

Q1 2023 presentation

Stable earnings development

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Quarter in brief

Continued earnings recovery

- Stable and positive quarter
 - Resilient hotel market considering economic headwinds
- Good earnings development
 - Solid growth and continued earnings recovery
- Seasonality and catch-up effects
 - Q1 is historically the weakest of the year with lower demand for meetings
 - Some demand segments have not fully recovered yet
- Strong financial position
 - Loan-to-value of 46.2 percent and 100% bank financing

Strategic position

A well-diversified portfolio

Pandox Group

158
Hotel properties

35,586
Rooms

SEK **69.7**^{bn}
Property market value

Property Management

138
Leased properties

29,938
Rooms

83%
Property market value

Operator Activities

20
Operated properties

5,648
Rooms

17%
Property market value

Strategic position

A strong network of partners and brands



Pandox cooperates with more than 30 business partners and brands

Quarter in brief

Solid growth numbers

+15%

Return on equity ¹⁾

R12M

+45%

LFL growth in NOI
total ²⁾

Jan-Mar 2023

+21%

LFL growth in NOI
Property management ³⁾

Jan-Mar 2023

46.2%

Loan-to-value, net

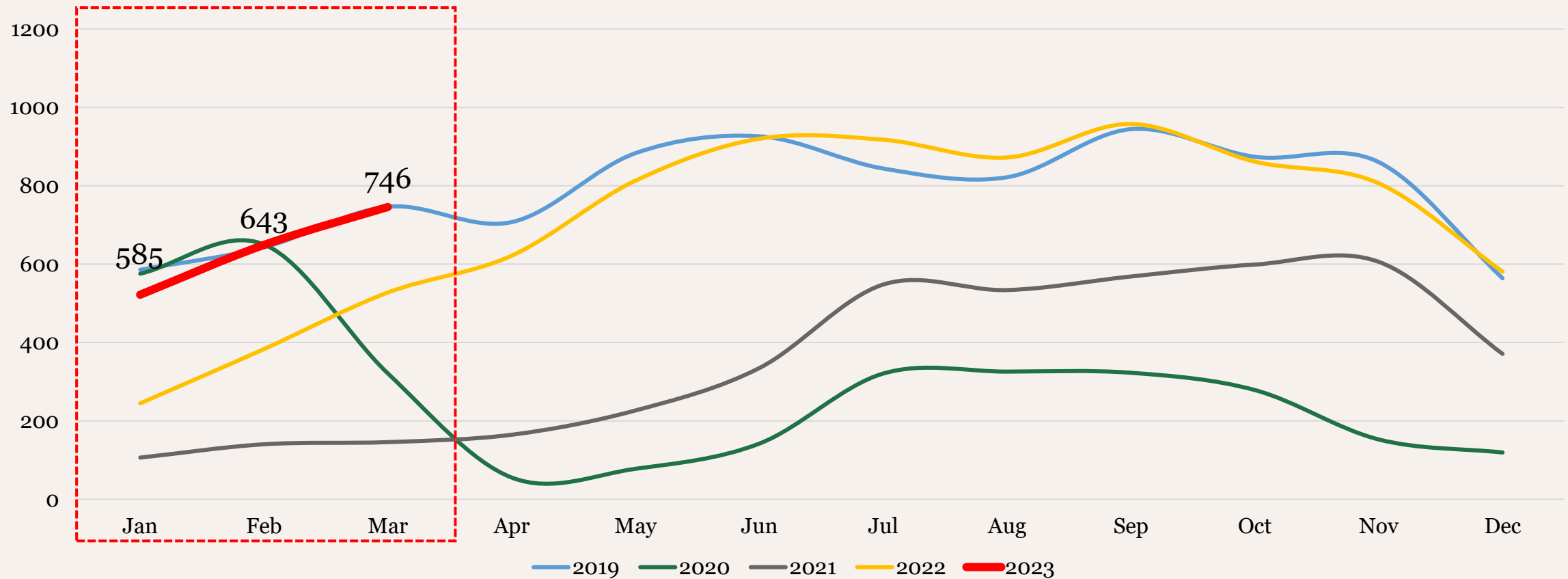
Per 31 March 2023

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

²⁾ NOI Property Management, plus gross profit plus depreciation Operating Activities. For comparable units adjusted for currency effects

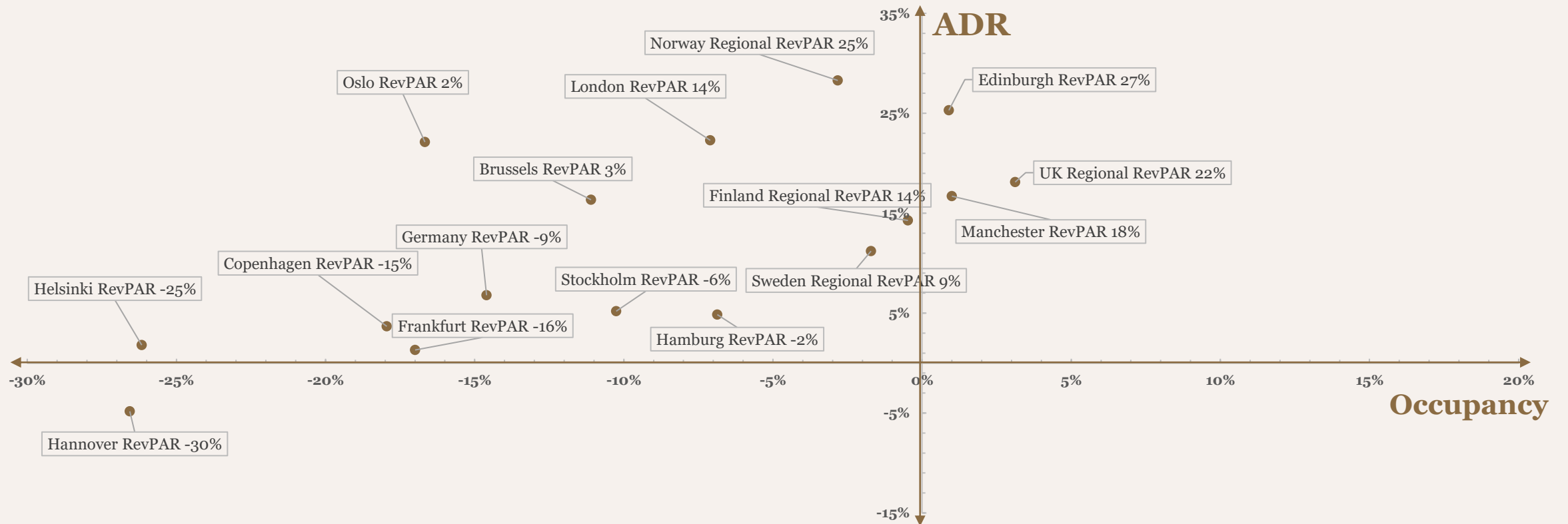
³⁾ For comparable units adjusted for currency effects.

RevPAR is now tracking 2019



Hotel market development (YTD vs 2019)

ADR drives RevPAR recovery



Källa: Benchmarking Alliance, STR Global

Acquisitions

Two strong additions to the portfolio

The Queens Hotel Leeds



Operator Activities | 232 rooms | City center | MGBP 53

Best Western Hotel Fridhemsplan, Stockholm



Property Management | 221 rooms | City center | MSEK 400

A stable quarter

- Continued earnings recovery and strong LFL growth
- Seasonally weak quarter
- Total revenue-based rents of MSEK 208 (98)
- Revenue-based rents in 55 (20) agreements with minimum level
- Important demand segments in Operator Activities not yet fully recovered
- Cash earnings of MSEK 259 (178)

Revenue and result (MSEK)	23Q1	22Q1	YoY	LFL ¹⁾
Padox Group revenue	1,353	974	67%	54%
Padox Group NOI	714	568	55%	44%
Property Management revenue	780	648	23%	21%
Property Management NOI	662	543	22%	21%
Operator Activities revenue	573	242	137%	113%
Operator Activities NOI ²⁾	52	-49	NM	NM
EBITDA	675	467	45%	-
Profit before changes in value	266	148	80%	-
Cash earnings	259	178	46%	-

1) For comparable units adjusted for currency effects.

2) 22'Q1 includes government grants of MSEK 17

Property portfolio

Slight decline in values on higher yields

Changes in value Investment Properties	MSEK
Market value beginning of the year (1 Jan, 2023)	57,563
+ Acquisitions	325
+ Investments	122
+/- Changes in value	-410 -0.7%
+/- Disposals	-223
+/- Change in currency exchange rates	342
Market value end of year (31 Mar, 2023)	57,719

Changes in value Operating Properties, for information purposes only	MSEK
Market value beginning of the year (1 Jan, 2023)	11,669
+ Acquisitions	683
+ Investments	114
- Divestments	-616
+/- Changes in value	-10 0.0%
+/- Change in currency exchange rates	136
Market value end of year (31 Mar, 2023)	11,976

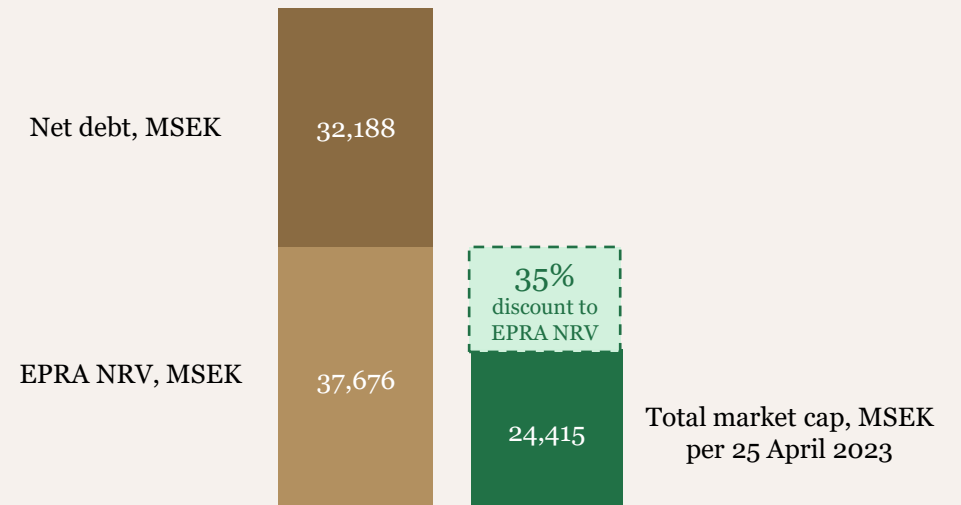
-0.6%

- > Total property value of MSEK 69,695 (69,231) end-of-period
- > Average valuation yield Investment Properties 5.62 (5.58) percent and Operating Properties 6.59 (6.50) percent end-of-period
- > Negative (unrealised) changes in value of MSEK -420 from higher yields in both Property Management and Operator Activities
- > Positive (realised) changes in value of MSEK 198 in capital gain from divestment of InterContinental and net value of disposal and insurance settlement for Dorint Parkhotel Bad Neuenahr
- > Approximately 94 percent of the properties externally valued in the past 12 months, based on value
- > Acquisition of The Queens Hotel Leeds (16 Feb) and Best Western Hotel Fridhemsplan (28 Feb). Divestment of InterContinental Montreal (Feb 1)

Well-proven financing strategy

- › Well-proven financing strategy built on long-term relationships with banks and shareholders
- › Equity and mortgage-backed bank loans are Pandox's sources of financing
- › No market financing in the form of bonds/hybrids and no external rating requirements
- › Given Pandox's business model, mortgage-backed bank loans are the most effective and predictable source of financing

Capital structure, per 31 March 2023



Refinancings in progress

- Approximately MSEK 5,200 refinanced in 23Q1
- MSEK 11,021 of debt maturing within one year, of which approximately MSEK 3,500 in 23Q2 and MSEK 6,700 in 23Q4
- Proactive and positive dialogue with banks on upcoming refinancings
- Interest costs are gradually increasing
- Low loan-to-value ratio and strong cash position

Key metrics (at end of period)	23Q1	22Q1	YoY	FY 2022
Net interest-bearing debt, MSEK	32,188	31,345	3%	32,119
EPRA NRV, MSEK	37,676	32,783	15%	37,694
Loan to value, %	46.2	49.1	NA	46.7
Interest cover ratio, times	2.3	2.2	NA	3.7
Average interest on debt, %	3.9	2.5	NA	3.2
Average fixed rate period, years	2.7	3.2	NA	2.7
Cash and unutilised credit facilities, MSEK	3,843	3,548	8%	4,489

We remain cautiously optimistic

- › We are a company driven to succeed and we are financially strong
- › Variable revenues offer protection against both inflation and higher interest rates
- › Recovery potential in business and international travel
- › Stronger trade fair and exhibition calendars than in 2022 in important markets

Q&A





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