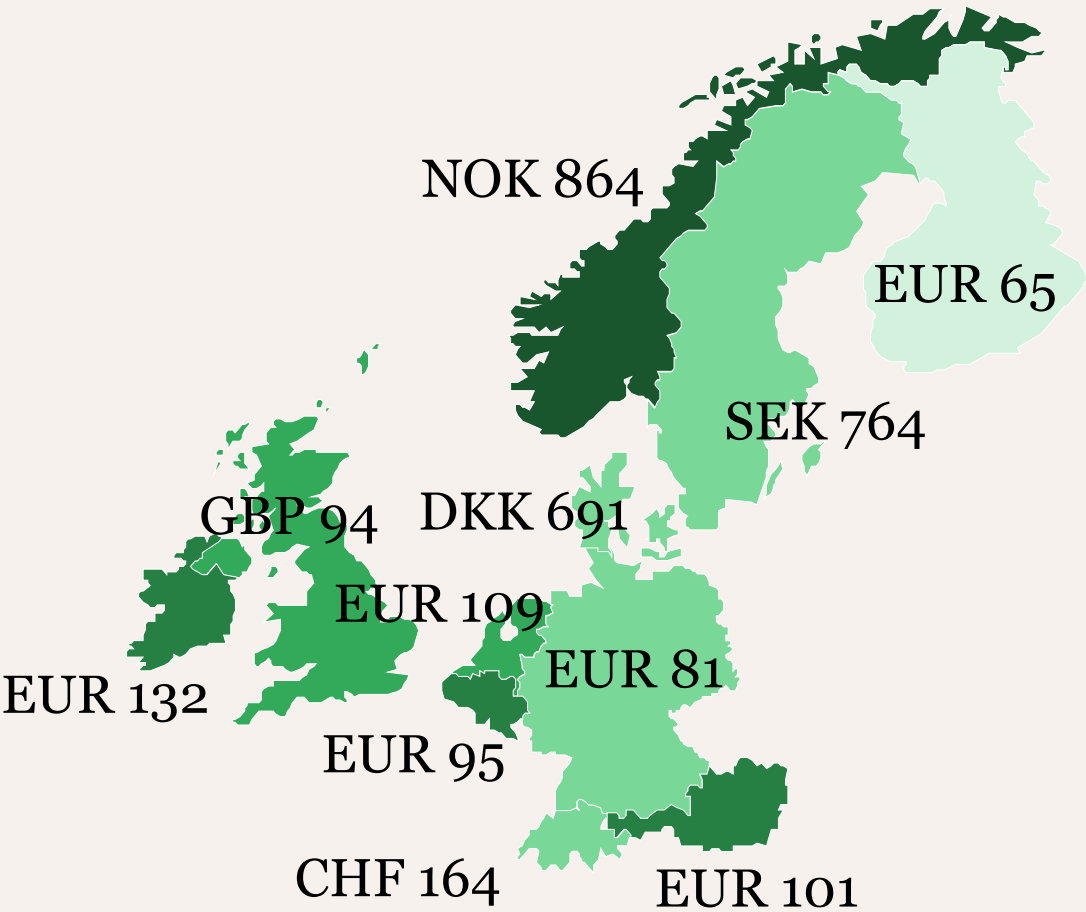


**Property management**

**Property development**

**Portfolio optimisation**

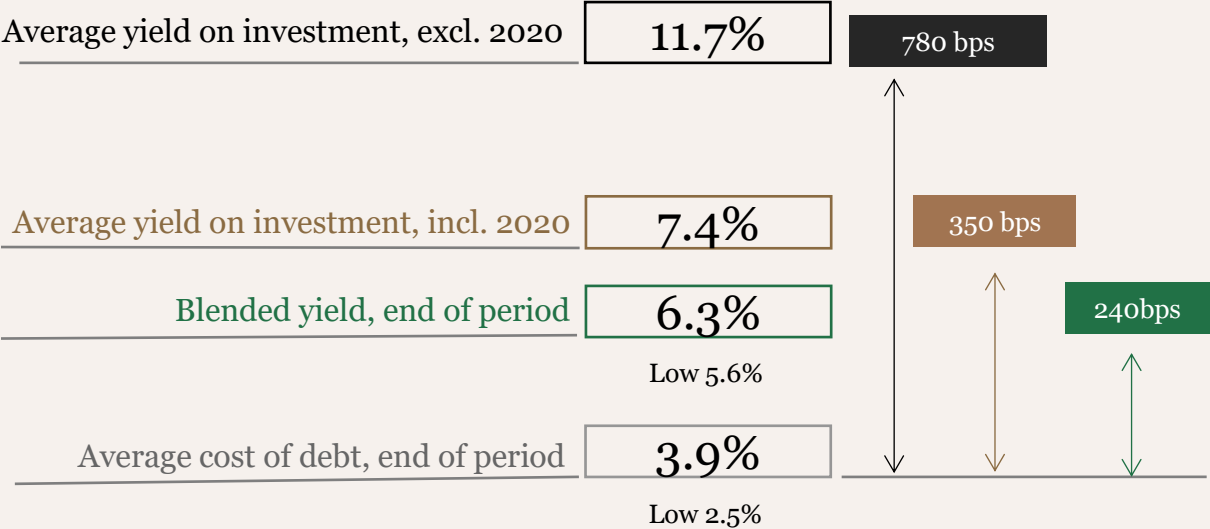
# Growth map



Pandox market value*		Market RevPAR CAGR 2016-2025**
UK	17,757	3.2%
Germany	17,334	1.5%
Sweden	16,218	1.5%
Belgium	6,082	4.2%
Denmark	4,448	1.5%
Norway	4,155	4.9%
Finland	4,398	1.1%
Austria	1,596	3.5%
Ireland	1,678	3.9%
Netherlands	1,676	3.2%
Switzerland	889	1.6%

Source: \*Per 30 June 2025 (MSEK) \*\*STR \*\*\*RevPAR 2025 12MR May

# A selection of yield spreads



- Assumptions
- Period: 2015-2025 YTD
  - Investments (1): Acquisitions – Divestments + Capex
  - Incremental NOI (2): Sum of yearly change
  - Average yield: (1) divided by (2)
  - Ex 2020: The worst year during the pandemic
  - Average cost of debt: 30 June 2025
  - Blended yield: 30 June 2025

Capex investments

# Leonardo Hotel Galway

Leases | 130 rooms | Full service | City Center



## > Target → Outcome

- RevPAR +13% → +27%
- ROI +12% → +22%
- Investment MEUR 3.9 (60/40) → MEUR 4.2 (64/36)

## > Actions

- Full renovation of all guest rooms, bathrooms, public spaces and change of brand
- Completed in 2024

## > Stabilised results

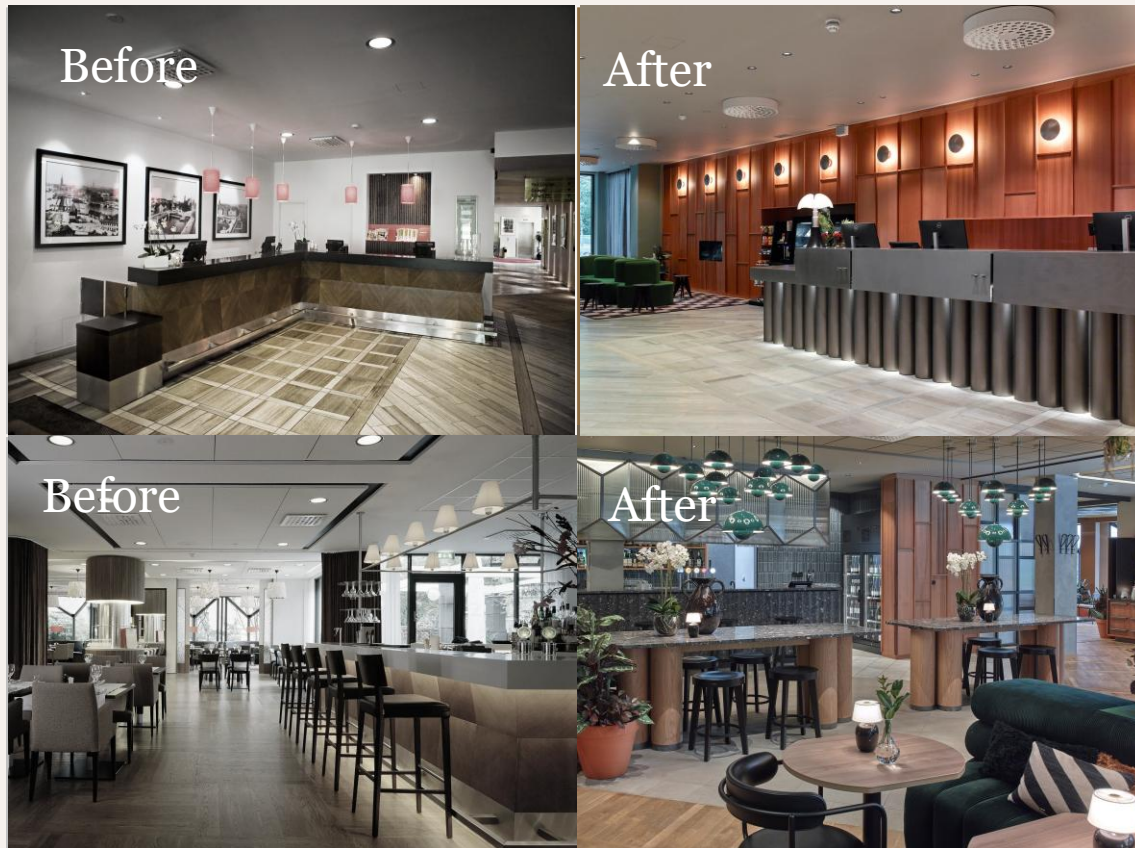
- RevPAR +27% driven mostly by rate
- Incremental NOI increase of +22%
- Property market value uplift of +12%



Capex investments

# Scandic Park Stockholm

Leases | 213 rooms | Full service | City Center



## > Target → Outcome

- RevPAR +5% → +23%
- ROI +17% → +42%
- Investment MSEK 34 (50/50) → MSEK 38 (53/47)

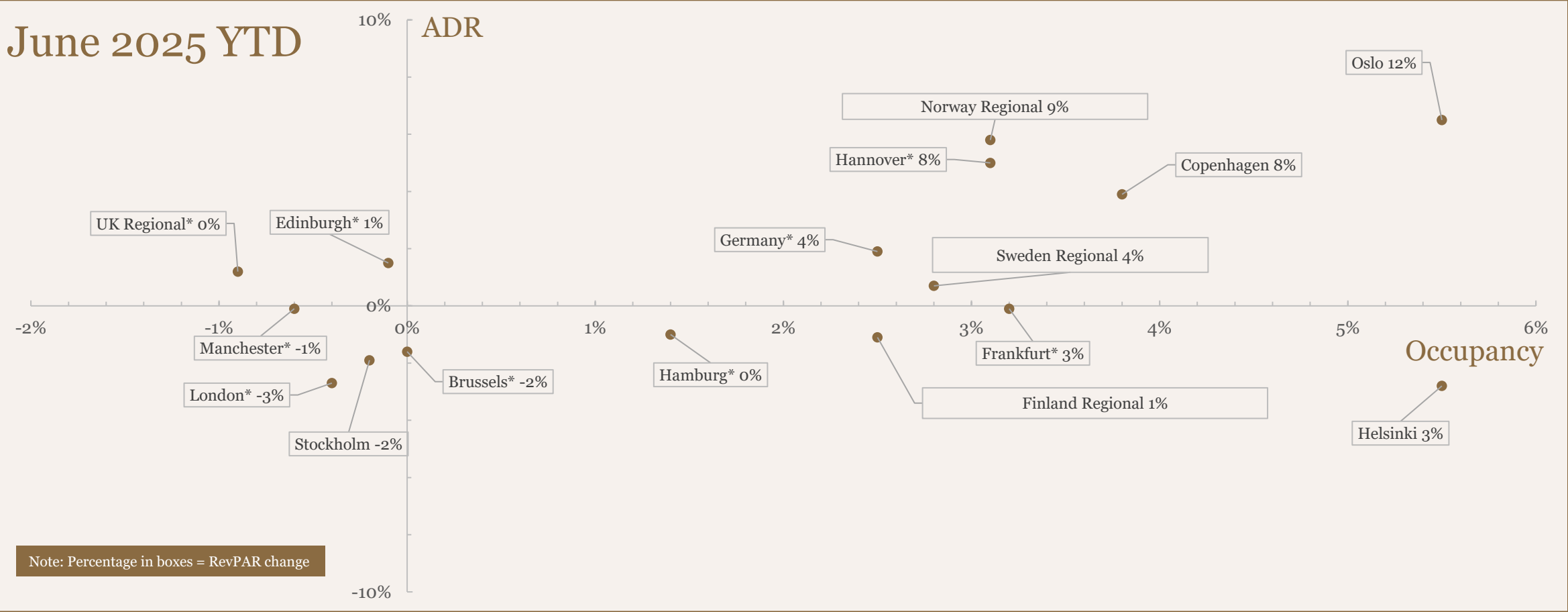
## > Actions

- Conversion of existing spaces to 9 new hotel rooms, a new meeting and F&B concept and technical installation upgrade
- Completed in 2019 (rooms) & 2022 (public spaces)

## > Stabilised results

- +7% increase in available rooms (13 new rooms)
- RevPAR +23% driven by rate
- Room revenue +31%
- Property market value uplift of +20%

# A stable market with regional variations



Source: Benchmarking Alliance, STR Global

Note: For non-Nordic countries and destinations YTD = January-May due to lack of data



## Strategic position

# A strong and well-diversified business portfolio

### Pandox Group

163  
Hotel properties

36,339  
Rooms

SEK 76,2bn  
Property market value

6.25%  
Yield

MSEK 4,218  
Net operating income (R12m)

### Leases

141  
Leased properties

30,643  
Rooms

SEK 61,2bn  
Property market value

6.09%  
Yield

MSEK 3,350  
Net operating income (R12m)

### Own Operations

22  
Operated properties

5,696  
Rooms

SEK 15,0bn  
Property market value

6.88%  
Yield

MSEK 868  
Net operating income (R12m)

HOTEL  
INDIGO

Scandic

IHG  
InterContinental Hotels Group

adagio  
APARTHOTEL

Mercure  
HOTELS

Hilton  
Garden Inn

NH  
HOTELS

Axiom  
Hospitality

Numa

SIRCLE  
COLLECTION

Radisson  
BLU

Hilton  
HOTELS & RESORTS

CROWNE PLAZA  
HOTELS & RESORTS

Leonardo  
HOTELS

RHG RADISSON  
HOTEL GROUP

Holiday Inn

The Hotel.  
BRUSSELS

HOTEL  
mayfair

MOTEL ONE

Strawberry

W  
HOTELS

ELITE HOTELS  
OF SWEDEN

M  
MEININGER  
HOTELS

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  
1911

Residence INN

# Stable earnings development

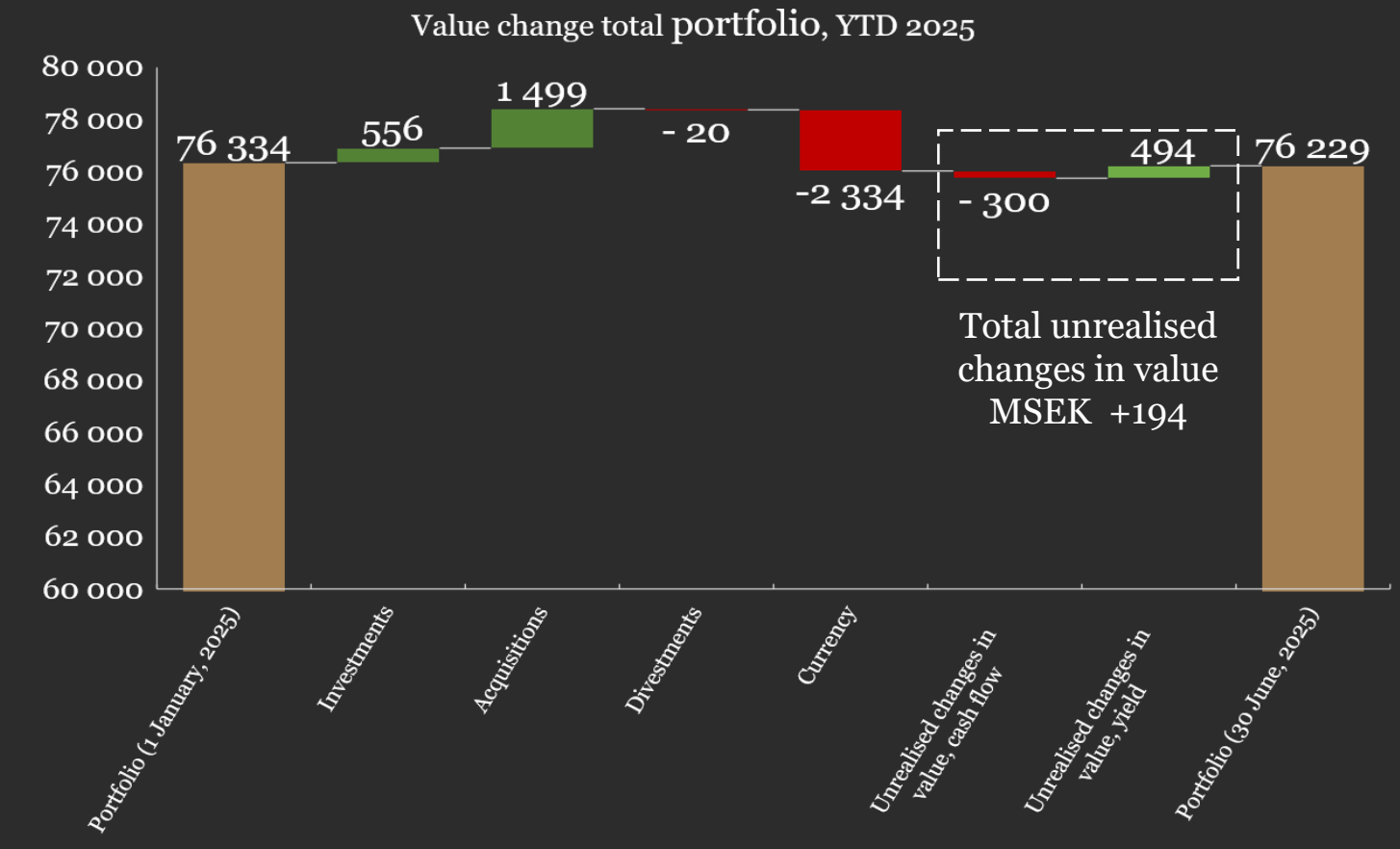
- Profitable acquisitions drive growth
- Growth in total NOI despite tough comparable quarter
  - NOI Group +3 percent
  - NOI Leases +1 percent
  - NOI Own Operations +12 percent
- Stable demand but lower average daily rates
- Positive earnings traction
  - Profit before changes in value +4 percent
  - Cash earnings +5 percent

Revenue and result (MSEK)	25Q2	24Q2	YoY%	LFL% <sup>1)</sup>
Pandox Group revenue	1,903	1,866	2	-1
Pandox Group NOI	1,162	1,125	3	-1
Leases revenue	1,007	1,009	0	0
Leases NOI	876	869	1	0
Own Operations revenue	896	857	5	-3
Own Operations NOI	286	256	12	-4
EBITDA	1,110	1,082	3	-
Profit before changes in value	620	597	4	-
Cash earnings	587	560	5	-

1) For comparable units at fixed currency

# Negative value effect from appreciation of SEK

MSEK



Comment:

Positive changes in value, mainly driven by lower yield requirements.

Appreciation of SEK had a negative effect on property market values of MSEK -2,334

100 percent of the property value externally valued in the past 12 months, of which 16 percent in second quarter.

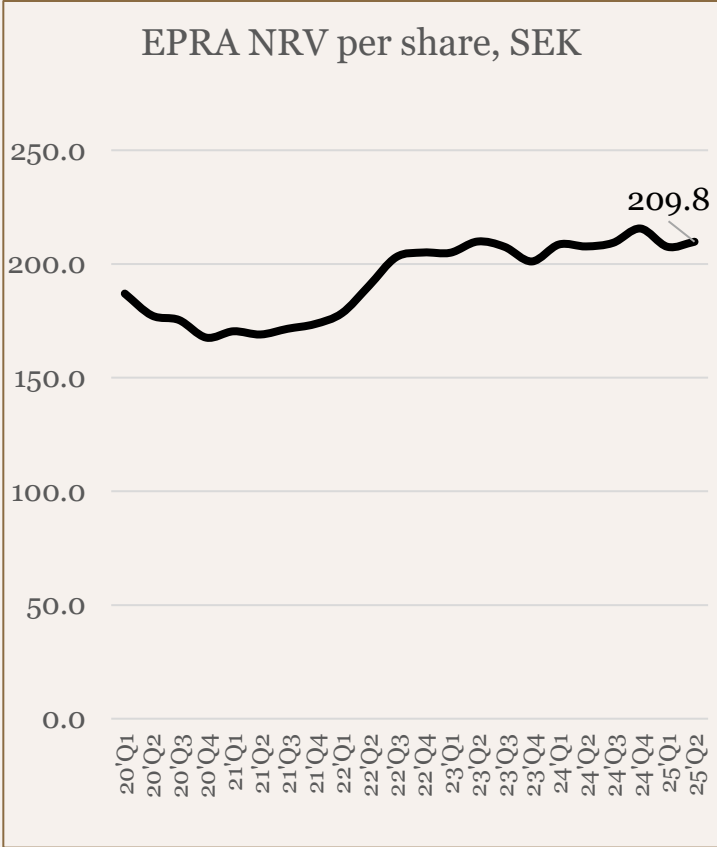
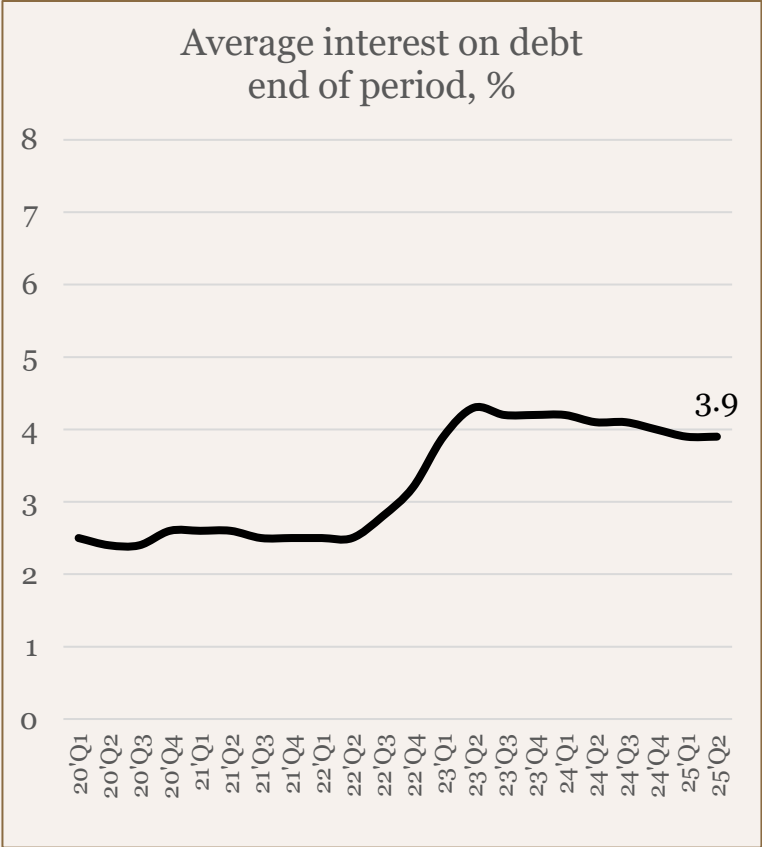
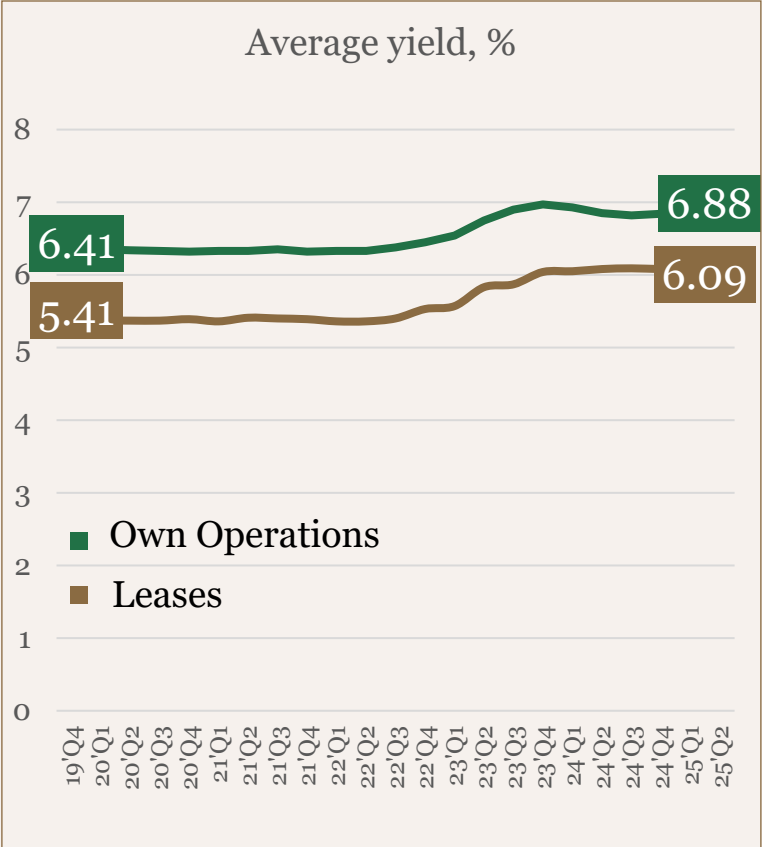
Acquisitions:

*Radisson Blu Tromsø (1 Jan)*

*Hotel Pullman Cologne (1 Apr)*

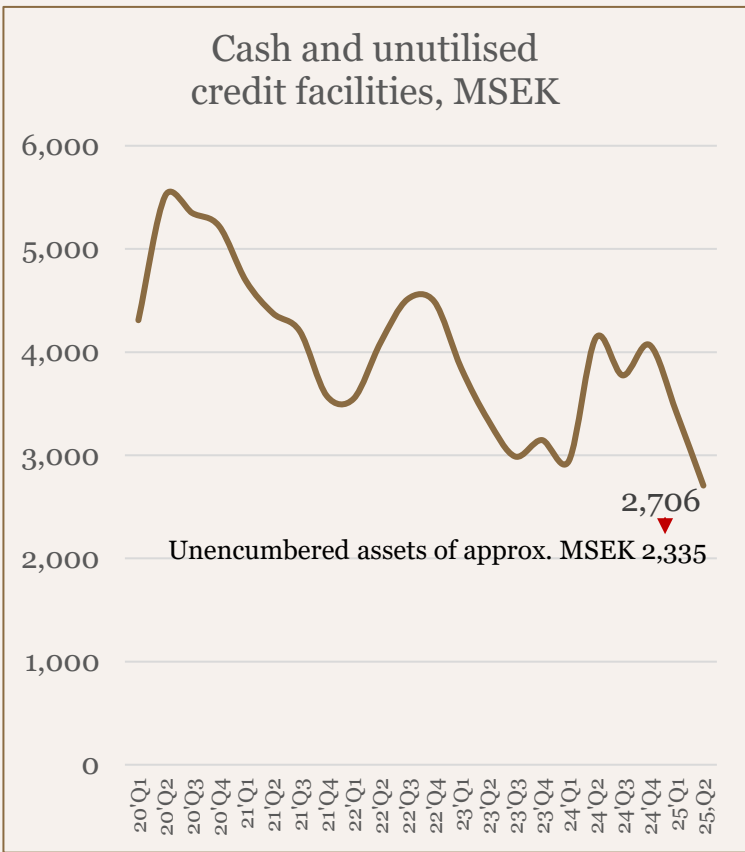
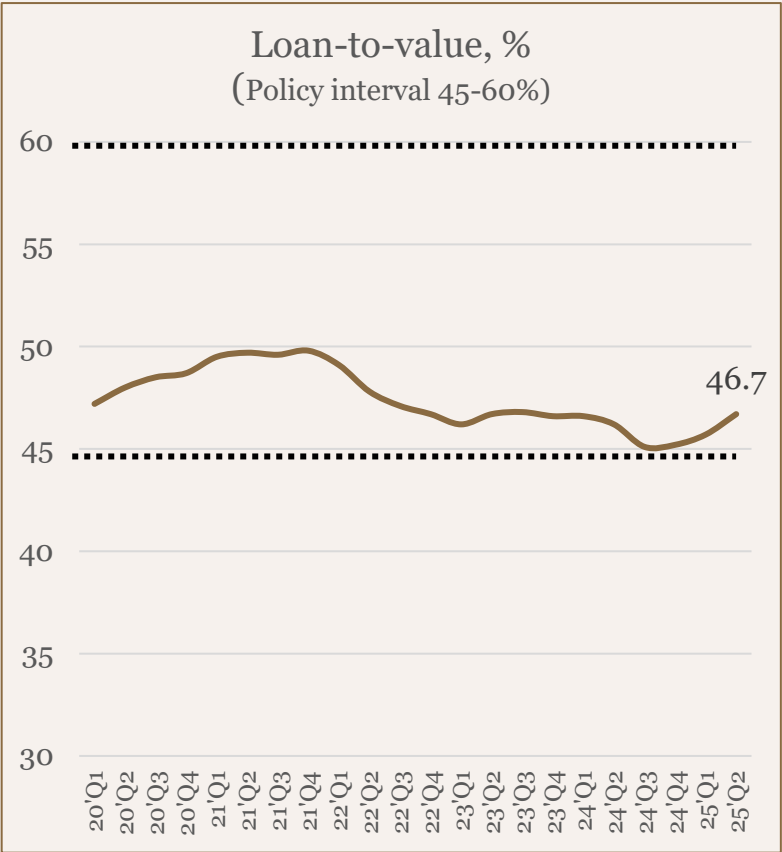
*Elite Hotel Frost Kiruna (expected Q3)*

# Solid yield gap and growing EPRA NRV



Key financial metrics

# Large financial flexibility



# Solid financial position

- Refinancings of approximately MSEK 3,893 in the quarter, and MSEK 19,688 LTM
- MSEK 17,368 is sustainability linked, representing ~46 percent of total volume
- MSEK 2,311 of debt maturing within one year
- Decreased credit margins and increased appetite among banks
- Approximately 58 percent of net interest-bearing debt is hedged

Key metrics (at end of period)	25Q2	24Q2	YoY
Net interest-bearing debt, MSEK	35,579	32,705	+9%
EPRA NRV, MSEK	40,832	38,187	+6.9%(*)
Loan to value, %	46.7	46.2	+0.5pp
Net debt/EBITDA, times	8.8	8.5	+0.3x
Interest cover ratio, times	3.2	2.9	+0.3x
Interest cover ratio (R12m), times	2.7	2.6	+0.1x
Average interest on debt, %	3.9	4.1	-0.2pp
Average fixed rate period, years	2.3	3.3	-1.0yrs
Cash and unutilised credit facilities, MSEK	2,706	4,137	-34.6%

(\*) Annualised growth of 4 percent adjusted for dividend and new share issue

# Stable outlook

- Currently in seasonally strong period for the hotel market
- Initial concerns over tariffs seem to have died down
- We expect resilient demand and gradually less challenging comparison figures
  - Stable business-on-the-books in Own Operations
- Event-filled calendar in H2
- Our financial position remains strong, and we have significant capacity for new acquisitions and investment in our existing portfolio



# Q&A





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