

# A strong platform for value creation

Analyst lunch

05 ▪ 12 ▪ 2019

Pandox™





Our business concept

# A flexible specialist

Pandox's core business is to own hotel properties and lease them to strong hotel operators

If these conditions are not in place, Pandox can choose to operate the hotel itself

Multiple options

# Four operational models

- 1 Lease agreement
- 2 Management agreement
- 3 Owned and operated with franchised brand
- 4 Owned and operated with independent brand



Clear investment case

# Balanced risk

Good growth opportunities

Good growth in the tourism and travel market

Low market share in the hotel property market

Strong market position

Pan-European position

Attractive partner in the hotel market

Balanced risk

Ability to act throughout the value chain

Diversified portfolio provides resilience



Strategic position

# Larger and more diversified

o.6bn

Portfolio market value

1

Number of countries

15

Number of destinations

\*Per 30 September 2019, including communicated but not yet closed acquisitions at announced values (rounded percentages)



Strategic position

# Larger and more diversified

64bn

Portfolio market value

15

Number of countries

89

Number of destinations

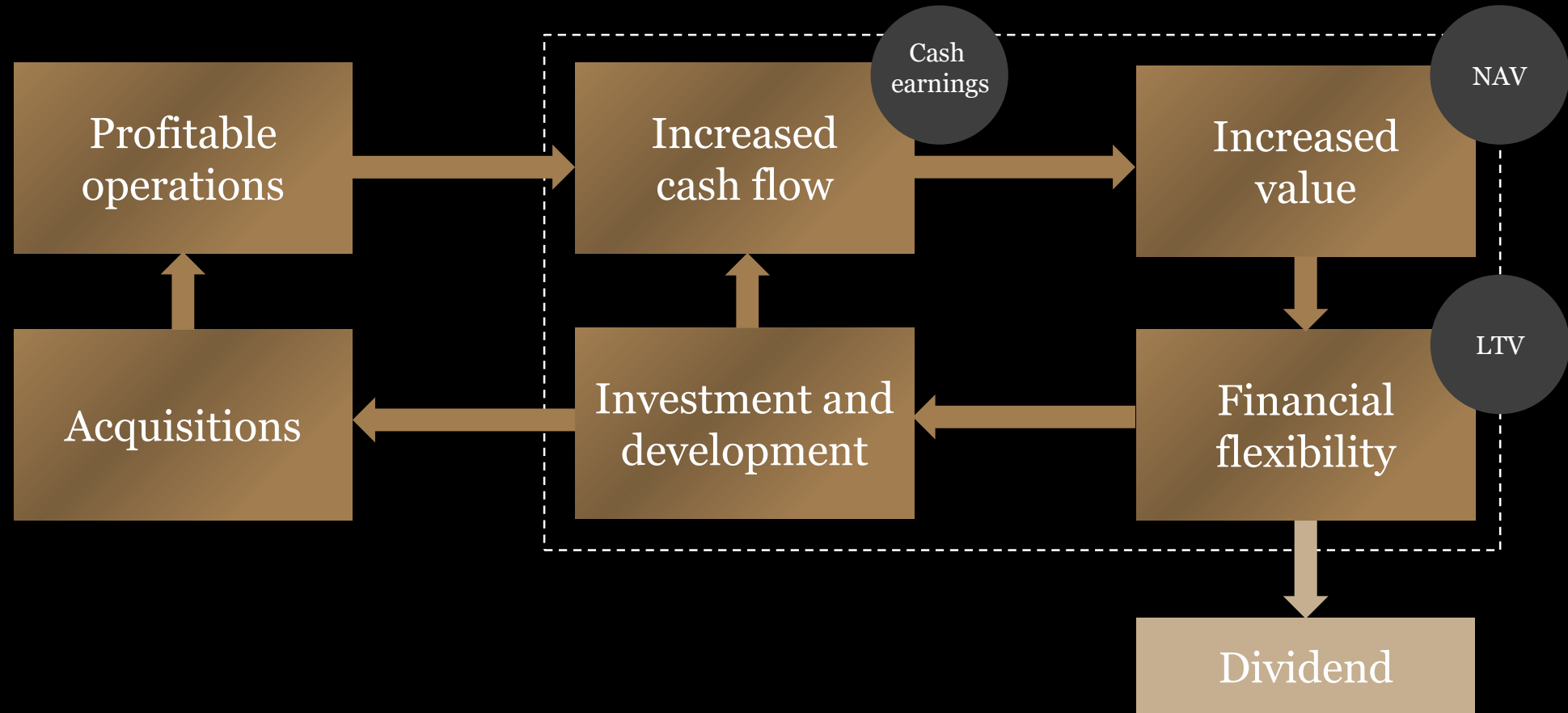
\*Per 30 September 2019, including communicated but not yet closed acquisitions at announced values (rounded percentages)



Financial position

# The way Pandox creates value

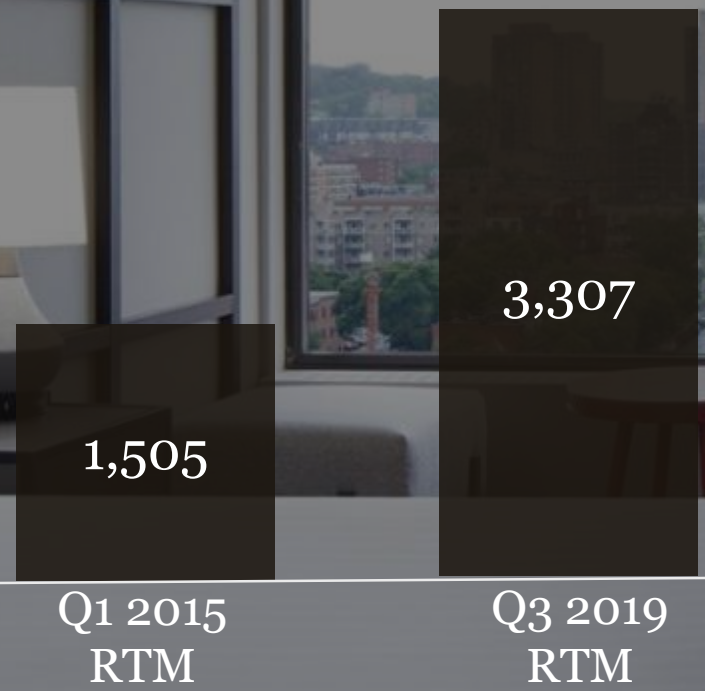
Active ownership aimed at offering the most attractive platform for hotel operations



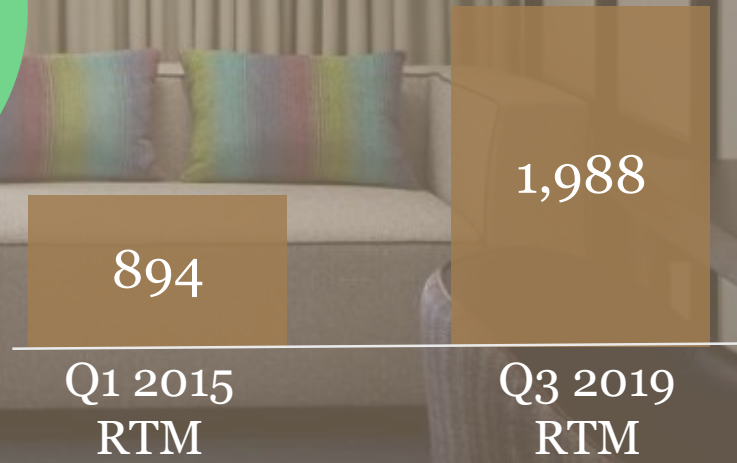
Financial position

# Profitable execution of strategy

Total net operating income (MSEK)



Total cash earnings (MSEK)



+2.2X



Strategic position

# European expansion



\*Per 30 September 2019, including communicated but not yet closed acquisitions at announced values (rounded percentages)

PANDOX – EXCELLENCE IN HOTEL OWNERSHIP AND OPERATIONS

Combined financial effects from communicated acquisitions during 2019

# Summary of previous communication

- 1 Total acquisition value of 534 MEUR
- 2 13 hotels, 2,834 rooms in 11 cities in Germany and Netherlands
- 3 7 new cities, 5 new brands, 3 new partners
- 4 MEUR 30.8 in net operating income annualised
- 5 Loan-to-value of 47.3 percent\*

\*Based on the hotel property's market value per 30 September 2019, including communicated but not yet closed acquisitions (at EUR/SEK 10.66) including proceeds from directed share issue



Acquisitions in 2019

# HR Group 1.0

3 hotels  
565 rooms  
3 cities

Germany

Sale-and-lease-back  
with HR Group under  
the Dorint brand

Property Management  
MEUR 103  
Yield 5.6%  
Revenue-based lease



HR Group

# Dorint Hotel An den Westfalahallen Dortmund

City/congress

211 rooms

Full-service





HR Group

# Dorint Hotel An Der Kongresshalle Augsburg

City/congress

184 rooms

Full-service

Dorint



HR Group

# Dorint Hotel am Dom Erfurt

City

160 rooms

Full-service





Acquisitions in 2019

# Grape Hospitality

2 hotels  
421 rooms  
2 cities

Germany  
Netherlands

Sale-and-managed-back  
with Grape Hospitality  
under the Novotel  
brand

Operator Activities  
MEUR 83  
Yield 6.5%

Grape Hospitality

# Novotel Den Haag World Forum

City/congress

216 rooms

Select-service

world forum



Grape Hospitality

# Novotel Hannover

City/congress

205 rooms

Full-service

Acquisitions in 2019

# Maritim Hotel Nürnberg

1 hotel  
316 rooms  
1 city

Germany

Great potential from  
value-adding  
investments and  
repositioning

Property Management  
MEUR 61  
Yield 5.4%  
Short term fixed lease



Germany

# Maritim Hotel Nürnberg

City

316 rooms

Full-service

Acquisitions in 2019

# HR Group 2.0

7 hotels  
1,532 rooms  
5 cities

Germany

Sale-and-lease-back  
with HR Group under  
the Dorint, Pullman and  
Mercure brands

Property Management  
MEUR 290  
Yield 5.7%  
Initially fixed lease  
initially, converted to  
revenue-based lease  
by 2024



Acquisitions

# HR Group 2.0 hotels



Strategic position

# A well-diversified portfolio



\*Per 30 September 2019, including communicated but not yet closed acquisitions at announced values (rounded percentages)



Strategic position

# A pan-European position created



Size and scale

Geographical presence

Partner network

Portfolio composition

Stakeholder recognition

Strategic position

# Good geographical balance

2%

19%

41%

38%

- ✓ 15 countries
- ✓ 89 destinations
- ✓ 28 brands and partners

\*Per 30 September 2019, including communicated but yet closed acquisitions at announced values (rounded percentages)



Strategic position

# A strong portfolio of brands



Note: The logos are the property of the respective brand owners.

Combination of  
network, size,  
geography and  
expertise

Drives business  
activity



Investments

# Jurys Inn

21 hotels  
2 brands  
4,410 rooms  
20 cities

UK and Ireland

Recently completed

Jurys Inn Belfast  
Jurys Inn Croydon

On-going and planned

The Midland Manchester  
Jurys Inn Inverness  
Jurys Inn Oxford  
NYX Birmingham



Investments

# Hilton

7 hotels  
3 brands  
2,244 rooms  
5 cities

UK, Belgium, Finland,  
Sweden and Canada

Recently completed

Hilton Brussels  
Grand Place

On-going and planned

DoubleTree by Hilton Montreal  
Hilton Garden Inn London  
Heathrow Airport



Investments

# Scandic

50 hotels  
1 brand  
10,890 rooms  
37 cities

Sweden, Finland,  
Norway and  
Denmark

Recently completed

Scandic Hallandia  
Scandic Park Stockholm  
Scandic Star Sollentuna  
Scandic Tampere City

On-going and planned

Scandic Luleå  
Scandic Kramer  
Scandic Jyväskylä

Investments

# Radisson

8 hotels  
1 brand  
2,033 rooms  
8 cities

Germany, Sweden,  
Norway, UK and  
Switzerland

Recently completed

Radisson Blu Cologne  
Radisson Blu Basel  
Radisson Blu Bodø

On-going and planned

Radisson Blu Bremen



Investments

# Nordic Choice Hotels

11 hotels  
3 brands  
1,800 rooms  
10 cities

Sweden and Norway

On-going and planned

Clarion Collection Arcticus  
Quality Park Södertälje  
Comfort Börsparken Oslo



Investments

# NH Hotels

7 hotels  
2 brands  
1,681 rooms  
6 cities

Belgium, Austria  
and Germany

## Recently completed

NH Vienna Airport  
NH Brussels EU Berlaymont

## On-going and planned

NH Brussels Bloom  
NH Salzburg City  
NH Munchen Airport  
NH Frankfurt Airport



Investments

# Elite Hotels

2 hotels  
1 brand  
469 rooms  
2 cities

Sweden

Recently completed

Elite Park Avenue Gothenburg  
Elite Stora Hotellet Jönköping



Investments

# Leonardo

18 hotels  
2 brands  
3,547 rooms  
12 cities  
  
Germany

Recently completed

More than 3,000 rooms  
refurbished, including  
131 room expansion in  
Wolfsburg



Investments

# Independent portfolio

10 hotels  
10 brands  
2,555 rooms  
7 cities

Germany, Belgium,  
Netherlands, UK,  
Finland, Sweden

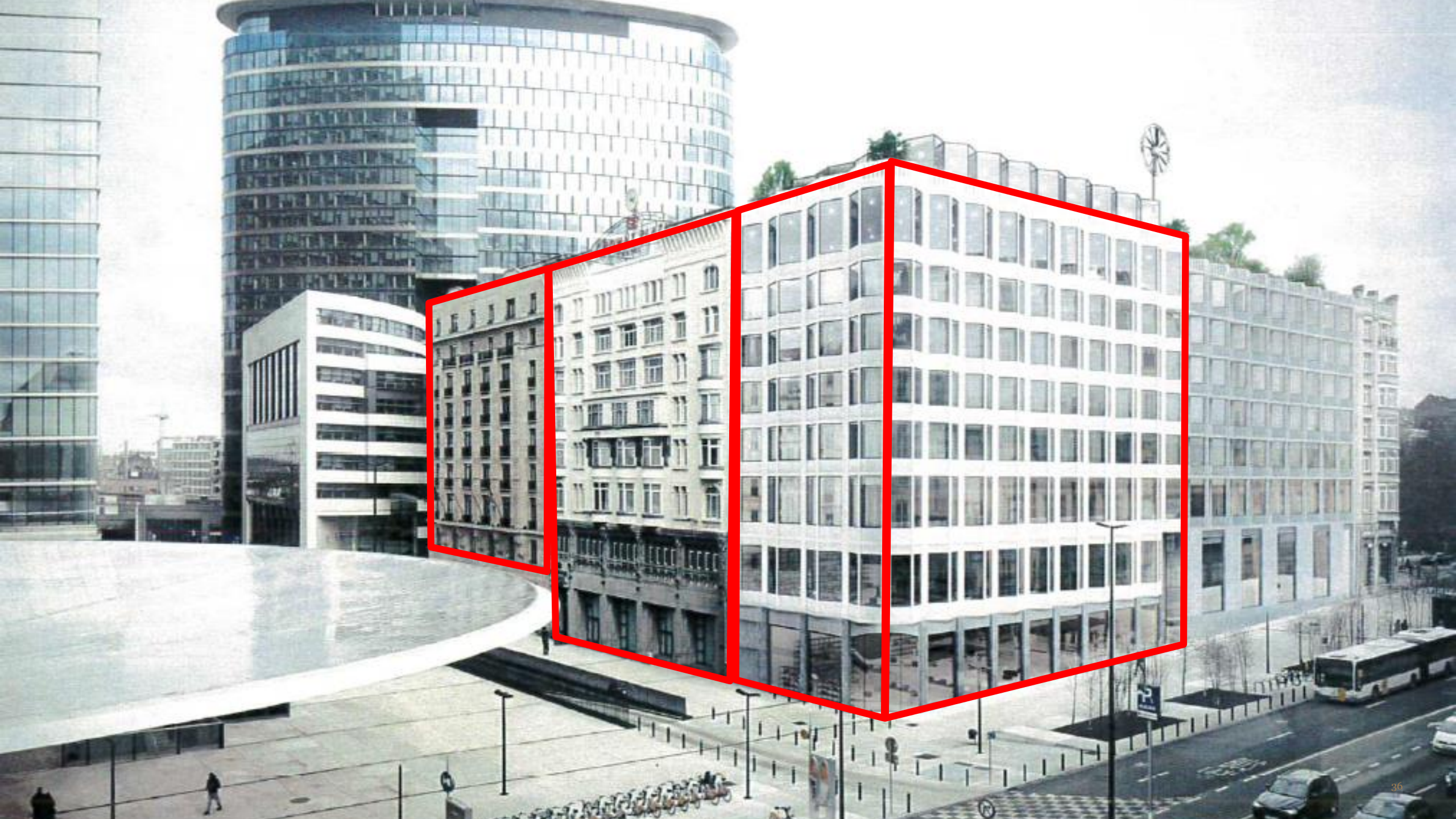
## Recently completed

Park Centraal Amsterdam  
Hotel Hubert Grand Place  
Vildmarkshotellet Kolmården

## On-going and planned

Hotel Berlin, Berlin  
Airport Hotel Bonus Inn  
Hotel Pilotti Vantaa Airport







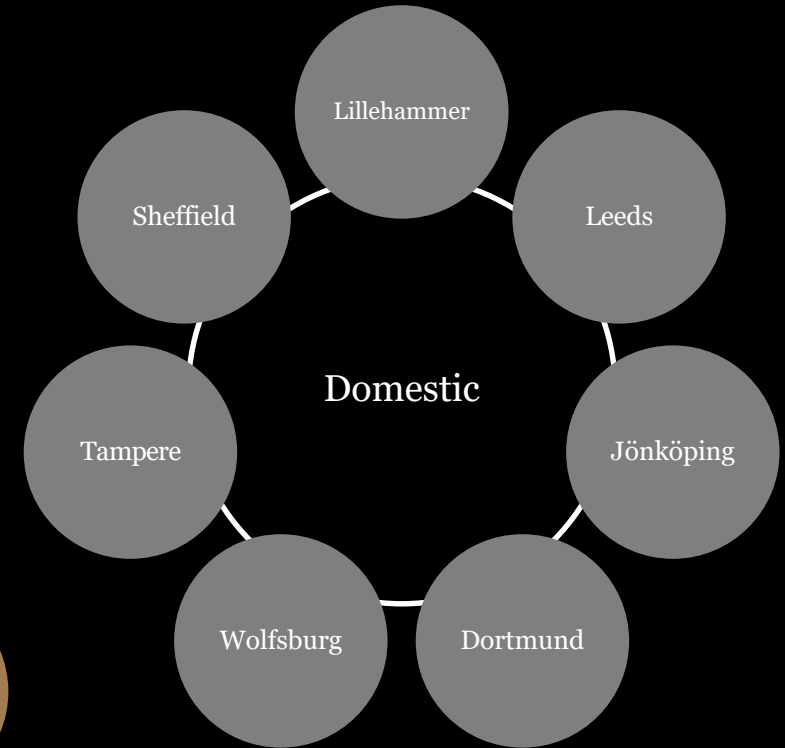
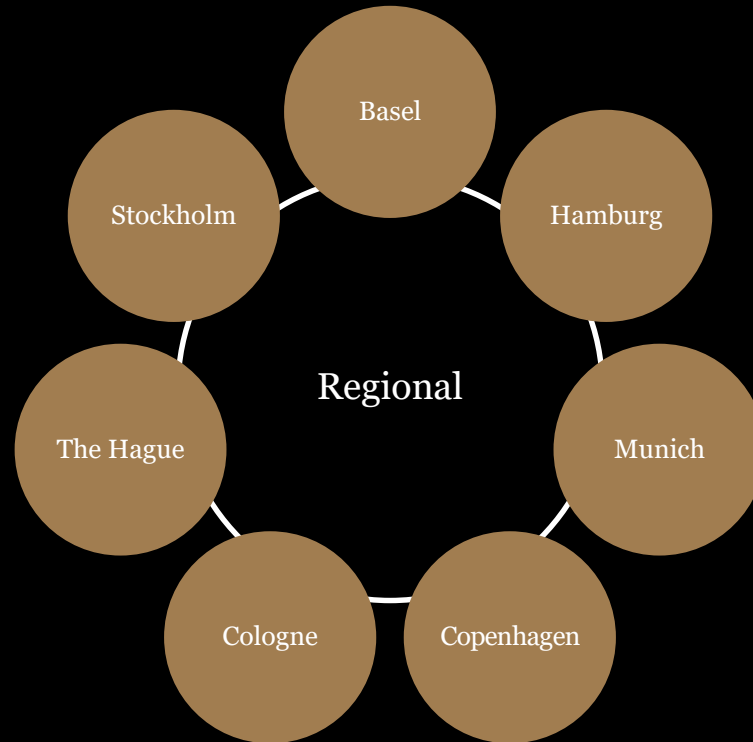


ROWNE PLAZA  
HOTEL

ROWNE PLAZA

Strategic position

# Three categories of destinations



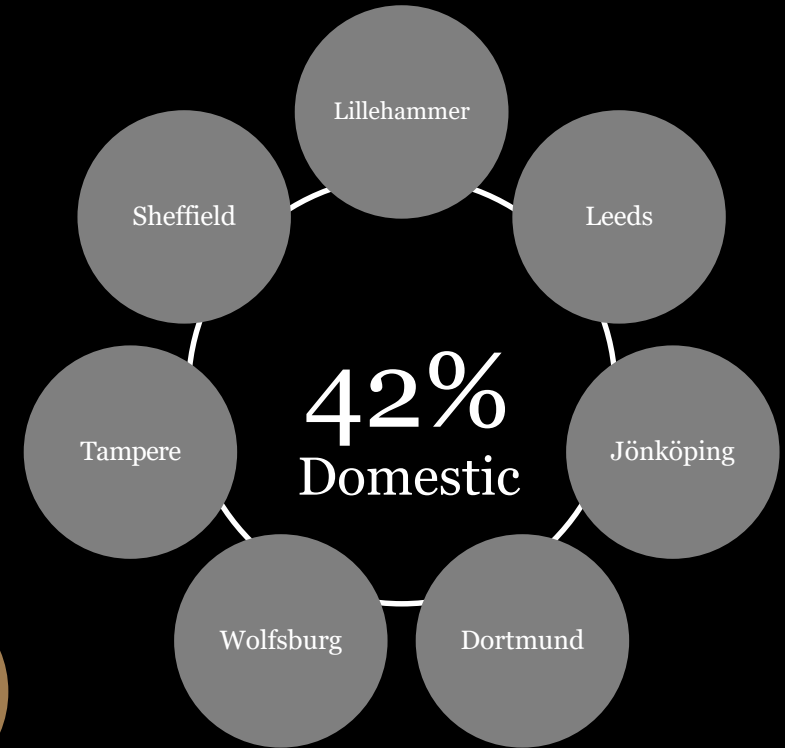
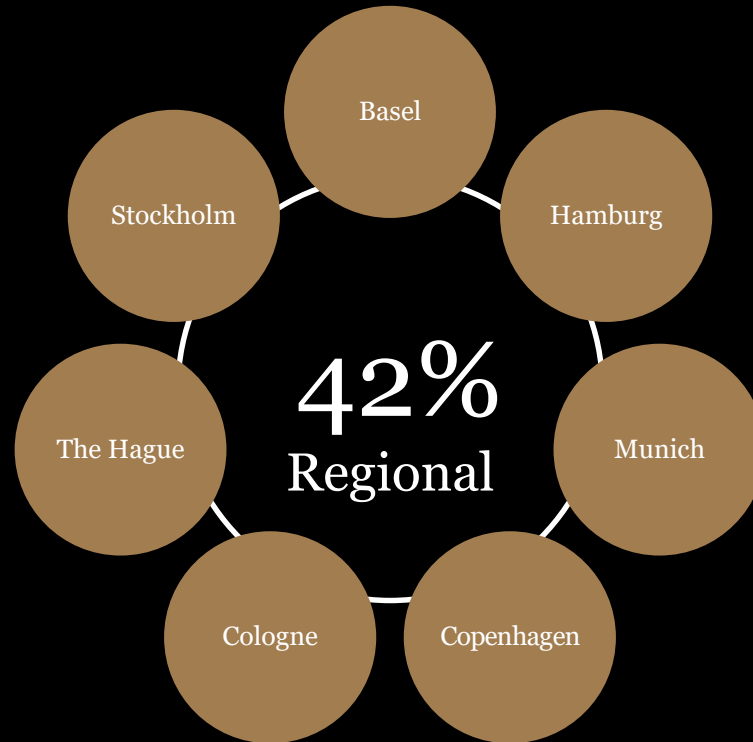
\*Per 30 September 2019, including communicated but not yet closed acquisitions, by number of rooms

PANDOX – EXCELLENCE IN HOTEL OWNERSHIP AND OPERATIONS



Strategic position

# Three categories of destinations



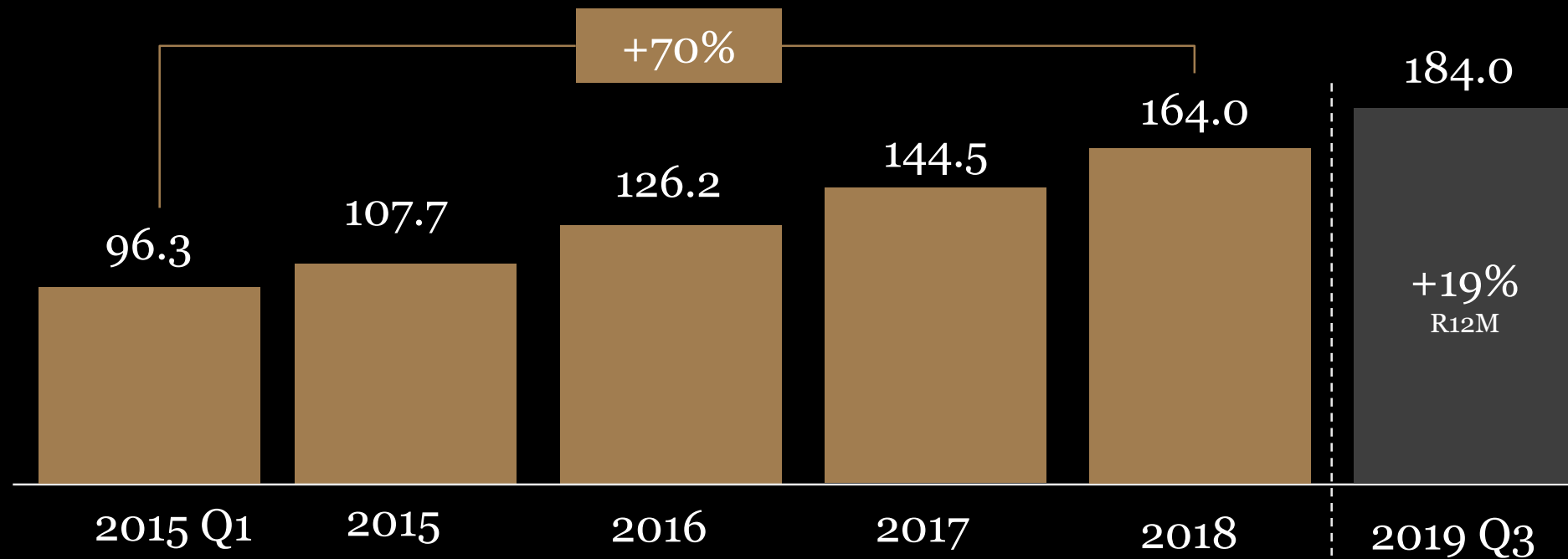
\*Per 30 September 2019, including communicated but not yet closed acquisitions, by number of rooms

PANDOX – EXCELLENCE IN HOTEL OWNERSHIP AND OPERATIONS

Financial position

# Growth in EPRA NAV per share

From strong earnings growth and solid value increases in the property portfolio



Per 30 September 2019 in SEK



Growth drivers

# Own investments

Recently  
completed

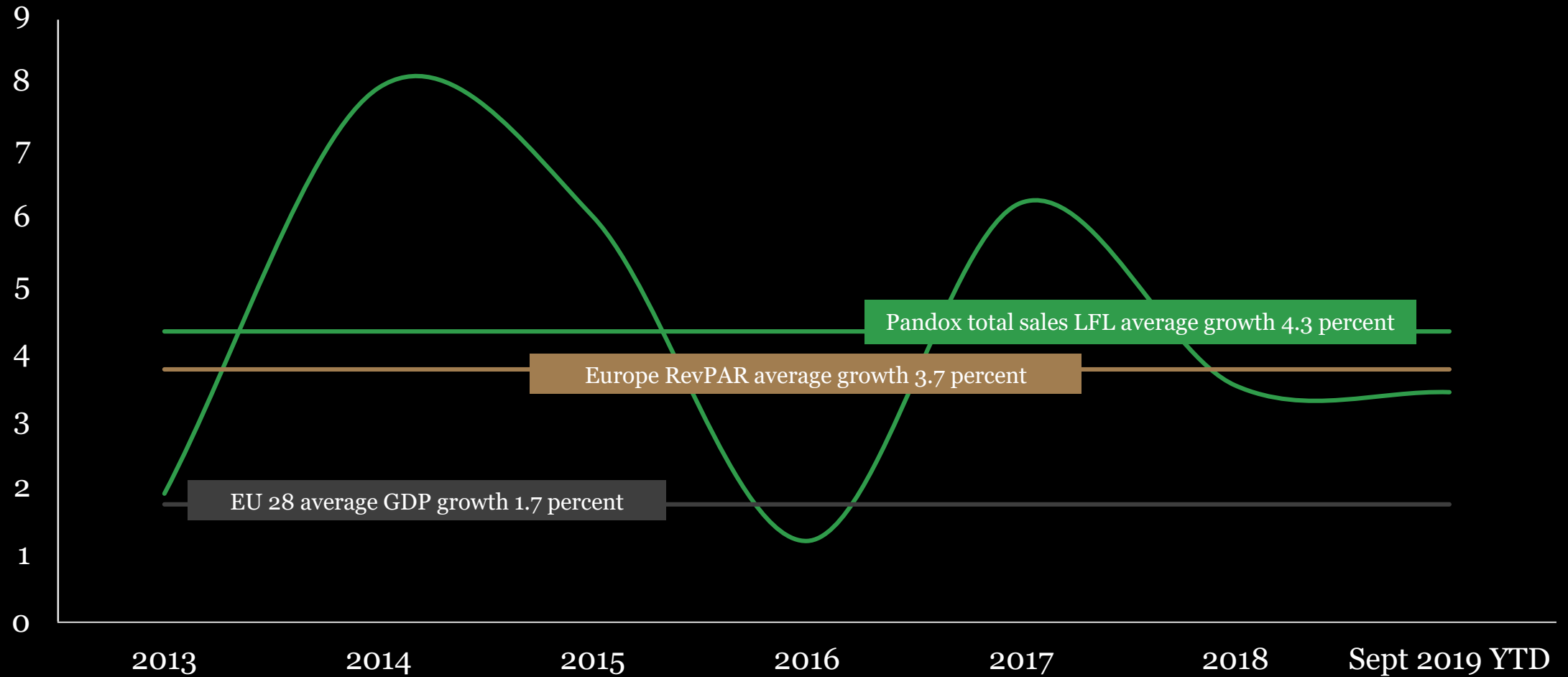
On-going

Pipeline

Driving growth and value by cash flow driving investments with an average return of 8-12 percent

## Conclusion

# Base growth



Source: Eurostat, STR Global, Pandex



Conclusion

# Accelerated growth

Single-assets and  
small portfolios

Large portfolios

# For presentations [www.pandox.se](http://www.pandox.se)

## Head office

Pandox AB (publ)  
Box 15  
SE-101 20 Stockholm  
Sweden

## Visiting address

Vasagatan 11  
Stockholm  
Sweden

Tel: +46 8 506 205  
[www.pandox.se](http://www.pandox.se)  
Org.nr. 556030-7885

## Forward-looking statements.

This presentation contains forward-looking statements. Such statements are subject to risks and uncertainties as various factors, many of which are beyond the control of Pandox AB (publ), may cause actual developments and results to differ materially from the expectations expressed in this presentation.