

# Strong end to the quarter

## January–March 2022

- Revenue Property Management amounted to MSEK 634 (554). The increase for comparable units was 13 percent, adjusted for currency effects
- Net operating income Property Management amounted to MSEK 543 (462). The increase for comparable units was 13 percent, adjusted for currency effects
- Net operating income Operator Activities amounted to MSEK –49 (–80)
- EBITDA amounted to MSEK 467 (350), an increase of 33 percent
- Cash earnings amounted to MSEK 180 (85), equivalent to SEK 0.97 (0.49) per share
- Unrealised changes in value Investment Properties and derivatives amounted to MSEK 279 and MSEK 930 respectively
- Profit for the period amounted to MSEK 1,044 (36), equivalent to SEK 5.67 (0.22) per share
- On 28 February the Administrative Court ruled in Pandox's favour in a previously communicated dispute with the Swedish Tax Agency regarding Pandox's transfer pricing
- On 31 March Pandox entered into an agreement to divest Mora Hotell & Spa. The underlying property value amounts to around MSEK 114 before deferred tax and exceeds Pandox's internal valuation. The transfer of ownership is around 2 May

## Financial summary

MSEK	Jan-Mar			Full-year
	2022	2021	Δ%	2021
Total net sales	876	646	36	3,273
<i>Of which Property Management</i>	634	554	14	2,422
<i>Of which Operator Activities</i>	242	92	163	851
Total net operating income	494	382	29	2,005
<i>Of which Property Management</i>	543	462	18	2,027
<i>Of which Operator Activities</i>	-49	-80	n.a	-22
EBITDA	467	350	33	1,868
Profit for the period	1,044	36	n.a	609
Earnings per share, SEK	5.67	0.22	n.a	3.32
Cash earnings	180	85	112	712
Cash earnings per share, SEK	0.97	0.49	98	3.88
Market value properties	63,808	61,161	4	62,596
Net interest-bearing debt	31,345	30,288	3	31,159
Loan to value net, %	49.1	49.5	n.a	49.8
Interest cover ratio, times	2.2	1.6	n.a	2.1
EPRA NRV per share, SEK	178.31	170.38	—	173.54
WAULT (Investment Properties), years	13.8	14.4	n.a	14.0
RevPAR (Operator Activities) for comparable units at comparable exchange rates, SEK	332	100	232	291

# CEO comments

## Good conditions for growth

### Strong recovery as restrictions are eased

The first quarter had a weak start due to restrictions and a normal season effect, but ended strong once restrictions were eased in many countries and the hotel market could regain lost ground from the winter's Omicron-related dip. As before, domestic and regional hotel markets fared the best, but the difference between those and larger cities decreased. This is yet another step towards a normalisation in the hotel market.

The general perception in the hotel market is that we have now entered a more stable phase. The foundations are therefore in place for more sustained demand from leisure and business travellers, as well as larger conferences and events.

My colleagues and I have been affected on a human level by the very tragic war in Ukraine. For Pandox it has been important to help in any way we can. In addition to contributing financially to UNICEF, I am most proud of the efforts by many of our hotels in the Operator Activities segment, particularly in Germany, where those fleeing from the war were offered hotel rooms.

### Good recovery in earnings and revenue

For comparable units, Pandox's total net sales and total net operating income increased by 36 percent and 24 percent respectively in the first quarter, compared with the same period in 2021. Supporting factors was a gradual increase in travel among both individuals and businesses, and very good average price development in several markets. The comparison period in 2021 was however weak. Occupancy for comparable units in the Property Management and Operator Activities business segments was around 40 percent (16) and 31 percent (11) respectively in the first quarter. In March, occupancy for comparable units in the Property Management and Operator Activities segments amounted to around 51 percent (18) and 44 percent (12) respectively.

### Strongest development in Norway and UK

As the quarter progressed, increased demand was noted in all hotel markets, albeit at varying rates and from different starting points. In general, demand was the highest in domestic and regional cities, with occupancy in many locations – particularly in the Nordics and the UK – well in line with 2019 levels in the latter part of the quarter. The German hotel market showed good tendencies but was held back by restrictions that were not lifted until 20 March.

It is particularly gratifying to see that demand in many larger cities, such as London, started to really recover and is now at the highest level since the outbreak of the pandemic.

### Divestment in line with strategy

At the end of the quarter Pandox entered into an agreement to divest the hotel property that houses Mora Hotell & Spa in Mora, Sweden, to Cibola Holding AB. This divestment is in line with Pandox's strategy to constantly optimise the portfolio, focusing on hotel properties in strategic locations, and will take place at an attractive price that exceeds Pandox's internal valuation.

### Next phase of the recovery

We are in a phase of less uncertainty regarding Covid-19 and the conditions are good for continued recovery in the hotel market. Willingness to pay for hotel accommodation is high, which to some extent compensates for lower international travel and lower demand for large conferences. The outlook for trade fairs and conferences is positive and demand is expected to rise in the second quarter and in particular in the second half of the year. An increase in international air travel is also expected to benefit more international destinations, above all Brussels, and this will have a particular positive impact on the Operator Activities segment.

We have noted that the price elasticity of hotel demand has been low so far due to significant pent-up travel demand after Covid-19. The possibility of compensating for increased costs through higher room prices without negatively impacting demand is considered good at this time. Higher room prices are having a positive impact on Pandox's variable rental income in the Property Management segment. Higher room prices are also making it possible to compensate for potential cost inflation in the Operator Activities segment.

We expect Pandox to see good organic growth in both revenue and profits in 2022.



*Liia Nõu, CEO*

# A leading hotel property company

Pandox is a leading hotel property owner in northern Europe with a focus on large hotels in important leisure and corporate destinations. Pandox's hotel property portfolio consists of 157 hotels with around 35,500 rooms in 15 cities.



## Vision and business concept

Pandox's vision is to be a world-leading hotel property company.

The business concept is to own hotel properties and lease them to strong hotel operators under long-term revenue-based leases. Pandox's ability to act throughout the hotel value chain reduces risk and creates business opportunities.

## Strategy and business model

Pandox's strategy and business model is based on:

1. Focus on hotel properties
2. Large hotel properties in strategic locations
3. Long-term revenue-based lease agreements with the best hotel operators
4. Sustainability with a business focus
5. Geographical diversification to limit fluctuations
6. Operating our own hotels reduces risk

## Financial targets and dividend policy

### Loan-to-value ratio

Pandox's target is a loan-to-value ratio of 45–60 percent, depending on the market environment and the opportunities that exist. The Company defines loan-to-value ratio as interest-bearing liabilities less cash and cash equivalents as a percentage of the market value of the properties at the end of the period.

### Dividend policy

Pandox's target is a dividend pay-out ratio of 30–50 percent of cash earnings, with an average pay-out ratio over time of around 40 percent. Future dividends and the size of any such dividends depend on Pandox's future performance, financial position, cash flows and working capital requirements.

## Presentation of the interim report

Pandox will present this interim report to investors, analysts and the media in a conference call/webcast on 27 April at 08:30 CEST. As a service to Pandox's stakeholders there will also be an external update on the hotel market.

The presentation materials will be available at [www.pandox.se](http://www.pandox.se) from around 08:00 CEST.

To follow the webcast, go to <https://tv.streamfabriken.com/pandox-q1-2022>.

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## Financial calendar

This information is information that Pandox AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted, through the agency of the contact persons set out above, for publication on 27 April 2022 at 07:00 CEST.

Interim Report Jan–June 2022

15 July 2022

Interim Report Jan–Sept 2022

27 October 2022

Year-End Report 2022

10 February 2023

# Hotel market development January–March 2022

## Gradually eased restrictions resulted in increased demand

The first quarter had a weak start with the hotel market in a seasonal and restrictions-related holding pattern. The limitations and restrictions introduced late in the fourth quarter of 2021 were still in place at the beginning of 2022, which clearly decreased demand in all of Pandox's markets. Demand for hotel nights and hotel services improved as restrictions were eased. The UK, Denmark and Norway were among the first countries to ease restrictions. In Germany, which has had a more restrictive policy throughout, restrictions were not eased until the end of March. Once again, the correlation between hotel demand and the restriction situation was clear: occupancy immediately improved when restrictions were eased.

## Gradual occupancy improvement

An initial strict restriction situation combined with seasonally weak demand resulted in occupancy of 35 percent for Europe as a whole in January. Demand picked up again once restrictions were removed, just as it did at the beginning of the fourth quarter of 2021. The increase was mainly driven by domestic leisure travel, and by many companies returning to their physical offices and becoming more active in travel and meetings. Growth was the strongest in markets that started to open up early and that have a large element of domestic demand. As earlier during the pandemic, growth was lower in destinations that depend more on international travel and/or conference-related demand. Overall, occupancy in Europe\* amounted to 47 percent in the first quarter, compared with 54 percent in the fourth quarter of 2021 and 24 percent in the first quarter of 2021, which was heavily impacted by pandemic restrictions.

## Clear recovery but at varying rates

In the Nordics\*\* as a whole, occupancy in the first quarter was just under 44 percent, compared with 26 percent in the corresponding period 2021 and 56 percent in the fourth quarter of 2021.

Demand in Nordic regional cities developed well in the second half of the quarter, compared with the beginning of the quarter, which was seasonally weak and affected by coronavirus restrictions still in place. Overall, occupancy for Nordic regional cities amounted to 47 percent in the first quarter, compared with 56 percent for the corresponding period in 2019 before the pandemic broke out. It is worth noting that at the end of the first quarter, occupancy was on a par with the 2019 level. Average prices were also good, which means that overall RevPAR exceeded the 2019 levels for regional Nordic cities as a whole at the end of the quarter.

Nordic capitals also experienced a positive trend, with increased demand from all subsegments during the quarter. Occupancy in the four capitals combined was 40 percent, compared with 65 percent in the corresponding period in 2019. One of the explanations for the difference is lower week day demand relating to less business travel and some absent international demand, and to lower demand for larger conferences and events. In the last week of March the Nordic capitals had occupancy of 59 percent (68 percent in 2019).

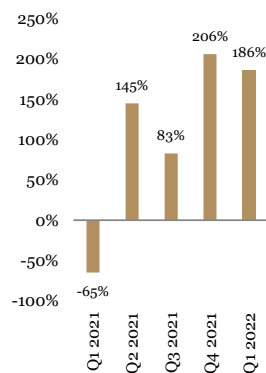
Germany did not ease its coronavirus restrictions until the latter part of March. Occupancy for Germany\*\* as a whole amounted to around 35 percent in the first quarter, compared with around 46 percent in the fourth quarter of 2021, with relatively large differences between performance in various markets depending on demand composition.

The UK\*\* started removing coronavirus restrictions already at the beginning of February. Occupancy was 60 percent for the country as a whole in the first quarter. Occupancy in UK Regional was 62 percent and in London 56 percent, for a difference of only around 6 percentage points, confirming London's attractiveness as an international destination. In general the average prices continued to improve in the first quarter, which is explained by the hotel markets starting to see a more normal mix of demand and by a high willingness to pay for hotel accommodation, especially in the leisure segment.

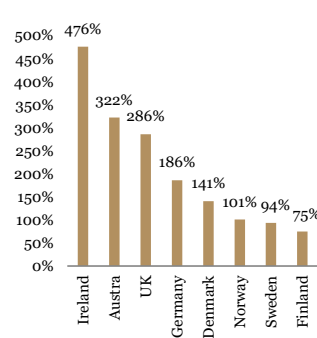
\* Benchmarking Alliance based on open hotels \*\* STR based on open hotels

## January–March 2022

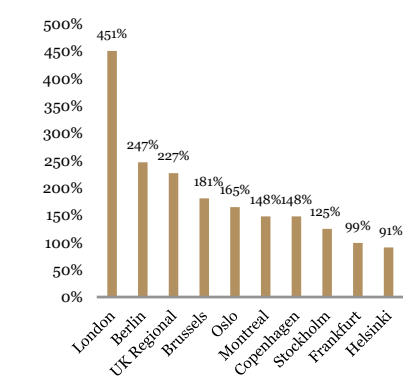
Europe  
RevPAR growth y/y



Countries  
RevPAR growth y/y



Key markets  
RevPAR growth y/y



Source: STR, Benchmarking Alliance. Based on open hotels. Rounded numbers.

# Financial development

Figures in brackets are from the corresponding period the previous year for profit/loss items and year-end 2021 for balance sheet items, unless otherwise stated.

## January–March 2022

### Net sales

The Group's net sales amounted to MSEK 876 (646), an increase of 36 percent. For comparable units, net sales increased by 36 percent, adjusted for currency effects.

Revenue from Property Management amounted to MSEK 634 (554), an increase of 14 percent. The comparison period includes government grants of around MSEK 10. The amount contributed by revenue-based rent increased, amounting to around MSEK 98 (31). For comparable units, revenue increased by 13 percent, adjusted for currency effects.

Revenue from Operator Activities amounted to MSEK 242 (92), an increase of 163 percent. For comparable units, revenue increased by 164 percent and RevPAR by 232 percent, adjusted for currency effects. One hotel remained closed for renovation throughout the quarter and one was closed most of the quarter due to ongoing trade union negotiations.

### Net operating income

Total net operating income amounted to MSEK 494 (382), an increase of 29 percent. For comparable units, net operating income increased by 24 percent, adjusted for currency effects.

Net operating income from Property Management amounted to MSEK 543 (462), an increase of 18 percent. For comparable units, net operating income increased by 13 percent, adjusted for currency effects.

Net operating income from Operator Activities amounted to MSEK –49 (–80), which includes government grants total the equivalent of around MSEK 17 (44).

### Administration costs

Central administration costs amounted to MSEK –32 (–37), of which MSEK –5 (–5) was depreciation.

### Financial income and expense

Financial expense amounted to MSEK –232 (–233), of which MSEK –18 (–18) consists of depreciation of capitalised loan arrangement fees.

Financial income amounted to MSEK 2 (1). Financial expense associated with right-of-use assets amounted to MSEK –23 (–21).

### Changes in value

Unrealised changes in the value of Investment Properties amounted to MSEK 279 (–351), mainly related to a lower valuation yield in the Swedish hotel portfolio, based on external valuations. Realised changes in value for Investment Properties amounted to MSEK 0 (–6).

Unrealised changes in the value of derivatives amounted to MSEK 930 (327), mainly explained by higher long-term market interest rates.

### Current and deferred tax

Current tax amounted to MSEK –33 (–12). Deferred tax amounted to MSEK –280 (55). See also page Note 3 on page 19.

### Profit for the period

Profit for the period amounted to MSEK 1,044 (36) and profit for the period attributable to Parent Company shareholders amounted to MSEK 1,042 (41), which is equivalent to SEK 5.67 (0.22) per share.

### Cash earnings

Total cash earnings amounted to MSEK 180 (85), an increase of 112 percent.

### Financing

As of 31 March 2022, cash and cash equivalents and unutilised credit facilities amounted to MSEK 3,548, compared with MSEK 3,576 as of 31 December 2021

### Deferred rent receivables

As of 31 March 2022, accounts receivable relating to deferred rent under new temporary payment terms amounted to the equivalent of MSEK 558, compared with MSEK 590 as of 31 December 2021.

# Segment reporting January–March 2022

Figures in brackets are from the corresponding period the previous year for profit/loss items and year-end 2021 for balance sheet items, unless otherwise stated.

## Property Management

MSEK	Jan-Mar		Full-year
	2022	2021	2021
Rental income	602	515	2,279
Other property income	32	39	143
Costs, excl. property admin	-58	-52	-218
<b>Net operating income, before property admin</b>	<b>576</b>	<b>502</b>	<b>2,204</b>
Property administration	-33	-40	-177
<b>Gross profit</b>	<b>543</b>	<b>462</b>	<b>2,027</b>
<b>Net operating income, after property admin</b>	<b>543</b>	<b>462</b>	<b>2,027</b>

### January–March 2022

Rental income and other property revenue amounted to MSEK 634 (554), an increase of 14 percent. The comparison period includes government grants of around MSEK 10, which are reported under other property revenue. For comparable units, revenue increased by 13 percent, adjusted for currency effects.

An improved business climate resulted in revenue-based leases of MSEK 98 (31). Marginal variable revenue was noted during the quarter in 20 minimum-level leases, most of which in Sweden.

Index adjustment of minimum rents and fixed rents also made a positive contribution.

Occupancy at comparable hotels amounted to around 40 (16) percent during the quarter. The improvement is explained by milder restrictions and pent-up travel demand, which in turn led to significantly higher demand in all segments.

Hotels in smaller cities in the UK (Middlesbrough, Brighton and Inverness) and in Germany (Mönchengladbach and Karlsruhe), as well as destinations with an attractive leisure offering, developed the best during the quarter. Hotel demand in larger cities also improved.

Net operating income amounted to MSEK 543 (462), an increase of 18 percent. For comparable units, revenue and net operating income increased by 13 percent, adjusted for currency effects.

Contractual minimum rents plus contractual fixed rents amount to just over MSEK 1,900 on an annual basis.

## Operator Activities

MSEK	Jan-Mar		Full-year
	2022	2021	2021
Revenue	242	92	851
Costs	-352	-241	-1,151
<b>Gross profit</b>	<b>-110</b>	<b>-149</b>	<b>-300</b>
Plus: Depreciation included in costs	61	69	278
<b>Net operating income</b>	<b>-49</b>	<b>-80</b>	<b>-22</b>

### January–March 2022

Revenue from Operator Activities amounted to MSEK 242 (92), an increase of 163 percent. The increase in revenue is explained by the same drivers as for Property Management. Operator Activities have a high exposure to large meeting hotels in international cities that developed relatively worst during the pandemic, and the recovery takes place from a low starting point.

Occupancy at comparable hotels amounted to around 31 (11) percent during the quarter. DoubleTree by Hilton Montreal was closed for much of the quarter due to ongoing trade union negotiations. Pandox's hotel in Nuremberg remained closed for renovation and its reopening is planned for September 2022.

Hotels that saw particularly good development during the quarter were Hotel Hubert (Brussels, Belgium), Hotel Mayfair (Copenhagen, Denmark), and Hilton Garden Inn London Heathrow Airport and Radisson Blu Glasgow (UK). The development is mainly explained by early easing of restrictions in Denmark and the UK.

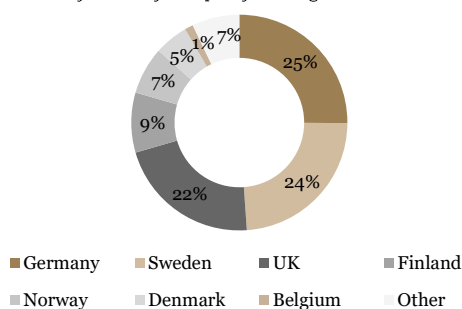
For comparable units, revenue increased by 164 percent and RevPAR by 232 percent, adjusted for currency effects.

Net operating income amounted to MSEK -49 (-80).

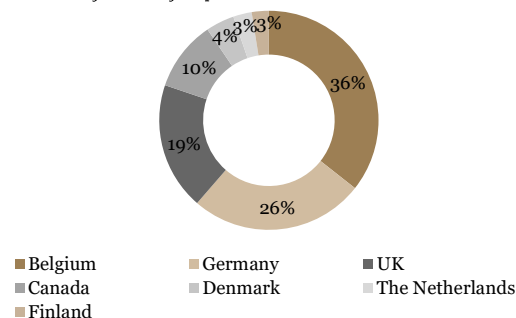
Pandox received government grants during the quarter totalling the equivalent of around MSEK 17 (44) within Operator Activities.

## January–March 2022

Revenue by country, Property Management



Revenue by country, Operator Activities





# Property portfolio

Figures in brackets are from the corresponding period the previous year for profit/loss items and year-end 2021 for balance sheet items, unless otherwise stated.

## Property valuation

Pandox performs internal valuation of its hotel properties each quarter and Investment Properties are recognised at fair value. The property values are based on Pandox's internal valuation. External valuation of the properties is also conducted (see also Note E in Pandox's 2021 Annual Report).

The value of Operating Properties is reported for information purposes only and is included in EPRA NRV calculations. The Operating Properties' carrying amounts recognised in the condensed consolidated statement of financial position are equivalent to cost minus depreciation and any impairment losses and amounted to MSEK 8,217 (8,015) at the end of the period.

## Market value of properties

At the end of the period, Pandox's property portfolio had a total market value of MSEK 63,808 (62,596), of which Investment Properties accounted for MSEK 53,000 (52,215) and Operating Properties for MSEK 10,808 (10,380).

Over the past 12 months, external valuations were performed for around 98 percent of the hotel properties, measured in value.

On 31 March, Pandox entered into an agreement to divest the hotel property which houses Mora Hotell & Spa, to an underlying property value of MSEK 114 (before deferred tax), which exceeded Pandox's internal valuation by approximately 14 percent. The property is included in the market value Investment Properties as of 31 March 2022. The transfer of ownership is expected around 2 May 2022.

### Changes in value Investment Properties

	MSEK
Investment Properties, opening balance (1 Jan, 2022)	52,215
+ Investments in current portfolio	88
+/- Unrealised changes in value	279
+/- Change in currency exchange rates	418
<b>Investment Properties, closing balance (31 Mar, 2022)</b>	<b>53,000</b>

### Changes in value Operating Properties, reported for information purposes only

	MSEK
Operating Properties, market value (1 Jan, 2022)	10,380
+ Investments in current portfolio	146
+/- Unrealised changes in value	130
+/- Change in currency exchange rates	152
<b>Operating Properties, market value (31 Mar, 2022)</b>	<b>10,808</b>

### Acquisitions, reclassifications and divestments

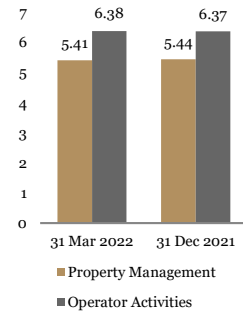
Date	Hotel property	Event
21 December 2021	Aparthotel Adagio Edinburgh Royal Mile	Acquisition Property Management
1 October 2021	h27 (to Motel One Copenhagen)	Reclassification to Property Management
31 August 2021	Hotel property in Nuremberg	Reclassification to Operator Activities
1 April 2020	h27 (from First Hotel Twentyseven)	Reclassification to Operator Activities
1 April 2020	Hotel Mayfair	Reclassification to Operator Activities
31 March 2020	Office property belonging to Jurys Inn Cardiff	Acquisition Property Management
31 January 2020	Maritim Hotel Nürnberg	Acquisition Property Management

### Investment Properties sensitivity analysis, effect on value per 31 March 2022

Effect on fair value	Change	MSEK
Yield	+/- 0,5%	-4,483/ +5,396
Change in currency exchange rates	+/- 1%	+/- 379
Net operating income <sup>1)</sup>	+/- 1%	+/- 395

<sup>1)</sup> Per 31 December 2019, before the Covid-19 pandemic, the value was MSEK 535.

### Average valuation yield, % (31 March 2022)



# Portfolio overview

At the end of the period Pandox's property portfolio consisted of 157 (157) hotel properties with 35,373 (35,372) hotel rooms in fifteen countries, including the sub-markets England, Scotland, Wales, and Northern Ireland.

Pandox's main geographical focus is Northern Europe. Germany (24 percent) is Pandox's single largest geographical market, measured as a percentage of the property portfolio's total market value, followed by Sweden (24 percent), UK (17 percent), Belgium (7 percent) and Finland (6 percent).

137 of the hotel properties are leased to third parties, which means that approximately 83 percent of the total portfolio market value is covered by external leases. Pandox's tenant base consists of highly reputable hotel operators with strong hotel brands.

On 31 March 2022 Investment Properties had a weighted average unexpired lease term (WAULT) of 13.8 years (14.0).

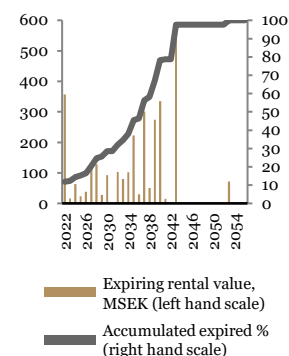
## Portfolio overview by segment and geography

Property Management	Number		Market value (MSEK)		
	Hotels	Rooms	Per country	In % of total	Per room
Sweden	42	8,953	15,078	24	1.7
Germany	32	6,560	11,478	18	1.7
UK	20	4,821	10,039	16	2.1
Finland	13	2,923	3,980	6	1.4
Norway	14	2,573	3,487	5	1.4
Denmark	7	1,642	3,188	5	1.9
Austria	2	639	1,481	2	2.3
Belgium	2	519	923	1	1.8
Ireland	3	445	1,399	2	3.1
Switzerland	1	206	789	1	3.8
The Netherlands	1	189	1,159	2	6.1
<b>Sum Property Management</b>	<b>137</b>	<b>29,470</b>	<b>53,000</b>	<b>83</b>	<b>1.8</b>
<b>Operator Activities</b>					
Belgium	7	1,955	3,755	6	1.9
Germany	6	1,806	4,139	6	2.3
Canada	2	952	1,327	2	1.4
UK	2	611	815	1	1.3
The Netherlands	1	216	377	1	1.7
Denmark	1	203	371	1	1.8
Finland	1	160	24	0	0.2
<b>Sum Operator Activities</b>	<b>20</b>	<b>5,903</b>	<b>10,808</b>	<b>17</b>	<b>1.8</b>
<b>Sum total</b>	<b>157</b>	<b>35,373</b>	<b>63,808</b>	<b>100</b>	<b>1.8</b>

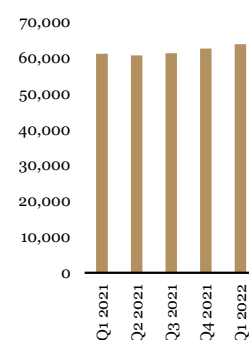
## Portfolio overview by brand

Brand	Number		
	Hotels	Rooms	In % of total
Scandic	50	11,024	31
Jurys Inn	20	4,410	12
Leonardo	18	3,547	10
Hilton	8	2,652	7
Radisson Blu	8	2,033	6
Nordic Choice Hotels	11	1,887	5
NH	7	1,681	5
Dorint	5	1,085	3
Mercure	4	760	2
Elite Hotels	2	492	1
Holiday Inn	2	469	1
Novotel	2	421	1
InterContinental	1	357	1
Indigo	1	284	1
Crowne Plaza	1	262	1
Pullman	1	252	1
Meininger	1	228	1
Motel One	1	200	1
Adagio	1	146	0
Best Western	1	103	0
Independent brands	12	3,080	9
<b>Total</b>	<b>157</b>	<b>35,373</b>	<b>100</b>

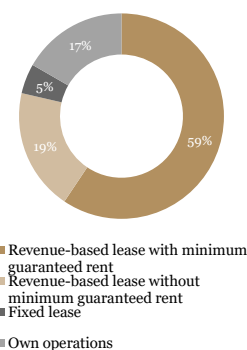
## Lease maturity profile (31 March 2022)



## Market value properties per quarter, MSEK



## Distribution of lease and operating models, number of rooms % (31 March 2022)





# Investments and sustainability

## Investments

In the period January–March 2022 investments in property, plant and equipment, excluding acquisitions, amounted to MSEK 235, of which MSEK 88 (153) was for Investment Properties, MSEK 146 (128) for Operating properties and MSEK 1 (2) for the head office.

At the end of the first quarter of 2022, approved investments for ongoing and future projects amounted to around MSEK 1,250, of which around MSEK 980 is for projects that are expected to be completed in 2022. The cost of maintenance in the first quarter of 2022 was MSEK 22.

Examples of larger completed projects 2021–2022



The Midland Manchester  
Property Management  
Complete hotel and building and technical installations  
Completed Q1 2022  
Investment: MSEK 130



Scandic Luleå  
Property Management  
Extension of 117 rooms, F&B, meeting areas  
Completed Q4 2021  
Investment: MSEK 154



DoubleTree by Hilton Brussels City  
Operator Activities  
Complete hotel and building and technical installations  
Completed Q3 2021  
Investment: MSEK 255

## Sustainability strategy

Pandox's sustainability work is aimed at promoting sustainable properties and operations and creating new business opportunities. The Company's overall sustainability goal is to offer tenants resource-efficient hotel properties that contribute to the UN Sustainable Development Goals, reduce climate impact and enable good management of climate risks.

Pandox's sustainability strategy is based on the Company's vision and business objectives, its impact on communities in terms of sustainability and climate change, and which issues the stakeholders consider to be important for Pandox to focus on. Current trends and the risks and opportunities identified by the Company are also taken into consideration.

Pandox has defined the most material sustainability topics and divided them up into five focus areas:

1. Environment and climate
2. Responsible and fair business
3. Guest satisfaction and security
4. Attractive and equal workplace
5. Inclusive local communities

## Green investments

Pandox's most important contribution to more sustainable growth is through its development of profitable green properties. The goal is to create resource-efficient properties and operations that reduce Pandox's environmental and climate footprint, but that can also handle climate change impacts in the form of torrential rain and a warmer climate.

Pandox's green investment programme of MEUR 8, with an expected return of around 20 percent, is still in place for the planned timeframe (2023). The purpose is to lower climate impact through energy and water reducing projects and technology installations. The target is a reduction in energy, gas and water use of 35 percent, 25 percent and 20 percent respectively, and a 20 percent reduction in CO<sub>2</sub> emissions.

# Financing

Figures in brackets refer to the corresponding period the previous year for profit/loss items and year-end 2021 for balance sheet items, unless otherwise stated.

## Financial position and net asset value

At the end of the period the loan-to-value net was 49.1 (49.8) percent. Equity attributable to the Parent Company's shareholders amounted to MSEK 26,470 (25,213). EPRA NRV amounted to MSEK 32,783 (31,905), equivalent to SEK 178.31 (173.54) per share. Cash and cash equivalents plus unutilised credit facilities amounted to MSEK 3,548 (3,576). In addition, there are additional credit facilities that, at any given time, fully cover the issued volume under the Pandox commercial paper programme.

## Interest-bearing liabilities

At the end of the period the loan portfolio amounted to MSEK 32,821 (32,752), excluding loan arrangement fees. Unutilised credit facilities amounted to MSEK 2,070 (1,983) and the volume issued under the commercial paper programme amounted to MSEK 2,221 (2,191).

Pandox has a positive and close dialogue with its lenders on refinancing and new financing. In the first quarter, lenders have provided waivers in individual credit agreements.

Short-term credit facilities with a term of less than one year amount to MSEK 11,452, of which MSEK 10,241 matures in the fourth quarter 2022 and the first quarter 2023. Positive dialogues about refinancing are ongoing regarding all these credit maturities and the intention is to refinance these in good time before contractual maturities.

The average fixed rate period was 3.2 (3.3) years and the average interest rate, corresponding to the interest rate level at the end of the period, was 2.5 (2.5) percent, including effects from interest-rate derivatives, but excluding accrued arrangement fees. The average repayment period was 2.0 (2.2) years. The loans are secured by a combination of mortgage collateral and pledged shares.

Maturity structure credit facilities 31 March 2022

Year due (MSEK)	Credit facilities <sup>1)</sup>
< 1 year	11,452
1-2 year	9,834
2-3 year	3,163
3-4 year	8,944
4-5 year	1,499
> 5 year	-
<b>Sum</b>	<b>34,891</b>

<sup>1)</sup>Excluding contractual amortisation.

To reduce the currency exposure in foreign investment Pandox's aim is to finance the applicable portion of the investment in local currency. Equity is normally not hedged as Pandox's strategy is to have a long investment perspective. Currency exposures are largely in form of currency translation effects.

Loans by currency 31 March 2022

	SEK	DKK	EUR <sup>3)</sup>	CHF	CAD	NOK	GBP	Total
Sum credit facilities, MSEK <sup>1)</sup>	10,046	1,924	14,715	475	551	1,268	5,912	34,891
Sum interest bearing debt, MSEK <sup>1)</sup>	6,831	1,924	15,882	475	529	1,268	5,912	32,821
Share of debt in currency, %	20.8	5.9	48.4	1.4	1.6	3.9	18.0	100
Average interest rate, % <sup>2)</sup>	2.4	2.1	2.2	2.1	3.2	3.8	3.1	2.5
Average interest rate period, years	3.4	2.0	3.8	0.2	0.1	2.3	2.3	3.2
Market value Properties, MSEK <sup>1)</sup>	15,078	3,560	28,713	789	1,327	3,487	10,854	63,808

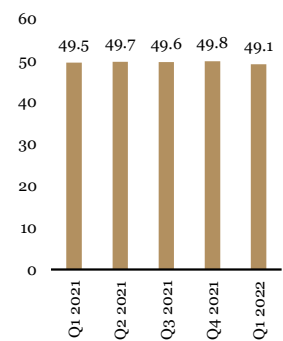
<sup>1)</sup>Converted to MSEK

<sup>2)</sup>Average interest rate including bank margin and derivatives.

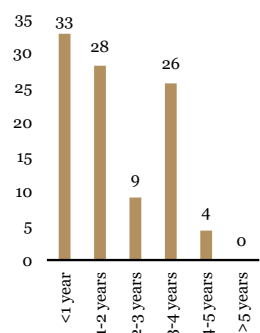
<sup>3)</sup>Part of the interest bearing debt is part of credit facilities in SEK, which can be drawn in multiple currencies, including EUR.

In order to manage interest rate risk and increase the predictability of Pandox's earnings, interest rate derivatives are used, mainly in the form of interest rate swaps. At the end of the period interest rate derivatives amounted to MSEK 27,029 gross and MSEK 21,955 net, which is also the portion of Pandox's loan portfolio for which interest rates are hedged. Approximately 53 percent net of Pandox's loan portfolio was thereby hedged against interest rate movements for periods longer than one year.

Loan to value per quarter, %



Maturity of credit facilities per year, %



## Financial covenants

On group level, Pandox's financial covenants are:

- Loan to value, at a level where Pandox's financial target for loan to value offers comfortable headroom
- Interest cover ratio, at a level, where also revenues from contractual minimum guaranteed rent and fixed rent only, offers satisfactory headroom

Interest maturity profile 31 March 2022

Tenor (MSEK)	Total interest maturity		Interest maturity derivatives		
	Amount <sup>1)</sup>	Share, %	Volume	Share, %	Average interest rate, %
< 1 year	16,344	50	5,477	25	1.1
1-2 year	-1,937	-6	-1,937	-9	0.2
2-3 year	1,930	6	1,930	9	0.1
3-4 year	1,952	6	1,952	9	-0.2
4-5 year	3,081	9	3,081	14	0.2
> 5 year	11,452	35	11,452	52	0.5
<b>Sum</b>	<b>32,821</b>	<b>100</b>	<b>21,955</b>	<b>100</b>	<b>0.6</b>

<sup>1)</sup>Share of loans with an interest rate reset during the period.

The market value of the derivatives portfolio is measured on each closing date, with the change in value recognised in profit or loss. Upon maturing, the market value of a derivative contract is dissolved entirely and the change in value over time thus does not affect equity.

At the end of the period, the net market value of Pandox's financial derivatives amounted to MSEK 872 (-58).

Financial sensitivity analysis

Effect on earnings before value changes	Change	MSEK
Current fixed interest hedging, change in interest rates, with derivatives <sup>1)</sup>	+/- 1%	-16/-142
Current fixed interest hedging, change in interest rates, without derivatives <sup>1)</sup>	+/- 1%	-233/+68
Remeasurement of interest-rate derivatives following shift in yield-curves	+/- 1%	+/- 866

<sup>1)</sup> The earnings effect is asymmetrical due to limited possibilities for Pandox to benefit in full from negative interest rates.

# Other information

## Important events during and after the period

12 April 2022	Minutes from Pandox's Annual General Meeting
31 March 2022	Pandox divests a hotel property in Mora
11 March 2022	Publication of Pandox's 2021 Annual Report
7 March 2022	Notice of Pandox's Annual General Meeting
28 February	Ruling announced in a previously communicated dispute with the Swedish Tax Agency regarding Pandox's transfer pricing
10 February 2022	Year-End Report 2021

To read the full press releases, visit [www.pandox.se](http://www.pandox.se).

## Ongoing disputes and insurance cases

Due to Covid-19, the tenant at Park Centraal Amsterdam has filed a lawsuit against a Pandox subsidiary demanding certain temporary adjustments in existing leases, mainly with respect to minimum rent levels. Amsterdam's district court decided to grant the tenant a rent reduction and the court is in the process of determining the amount of the reduction. The court's ruling on this is expected in the second quarter of 2022. The outcome is not expected to materially impact the Group's earnings.

A Pandox subsidiary has filed a lawsuit against Köln Bonn Airport which has not granted an extension of a Hereditary Building Right ("HBR") for the 177-room Leonardo Hotel Köln Bonn Airport property. The case is ongoing and Pandox believes that there is a good possibility of a favourable decision, or compensation, for the company. No rental income was recognised in 2021 or Q1 2022.

On 28 February 2022 the Administrative Court in Stockholm announced its ruling in favour of Pandox AB (publ) in a dispute with the Swedish Tax Agency. The ruling eliminates the tax increase decided on by the Swedish Tax Agency in 2019. During the process, Pandox was granted a tax payment extension due to the uncertainty of the outcome of the case. The tax dispute was regarding the Group's transfer pricing.

Dorint Parkhotel Bad Neuenahr has been closed since July 2021 due to extensive damage caused by flooding. The hotel property was full insured for property damage and consequential loss insurance covers rental income while the property is being restored.

The previous tenant of Maritim Hotel Nürnberg is claiming the right to a rent reduction for 2020–2021. Court proceedings are ongoing.

## Employees

At the end of the period, Pandox had the equivalent of 850 (428) full-time employees, based on number of worked hours translated to full-time employees. Of the total number of employees, 804 (379) are employed in the Operator Activities segment and 46 (49) in the Property Management segment and in central administration.

## Parent company

Administration for activities within Pandox's property owning companies is provided by staff employed by the Parent Company, Pandox AB (publ). Pandox's subsidiaries are invoiced for these services.

## Transactions with related parties

The Parent Company carries out transactions with subsidiaries in the Group. Such transactions mainly entail allocation of centrally incurred administration cost and interest relating to receivables and liabilities. All related party transactions are entered into on market terms.

Eiendomsspar AS owns 5.1 percent of 22 hotel properties in Germany and 9.9 percent of another hotel property in Germany. The acquisitions were made by Pandox in 2015, 2016 and 2019. Pandox has a management agreement regarding Pelican Bay Lucaya Resort in the Bahamas owned by affiliates of Helene Sundt AS and CGS Holding AS. During January–March 2022, revenue from Pelican Bay Lucaya amounted to MSEK 0.1 (0.1).

## Risk and uncertainty factors

Pandox's general view of business risks has not changed compared with the detailed description in the Annual Report 2021.

## Seasonal variations

The hotel industry is seasonal in nature. The periods during which the Company's properties experience higher revenues vary from property to property, depending principally upon location and the customer base served. Since most of the customers that stay at Pandox owned or operated hotels are business travellers, the Company's total revenues have historically been greater particularly in the second quarter. The timing of holidays and major events can also impact the Company's quarterly results.

## Alternative performance measures

Pandox applies the European Securities and Market Authority's (ESMA) guidelines for Alternative Performance Measurements. The guidelines aim at making alternative Performance Measurements in financial reports more understandable, trustworthy and comparable and thereby enhance their usability. According to these guidelines, an Alternative Performance Measurement is a financial key ratio of past or future earnings development, financial position, financial result or cash flows which are not defined or mentioned in current legislation for financial reporting; IFRS and the Swedish Annual Accounts Act. Reconciliations of Alternative Performance Measurements are available on pages 20–22.

## Number of shares

At the end of the period, the total number of shares before and after dilution amounted to 75,000,000 A shares and 108,849,999 B shares. For the first quarter 2022 the weighted number of shares before and after dilution amounted to 75,000,000 A shares and 108,849,999 B shares.

## Stockholm, 27 April 2022

**Liia Nõu, CEO**

*This report has not been examined by the Company's auditor.*

# Summary of financial reports

## Condensed consolidated statement of comprehensive income

MSEK	Note	Jan-Mar		Full-year
		2022	2021	2021
Revenues Property Management				
Rental income	2	602	515	2,279
Other property income		32	39	143
Revenue Operator Activities	2	242	92	851
<b>Total revenues</b>		<b>876</b>	<b>646</b>	<b>3,273</b>
Costs Property Management	2	-91	-92	-395
Costs Operator Activities	2	-352	-241	-1,151
<b>Gross profit</b>		<b>433</b>	<b>313</b>	<b>1,727</b>
- whereof gross profit Property Management	2	543	462	2,027
- whereof gross profit Operator Activities	2	-110	-149	-300
Central administration		-32	-37	-157
Financial income		2	1	4
Financial expenses		-232	-233	-944
Financial cost right of use assets		-23	-21	-88
<b>Profit before changes in value</b>		<b>148</b>	<b>23</b>	<b>542</b>
Changes in value				
Properties, unrealised	2	279	-351	-368
Properties, realised	2	-	-6	-28
Derivatives, unrealised		930	327	740
<b>Profit before tax</b>		<b>1,357</b>	<b>-7</b>	<b>886</b>
Current tax		-33	-12	-128
Deferred tax		-280	55	-149
<b>Profit for the period</b>		<b>1,044</b>	<b>36</b>	<b>609</b>
<i>Items that may not be classified to profit or loss, net after tax<sup>1)</sup></i>				
This year's revaluation of tangible non-current assets		-	-	18
<i>Items that may be classified to profit or loss, net after tax</i>				
Net investment hedge of foreign operations		-53	-49	-43
Translation differences of foreign operations		272	681	765
<b>Other comprehensive income for the period</b>		<b>219</b>	<b>632</b>	<b>740</b>
<b>Total comprehensive income for the period</b>		<b>1,263</b>	<b>668</b>	<b>1,349</b>
Profit for the period attributable to the shareholders of the parent company		1,042	41	610
Profit for the period attributable to non-controlling interests		2	-5	-1
Total comprehensive income for the period attributable to the shareholders of the parent company		1,259	660	1,337
Total comprehensive income for the period attributable to non-controlling interests		4	8	12
Earnings per share, before and after dilution, SEK		5.67	0.22	3.32

Condensed consolidated statement of financial position

MSEK	31 Mar		31 Dec
	2022	2021	2021
<b>ASSETS</b>			
<b>Non-current assets</b>			
Operating Properties	7,654	7,166	7,450
Equipment and interiors	579	526	581
Investment Properties	52,887	51,365	52,215
Deferred non-current rent attributable to new temporary payment terms	209	295	233
Right-of-use assets	3,155	3,016	3,039
Deferred tax assets	55	502	249
Derivatives <sup>1)</sup>	926	90	203
Other non-current receivables	91	38	86
<b>Total non-current assets</b>	<b>65,556</b>	<b>62,998</b>	<b>64,056</b>
<b>Current assets</b>			
Inventories	13	10	12
Current tax assets	70	101	64
Trade account receivables	250	225	269
Deferred current rent attributable to new temporary payment terms	349	271	357
Prepaid expenses and accrued income	233	137	296
Other current receivables	160	149	154
Cash and cash equivalents	1,477	2,610	1,593
Assets held for sale	4 114	-	-
<b>Total current assets</b>	<b>2,666</b>	<b>3,503</b>	<b>2,745</b>
<b>Total assets</b>	<b>68,222</b>	<b>66,501</b>	<b>66,801</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	460	460	460
Other paid-in capital	7,525	7,525	7,525
Reserves	230	-95	13
Retained earnings, including profit for the period	18,255	16,650	17,215
<b>Equity attributable to the owners of the Parent Company</b>	<b>26,470</b>	<b>24,540</b>	<b>25,213</b>
Non-controlling interests	215	216	209
<b>Sum equity</b>	<b>26,685</b>	<b>24,756</b>	<b>25,422</b>
<b>LIABILITIES</b>			
<b>Non-current liabilities</b>			
Non-current interest-bearing liabilities <sup>2)</sup>	21,934	28,050	27,205
Other non-current liabilities	4	5	4
Long-term lease liability	3,127	2,993	3,020
Derivatives <sup>1)</sup>	54	561	261
Provisions	35	33	36
Deferred tax liability	4,415	4,293	4,281
<b>Total non-current liabilities</b>	<b>29,569</b>	<b>35,935</b>	<b>34,807</b>
<b>Current liabilities</b>			
Provisions	52	75	60
Current interest-bearing liabilities <sup>2)</sup>	10,776	4,685	5,418
Short-term lease liability	31	25	22
Tax liabilities	160	135	156
Trade accounts payable	219	183	214
Other current liabilities	178	240	150
Accrued expenses and prepaid income	552	467	552
<b>Total current liabilities</b>	<b>11,968</b>	<b>5,810</b>	<b>6,572</b>
<b>Total liabilities</b>	<b>41,537</b>	<b>41,745</b>	<b>41,379</b>
<b>Total equity and liabilities</b>	<b>68,222</b>	<b>66,501</b>	<b>66,801</b>

<sup>1)</sup>The fair value measurement belongs to level 2 in the fair value hierarchy in IFRS, i.e., it is based on inputs that are observable, either directly or indirectly.

<sup>2)</sup>The carrying amounts of interest-bearing liabilities and other financial instruments constitute a reasonable approximation of their fair values.



Condensed consolidated statement of changes in equity

MSEK	Attributable to the owners of the parent company						Total	Non-controlling interests	Total equity
	Share capital	Other paid in capital	Translation reserves	Revaluation reserve <sup>1)</sup>	Retained earnings, incl profit for the period				
Opening balance equity 1 Jan, 2021	460	7,525	-883	169	16,609	23,880	208	24,088	
Profit for the period	—	—	—	—	610	610	-1	609	
Other comprehensive income	—	—	709	18	—	727	13	740	
Offset non-controlling interests	—	—	—	—	—	—	-15	-15	
Offset and transactions non-controlling interest	—	—	—	—	-4	-4	4	—	
Closing balance equity 31 Dec, 2021	460	7,525	-174	187	17,215	25,213	209	25,422	
Opening balance equity 1 Jan, 2022	460	7,525	-174	187	17,215	25,213	209	25,422	
Profit for the period	—	—	—	—	1,042	1,042	2	1,044	
Other comprehensive income	—	—	217	—	—	217	2	219	
Offset and transactions non-controlling interest	—	—	—	—	-2	-2	2	—	
Closing balance equity 31 Mar, 2022	460	7,525	43	187	18,255	26,470	215	26,685	

<sup>1)</sup>Refers to the fair value change of hotel properties that have been reclassified from Operator Activities to Property Management.

Condensed consolidated statement of cash flow

MSEK	Jan-Mar		Full-year
	2022	2021	2021
<b>OPERATING ACTIVITIES</b>			
Profit before tax	1,357	-7	886
Reversal of depreciation	60	69	280
Changes in value, realised	-	6	19
Changes in value, unrealised	-279	351	368
Changes in value, derivatives, unrealised	-930	-327	-740
Other items not included in the cash flow	102	19	63
Taxes paid	-37	-	-60
<b>Cash flow from operating activities before changes in working capital</b>	<b>273</b>	<b>111</b>	<b>816</b>
Increase/decrease in operating assets	120	-147	-378
Increase/decrease in operating liabilities	19	-46	-8
<b>Change in working capital</b>	<b>139</b>	<b>-193</b>	<b>-386</b>
<b>Cash flow from operating activities</b>	<b>412</b>	<b>-82</b>	<b>430</b>
<b>INVESTING ACTIVITIES</b>			
Investments in properties and fixed assets	-235	-283	-990
Acquisitions of hotel properties, net effect on liquidity	-	-	-482
Acquisitions of financial assets	-4	-2	-49
<b>Cash flow from investing activities</b>	<b>-239</b>	<b>-285</b>	<b>-1,521</b>
<b>FINANCING ACTIVITIES</b>			
New loans	2,427	2,611	8,196
Amortisation of debt	-2,644	-2,219	-8,088
Guaranteed minority dividend	-	-	-15
<b>Cash flow from financing</b>	<b>-217</b>	<b>392</b>	<b>93</b>
<b>Cash flow for the period</b>	<b>-44</b>	<b>25</b>	<b>-998</b>
Cash and cash equivalents at beginning of period	1,593	2,622	2,622
Exchange differences in cash and cash equivalents	-73	-37	-31
Liquid funds end of period	1,477	2,610	1,593
<b>Information regarding interest payments</b>			
Interest received amounted to	1	1	4
Interest paid amounted to	-199	-201	-841
Financial cost right of use assets	-23	-21	-88
<b>Information regarding cash and cash equivalents end of period</b>	<b>1,477</b>	<b>2,610</b>	<b>1,593</b>
Cash and cash equivalents consists of bank deposits.			

## Condensed income statement for the parent company

MSEK	Jan-Mar		Full-year
	2022	2021	2021
Total revenues	35	37	148
Administration cost	-31	-49	-209
<b>Operating profit</b>	<b>4</b>	<b>-12</b>	<b>-61</b>
Other interest income and similar profit/loss items	-11	395	523
Derivatives, unrealised	180	260	481
<b>Profit after financial items</b>	<b>173</b>	<b>643</b>	<b>943</b>
Year-end appropriations	-	-	172
<b>Profit before tax</b>	<b>173</b>	<b>643</b>	<b>1,115</b>
Current tax	0	0	-1
Deferred tax	-54	-142	-226
<b>Profit for the period</b>	<b>119</b>	<b>501</b>	<b>888</b>

## Condensed balance sheet for the parent company

Figures in MSEK	31 Mar 2022	31 Mar 2021	31 Dec 2021
<b>ASSETS</b>			
Non-current assets	20,130	19,756	20,085
Current assets	1,514	2,784	1,579
<b>Total assets</b>	<b>21,644</b>	<b>22,540</b>	<b>21,664</b>
<b>EQUITY AND LIABILITIES</b>			
Equity	9,611	9,105	9,490
Provisions	91	113	91
Non-current liabilities	5,047	7,785	5,344
Current liabilities	6,895	5,537	6,739
<b>Total equity and liabilities</b>	<b>21,644</b>	<b>22,540</b>	<b>21,664</b>

## Notes

### Note 1. Accounting principles

Pandox AB follows the International Financial Reporting Standards (IFRS) and interpretations (IFRIC), as adopted by the EU. This interim report has been prepared according to IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act.

The interim report for the Parent Company has been prepared in accordance with Chapter 9 Interim Reports of the Swedish Annual Accounts Act. The Parent Company applies the Swedish Annual Accounts Act and RFR2 Accounting principles for legal entities. Under RFR2 the parent company of a legal entity applies all EU approved IFRS principles and interpretations within the framework defined by the Swedish Annual Accounts Act and taking into consideration the connection between accounting and taxation.

Derivatives are measured at fair value according to Level 2 in the fair value hierarchy under IFRS, based on inputs that are observable, either directly or indirectly.

The carrying amounts of interest-bearing liabilities and other financial instruments constitute a reasonable approximation of their fair values.

The interim financial statements are included on pages 1–24 and page 25 is thus an integrated part of this financial report.

The accounting principles applied are consistent with those described in Pandox's Annual Report for 2021.

## Note 2. Operating segments

Pandox's operating segments consist of the Property Management and Operator Activities business streams. The Property Management segment owns, improves and manages hotel properties and provides external customers with premises for hotel operations, as well as other types of premises adjacent to hotel properties. The Operator Activities segment owns hotel properties and operates hotels in such owned properties. The Operator Activities segment also includes one hotel property under an asset management agreement. Non-allocated items are any items that are not attributable to a specific segment or are common to both segments, and financial cost for right-of-use assets according to IFRS 16. The segments have been established based on the reporting that takes place internally to executive management on financial outcomes and position. Segment reporting applies the same accounting principles as those used in the annual report in general, and the amounts reported for the segments are the same as those for the Group. Scandic Hotels Group and Fattal Hotels Group are tenants who account for more than 10 percent of revenues each.

For the first quarter 2022, revenue-based rent in Property Management amounted to MSEK 98 (31).

MSEK	Q1 2022 (Jan-Mar 2022)				Q1 2021 (Jan-Mar 2021)			
	Property Management	Operator Activities	Group and non-allocated items	Total	Property Management	Operator Activities	Group and non-allocated items	Total
<b>Revenues Property Management</b>								
Rental and other property income	634	—	—	634	554	—	—	554
Revenue Operator Activities	—	242	—	242	—	92	—	92
<b>Total revenues</b>	<b>634</b>	<b>242</b>	<b>—</b>	<b>876</b>	<b>554</b>	<b>92</b>	<b>—</b>	<b>646</b>
<b>Costs Property Management</b>								
Costs Property Management	-91	—	—	-91	-92	—	—	-92
Costs Operator Activities	—	-352	—	-352	—	-241	—	-241
<b>Gross profit</b>	<b>543</b>	<b>-110</b>	<b>—</b>	<b>433</b>	<b>462</b>	<b>-149</b>	<b>—</b>	<b>313</b>
Central administration	—	—	-32	-32	—	—	-37	-37
Financial income	—	—	2	2	—	—	1	1
Financial expenses	—	—	-232	-232	—	—	-233	-233
Financial cost right of use assets	—	—	-23	-23	—	—	-21	-21
<b>Profit before value changes</b>	<b>543</b>	<b>-110</b>	<b>-285</b>	<b>148</b>	<b>462</b>	<b>-149</b>	<b>-290</b>	<b>23</b>
<b>Changes in value</b>								
Properties, unrealised	279	—	—	279	-351	—	—	-351
Properties, realised	—	—	—	—	-6	—	—	-6
Derivatives, unrealised	—	—	930	930	—	—	327	327
<b>Profit before tax</b>	<b>822</b>	<b>-110</b>	<b>645</b>	<b>1,357</b>	<b>105</b>	<b>-149</b>	<b>37</b>	<b>-7</b>
Current tax	—	—	-33	-33	—	—	-12	-12
Deferred tax	—	—	-280	-280	—	—	55	55
<b>Profit for the period</b>	<b>822</b>	<b>-110</b>	<b>332</b>	<b>1,044</b>	<b>105</b>	<b>-149</b>	<b>80</b>	<b>36</b>

### Q1 2022 (Jan-Mar 2022)

	Sweden	Denmark	Norway	Finland	Germany	Belgium	UK+IE	Others	Total
<b>Total revenues</b>									
- Property Management	151	32	45	57	159	8	137	45	634
- Operator Activities	0	10	—	5	43	109	44	31	242
Market value properties	15,078	3,560	3,487	4,004	15,616	4,677	12,253	5,133	63,808
Investments in properties	40	12	8	4	66	88	7	7	233
Book value Operating Properties	—	347	—	29	2,678	2,772	965	1,425	8,217
Total non-current assets at book value, less deferred tax assets	16,488	3,549	3,490	4,704	14,969	3,955	13,257	5,090	65,500

### Q1 2021 (Jan-Mar 2021)

	Sweden	Denmark	Norway	Finland	Germany	Belgium	UK+IE	Others	Total
<b>Total revenues</b>									
- Property Management	126	18	30	51	159	11	116	43	554
- Operator Activities	0	2	—	2	10	55	11	11	92
Market value properties	14,579	3,449	3,262	3,952	15,244	4,304	11,417	4,954	61,161
Investments in properties	34	23	10	9	53	92	47	11	281
Realised value change properties	—	—	—	—	—	—	-6	—	-6
Book value Operating Properties	—	751	—	30	1,961	2,631	937	1,370	7,679
Total non-current assets at book value, less deferred tax assets	15,528	3,468	3,265	4,645	14,626	3,695	12,329	4,936	62,492

### Note 3. Tax

#### Current tax

Current tax amounted to MSEK –33 (–12), mainly explained by higher revenue in countries with limited opportunities for intra-Group eliminations. Deferred tax amounted to MSEK –280 (55).

#### Deferred tax

At the end of the period, deferred tax assets amounted to MSEK 55 (249). This consists mainly of the carrying amount of tax loss carryforwards which the Company expects to be able to utilise in future financial years, and temporary measurement differences for interest rate derivatives.

Deferred tax liabilities amounted to MSEK 4,415 (4,281) and relate mainly to temporary differences between fair value and the taxable value of investment properties, as well as temporary differences between the carrying amount and the taxable value of operating properties.

### Note 4. Assets and liabilities held for sale

Amount in MSEK	31 Mar 2022	31 Mar 2021	31 Dec 2021
<b>Assets</b>			
Investment property Mora Hotell & Spa	114	—	—
<b>Assets classified as held for sale</b>	<b>114</b>	<b>—</b>	<b>—</b>

### Note 5. Currency exchange rates

Currency exchange rates January-March

	Average rate			Rate at end-of-period		
	2022	2021	Change %	2022	2021	Change %
Euro (EUR)	10.483	10.118	3%	10.338	10.238	1%
British pound (GBP)	12.532	11.586	8%	12.170	11.997	1%
Danish krone (DKK)	1.409	1.360	3%	1.390	1.377	1%
Norwegian krone (NOK)	1.056	0.986	7%	1.075	1.023	5%
Canadian dollar (CAD)	7.380	6.634	10%	7.410	6.923	8%
Swiss franc (CHF)	10.114	9.272	8%	10.032	9.259	9%

## Reconciliation alternative performance measurements

Per share, SEK <sup>1)</sup>	Jan-Mar		Full-year
	2022	2021	2021
<b>Total comprehensive income per share, SEK</b>			
Total comprehensive income for the period attributable to the shareholders of the parent company, MSEK	1,259	660	1,337
Weighted average number of share, before and after dilution	183,849,999	183,849,999	183,849,999
<b>Total comprehensive income per share, SEK</b>	<b>6.85</b>	<b>3.59</b>	<b>7.27</b>
<b>Cash earnings per share, SEK</b>			
Cash earnings attr.to the shareholders of the parent company, MSEK	178	90	713
Weighted average number of share, before and after dilution	183,849,999	183,849,999	183,849,999
<b>Cash earnings per share, SEK</b>	<b>0.97</b>	<b>0.49</b>	<b>3.88</b>
<b>Net asset value (EPRA NRV) per share, SEK</b>			
EPRA NRV (net asset value), MSEK	32,783	31,325	31,905
Number of shares at the end of the period	183,849,999	183,849,999	183,849,999
<b>Net asset value (EPRA NRV) per share, SEK</b>	<b>178.31</b>	<b>170.38</b>	<b>173.54</b>
<b>Dividend per share, SEK</b>			
Dividend, MSEK	-	-	-
Number of shares at dividend	183,849,999	183,849,999	183,849,999
<b>Dividend per share, SEK<sup>3)</sup></b>	<b>-</b>	<b>-</b>	<b>-</b>
Weighted average number of share, before and after dilution	183,849,999	183,849,999	183,849,999
Number of shares at the end of the period	183,849,999	183,849,999	183,849,999
<b>PROPERTY RELATED KEY FIGURES</b>			
Number of hotels, end of period <sup>2)</sup>	157	156	157
Number of rooms, end of period <sup>2)</sup>	35,373	35,061	35,372
WAULT, years	13.8	14.4	14.0
Market value properties, MSEK	63,808	61,161	62,596
Market value Investment Properties, MSEK	53,000	51,365	52,215
Market value Operating Properties, MSEK	10,808	9,797	10,380
RevPAR (Operator Activities) for comparable units at comparable exchange rates, SEK	332	100	291

<sup>1)</sup>The total number of outstanding shares after full dilution amounts to 183,849,999, of which 75,000,000 are A shares and 108,849,999 are B shares. Calculated on the total number of shares for balance sheet items and weighted number of shares for profit and loss items.

<sup>2)</sup>Pandox's owned hotel properties.

<sup>3)</sup>For 2021 actual dividend is indicated.



## Reconciliation alternative performance measurements

MSEK	Jan-Mar		Full-year
	2022	2021	2021
<b>Net interest-bearing debt</b>			
Non-current interest-bearing liabilities	21,934	28,050	27,205
Current interest-bearing liabilities	10,776	4,685	5,418
Arrangement fee for loans	112	163	129
Cash and cash equivalents	-1,477	-2,610	-1,593
<b>Net interest-bearing debt</b>	<b>31,345</b>	<b>30,288</b>	<b>31,159</b>
<b>Loan to value net, %</b>			
Net interest-bearing debt	31,345	30,288	31,159
Market value properties	63,808	61,161	62,596
<b>Loan to value, %</b>	<b>49.1</b>	<b>49.5</b>	<b>49.8</b>
<b>Interest cover ratio, times</b>			
EBITDA	467	350	1,868
Less: Financial costs for right-of-use-assets	-23	-21	-88
Net interest costs	202	204	831
<b>Interest cover ratio, times</b>	<b>2.2</b>	<b>1.6</b>	<b>2.1</b>
<b>Average interest on debt end of period, %</b>			
Average interest expenses	811	841	812
Non-current interest-bearing liabilities	21,934	28,050	27,205
Arrangement fee for loans	112	163	129
Current interest-bearing liabilities	10,776	4,685	5,418
<b>Average interest on debt end of period, %</b>	<b>2.5</b>	<b>2.6</b>	<b>2.5</b>
Investments, incl. parent company excl. acquisitions	235	283	990
<b>Net operating income, Property Management</b>			
Rental income	602	515	2,279
Other property income	32	39	143
Costs, excl. property administration	-58	-52	-218
<b>Net operating income, before property administration</b>	<b>576</b>	<b>502</b>	<b>2,204</b>
Property administration	-33	-40	-177
<b>Net operating income, Property Management</b>	<b>543</b>	<b>462</b>	<b>2,027</b>
<b>Net operating income, Operator Activities</b>			
Revenue	242	92	851
Costs	-352	-241	-1,151
<b>Gross profit</b>	<b>-110</b>	<b>-149</b>	<b>-300</b>
Plus: Depreciation included in costs	61	69	278
<b>Net operating income, Operator Activities</b>	<b>-49</b>	<b>-80</b>	<b>-22</b>
<b>EBITDA</b>			
Gross profit from respective operating segment	433	313	1,727
Plus: Depreciation included in costs Operator Activities	61	69	278
Less: Central administration, excluding depreciation	-27	-32	-137
<b>EBITDA</b>	<b>467</b>	<b>350</b>	<b>1,868</b>
<b>Cash earnings</b>			
EBITDA	467	350	1,868
Plus: Financial income	2	1	4
Less: Financial expense	-232	-233	-944
Less: Financial costs for right-of-use-assets	-23	-21	-88
Plus/Less: Translation effect on bank deposits	-1	0	0
Less: Current tax	-33	-12	-128
<b>Cash earnings</b>	<b>180</b>	<b>85</b>	<b>712</b>
<b>EPRA NRV</b>			
Equity attr. to the shareholders of the parent company	26,470	24,540	25,213
Plus: Revaluation of Operating Properties	2,590	2,118	2,365
Plus: Fair value of financial derivatives	-872	471	58
Less: Deferred tax assets related to derivatives	180	-97	-12
Plus: Deferred tax liabilities	4,415	4,293	4,281
<b>EPRA NRV</b>	<b>32,783</b>	<b>31,325</b>	<b>31,905</b>
<b>Growth in EPRA NRV, annual rate, %</b>			
EPRA NRV attr. to the shareholders of the parent company, OB	31,325	34,375	30,813
EPRA NRV attr. to the shareholders of the parent company, CB	32,783	31,325	31,905
<b>Growth in EPRA NRV, annual rate, %</b>	<b>4.7</b>	<b>-8.9</b>	<b>3.5</b>

## Key figures not defined according to IFRS

A number of the financial descriptions and measures in this interim report provide information about development and status of financial and per share measurements that are not defined in accordance with the IFRS (International Financial Reporting Standards). Adjoining alternative financial measurements provides useful supplementary information to investors and management, as they facilitate evaluation of company performance. Since not all companies calculate financial measurements in the same manner, these are not always comparable to measurements used by other companies. Hence, these financial measures should not be seen as a substitute for measures defined according to the IFRS. Unless otherwise stated, the tables on pages 20–22 presents measures, along with their reconciliation, which are not defined according to the IFRS. The definitions of these measures appear on page 24.

## Financial risk

Pandox owns, manages and develops hotel properties and operates hotels. The level of risk-taking is expressed in a loan-to-value ratio net of between 45 and 60 percent, depending on market development and the opportunities that exist. In addition to the loan-to-value ratio, interest cover ratio, average cost of debt and interest-bearing net debt are other relevant measurements of Pandox's financial risk.

## Growth and profitability

Pandox's overall goal is to increase cash flow and property value and thereby enable Pandox to have the resources for investments to support the Group's continued expansion. Since Pandox both owns and operates hotel properties, multiple indicators are needed to measure the Company's performance in relation to goals in this regard. Growth in cash earnings is Pandox's primary focus and this is also the basis for the dividend paid annually to the shareholders, i.e. 30–50 percent of cash earnings with an average payout ratio of approximately 40 percent over time. Measuring net operating income creates transparency and comparability between the Company's two operating segments and with other property companies. EBITDA measures Pandox's total operational profitability in a uniform way.

## EPRA NRV (net asset value) and equity

Net asset value (EPRA NRV) is the collective capital Pandox manages on behalf of its shareholders. Pandox measures long-term net asset value based on the balance sheet adjusted for items that will not yield any payments in the near future, such as derivatives and deferred tax liabilities. The market value of Operating Properties is included in the calculation. See also page 24.

Net asset value according to EPRA NRV, EPRA NTA and EPRA NDV

EPRA NRV is the long-term net asset value and is based on the balance sheet adjusted for items where there will be no payments made in the near future, such as goodwill, financial derivatives, deferred tax liability and surplus value of Operating Properties (see page 7 for more information). EPRA NTA is the same as long-term net asset value with the difference that goodwill not attributable to deferred tax is to be added back and that deferred tax can be assigned a market value taking into account how the entity has carried out real estate transactions in recent years. As Pandox has no goodwill, has a long-term investment horizon, and does not report estimated actual deferred tax, the value of NRV and NTA in Pandox's case is the same. EPRA NDV is net asset value according to equity in the balance sheet adjusted for goodwill (Pandox has no goodwill) and surplus value of Operating Properties.

Net asset value

MSEK	31 Mar 2022		31 mars 2021		31 dec 2021	
	MSEK	SEK/share <sup>1)</sup>	MSEK	SEK/share <sup>1)</sup>	MSEK	SEK/share <sup>1)</sup>
Equity attr. to the shareholders of the parent company	26,470	143.98	24,540	133.48	25,213	137.14
Plus: Revaluation of Operating Properties	2,590	14.09	2,118	11.52	2,365	12.87
Plus: Fair value of financial derivatives	-872	-4.74	471	2.56	58	0.32
Less: Deferred tax assets related to derivatives	180	0.98	-97	-0.53	-12	-0.07
Plus: Deferred tax liabilities	4,415	24.01	4,293	23.35	4,281	23.29
<b>Net asset value, EPRA NRV</b>	<b>32,783</b>	<b>178.31</b>	<b>31,325</b>	<b>170.38</b>	<b>31,905</b>	<b>173.54</b>
Less:	—	—	—	—	—	—
<b>Net asset value, EPRA NTA</b>	<b>32,783</b>	<b>178.31</b>	<b>31,325</b>	<b>170.38</b>	<b>31,905</b>	<b>173.54</b>
Less: derivatives and deferred tax	-3,723	-20.25	-4,667	-25	-4,327	-23.53
<b>Net asset value, EPRA NDV</b>	<b>29,060</b>	<b>158.07</b>	<b>26,658</b>	<b>145.00</b>	<b>27,578</b>	<b>150.00</b>

<sup>1)</sup>Number of shares at end of period.

EPRA LTV

EPRA LTV is a key ratio that shows interest-bearing net debt in relation to the total market value of the property portfolio and other available assets and is used to create comparability between property companies. EPRA LTV is essentially the same as Pandox's previous definition of loan-to-value ratio, with the only difference that net operating receivables and operating liabilities are included in the EPRA calculation. As Pandox has no associated companies or joint ventures, and as there are no minority interests that are material for the Company, no further adjustments are made.

MSEK	31 Mar 2022			31 Mar 2021			31 Dec 2021		
	Previously reported Loan to value, %	Adj.	EPRA LTV, %	Previously reported Loan to value, %	Adj.	EPRA LTV, %	Previously reported Loan to value, %	Adj.	EPRA LTV, %
Non-current interest-bearing liabilities	21,934	—	21,934	28,050	—	28,050	27,205	—	27,205
Current interest-bearing liabilities	10,776	—	10,776	4,685	—	4,685	5,418	—	5,418
Arrangement fee for loans	112	—	112	163	—	163	129	—	129
Net operating assets and operating liabilities	—	—	—	—	—	—	—	—	—
Exclude: Cash and cash equivalents	-1,477	—	-1,477	-2,610	—	-2,610	-1,593	—	-1,593
<b>Net debt</b>	<b>31,345</b>	<b>—</b>	<b>31,345</b>	<b>30,288</b>	<b>—</b>	<b>30,288</b>	<b>31,159</b>	<b>—</b>	<b>31,159</b>
Market value properties	63,808	—	63,808	61,161	—	61,161	62,596	—	62,596
Net operating assets and operating liabilities	—	220	220	—	113	113	—	264	264
<b>Total properties and other applicable assets</b>	<b>63,808</b>	<b>220</b>	<b>64,028</b>	<b>61,161</b>	<b>113</b>	<b>61,274</b>	<b>62,596</b>	<b>264</b>	<b>62,860</b>
<b>Loan to value, %</b>	<b>49.1%</b>		<b>49.0%</b>	<b>49.5%</b>		<b>49.4%</b>	<b>49.8%</b>		<b>49.6%</b>

## Quarterly data

### Condensed consolidated statement of comprehensive income

	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun
MSEK	2022	2021	2021	2021	2021	2020	2020	2020
<b>Revenues Property Management</b>								
Rental income	602	606	617	541	515	523	563	502
Other property income	32	42	35	27	39	47	67	25
Revenue Operator Activities	242	326	287	146	92	117	169	74
<b>Total revenues</b>	<b>876</b>	<b>974</b>	<b>939</b>	<b>714</b>	<b>646</b>	<b>687</b>	<b>799</b>	<b>601</b>
<b>Costs Property Management</b>								
Costs Operator Activities	-352	-373	-334	-203	-241	-244	-266	-216
<b>Gross profit</b>	<b>433</b>	<b>495</b>	<b>506</b>	<b>413</b>	<b>313</b>	<b>351</b>	<b>434</b>	<b>306</b>
Central administration	-32	-52	-31	-37	-37	-41	-41	-42
Financial net	-230	-227	-242	-239	-232	-227	-227	-220
Financial cost right of use assets	-23	-21	-23	-23	-21	-21	-21	-22
<b>Profit before value changes</b>	<b>148</b>	<b>195</b>	<b>210</b>	<b>114</b>	<b>23</b>	<b>62</b>	<b>145</b>	<b>22</b>
Changes in value								
Properties, unrealised	279	97	-9	-105	-351	-533	-315	-320
Properties, realised	—	-16	-6	—	-6	0	0	—
Derivatives, unrealised	930	187	202	24	327	109	51	-22
<b>Profit before tax</b>	<b>1,357</b>	<b>463</b>	<b>397</b>	<b>33</b>	<b>-7</b>	<b>-362</b>	<b>-119</b>	<b>-320</b>
Current tax	-33	-78	-15	-23	-12	-2	-17	-11
Deferred tax	-280	-127	-61	-16	55	59	33	-1
<b>Profit for the period</b>	<b>1,044</b>	<b>258</b>	<b>321</b>	<b>-6</b>	<b>36</b>	<b>-305</b>	<b>-103</b>	<b>-332</b>
Other comprehensive income	219	238	128	-258	632	-796	46	-920
<b>Total comprehensive income for the period</b>	<b>1,263</b>	<b>496</b>	<b>449</b>	<b>-264</b>	<b>668</b>	<b>-1,101</b>	<b>-57</b>	<b>-1,252</b>

### Condensed consolidated statement of financial position

MSEK	31 Mar 2022	31 Dec 2021	30 Sep 2021	30 Jun 2021	31 Mar 2021	31 Dec 2020	30 Sep 2020	30 Jun 2020
<b>Assets</b>								
Properties incl equipment and interiors	61,120	60,246	58,975	58,553	59,057	57,555	59,859	59,877
Right-of-use assets	3,155	3,039	3,009	2,975	3,016	2,926	3,071	3,051
Other non-current receivables	1,226	522	514	500	423	268	84	85
Deferred tax assets	55	249	488	529	502	631	559	570
Current assets	1,189	1,152	1,086	939	893	813	1,261	1,008
Cash and cash equivalents	1,477	1,593	1,494	2,712	2,610	2,622	2,309	2,298
<b>Total assets</b>	<b>68,222</b>	<b>66,801</b>	<b>65,566</b>	<b>66,208</b>	<b>66,501</b>	<b>64,815</b>	<b>67,143</b>	<b>66,889</b>
<b>EQUITY AND LIABILITIES</b>								
Equity	26,685	25,422	24,941	24,492	24,756	24,088	25,189	25,246
Deferred tax liability	4,415	4,281	4,319	4,275	4,293	4,307	4,407	4,458
Interest-bearing liabilities	32,710	32,623	31,747	32,724	32,735	31,452	32,173	31,981
Leasing liabilities	3,158	3,042	3,011	2,977	3,018	2,928	3,073	3,052
Non interest-bearing liabilities	1,254	1,433	1,548	1,740	1,699	2,040	2,301	2,152
<b>Total equity and liabilities</b>	<b>68,222</b>	<b>66,801</b>	<b>65,566</b>	<b>66,208</b>	<b>66,501</b>	<b>64,815</b>	<b>67,143</b>	<b>66,889</b>

### Key ratios

	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun
MSEK	2022	2021	2021	2021	2021	2020	2020	2020
NOI, Property Management	543	542	553	470	462	478	531	448
NOI, Operator Activities	-49	26	22	10	-80	-64	-39	-85
EBITDA	467	521	550	447	350	378	456	327
Interest coverage ratio, times	2.2	2.5	2.5	2.0	1.6	1.8	2.2	1.6
Earnings per share before and after dilution, SEK	5.67	1.41	1.73	-0.04	0.22	-1.63	-0.56	-1.79
Cash earnings, MSEK	180	195	270	162	85	129	194	75
Cash earnings per share before and after dilution, SEK	0.97	1.07	1.45	0.88	0.49	0.73	1.06	0.42
RevPAR growth (Operator Activities) for comparable units and constant currency, %	232	319	92	103	-81	-89	-81	-92

	31 Mar 2022	31 Dec 2021	30 Sep 2021	30 Jun 2021	31 Mar 2021	31 Dec 2020	30 Sep 2020	30 Jun 2020
Net interest-bearing debt	31,345	31,159	30,387	30,159	30,288	29,007	30,056	29,878
Loan to value, %	49.1	49.8	49.6	49.7	49.5	48.7	48.5	48.0
Market value properties	63,808	62,596	61,255	60,696	61,161	59,542	62,022	62,259
EPRA NRV per share, SEK	178.31	173.54	171.49	168.97	170.38	167.60	175.33	177.32
WAULT (Property Management), yrs	13.8	14.0	14.2	14.1	14.4	14.6	14.9	15.2

# Definitions

## Financial information

Average interest on debt, %

Average interest expense based on interest maturity in respective currencies as a percentage of interest-bearing liabilities.

Cash earnings, MSEK

EBITDA plus financial income less financial expense less financial cost for right-of-use assets according to IFRS 16 less current tax, adjusted any unrealised translation effect on bank balances.

EBITDA, MSEK

Total gross profit less central administration (excluding depreciation).

EPRA NRV, MSEK

Recognised equity, attributable to the Parent Company's shareholders, including reversal of derivatives, deferred tax asset derivatives, deferred tax liabilities related to properties, and revaluation of Operating Properties.

EPRA NTA, MSEK

Recognised equity, attributable to the Parent Company's shareholders, including reversal of derivatives, deferred tax asset derivatives, deferred tax liabilities related to properties, and revaluation of Operating Properties.

EPRA NDV, MSEK

Recognised equity, attributable to the Parent Company's shareholders, including revaluation Operating Properties.

EPRA LTV, MSEK

Loan-to-value ratio net adjusted for net operating assets and operating liabilities.

Growth for comparable units adjusted for currency effects

Growth measure that excludes effects of acquisitions, divestments and reclassifications, as well as exchange rate changes.

Growth in EPRA NRV (net asset value growth), annual rate, %

Accumulated percentage change in EPRA NRV, with dividends added back and issue proceeds deducted, for the immediately preceding 12-month period.

Gross profit, Operator Activities, MSEK

Revenue less directly related costs for Operator Activities including depreciation of Operator Activities.

Gross profit, Property Management, MSEK

Revenue less directly related costs for Property Management.

Interest-bearing net debt, MSEK

Current and non-current interest-bearing liabilities plus arrangement fee for loans less cash and cash equivalents and short-term investments that are equivalent to cash and cash equivalents. Long-term and short-term lease liabilities according to IFRS 16 are not included.

Interest cover ratio, multiple

EBITDA less financial expense for right-of-use assets divided by net interest expense, which consists of interest expense less interest income.

Investments, excl. acquisitions, MSEK

Investments in non-current assets excluding acquisitions.

Loan-to-value ratio net, %

Interest-bearing liabilities, including arrangement fee for loans, less cash and cash equivalents as a percentage of the properties' market value at the end of the period.

Net operating income Operator Activities, MSEK

Gross profit for Operator Activities plus depreciation included in costs for Operator Activities.

Net operating income, Property Management, MSEK

Net operating income corresponds to gross profit for Property Management.

Net operating margin, Operator Activities, %

Net operating income for Operator Activities as a percentage of total revenue from Operator Activities.

Rounding off

Since amounts have been rounded off in MSEK, the tables do not always add up.

## Per share

Cash earnings per share, SEK

EBITDA plus financial income less financial expense less current tax, after non-controlling interests, less financial expense for right-of-use assets according to IFRS 16 adjusted any unrealised translation effect on bank balances divided by the weighted average number of shares outstanding.

Comprehensive income per share SEK

Comprehensive income attributable to the Parent Company's shareholders divided by the weighted average number of shares outstanding after dilution at the end of the period.

Dividend per share, SEK

Proposed/approved dividend for the year divided by the weighted average number of outstanding shares after dilution at the end of the period.

Earnings per share, SEK

Profit for the period attributable to the Parent Company's shareholders divided by the weighted average number of shares outstanding.

NRV, NTA, NDV per share, SEK

EPRA NRV, NTA, NDV divided by the total number of shares outstanding after dilution at the end of the period.

Weighted average number of shares after dilution, thousands

The weighted average number of outstanding shares taking into account changes in the number of shares outstanding after dilution during the period.

Weighted average number of shares before dilution, thousands

The weighted average number of outstanding shares taking into account changes in the number of shares outstanding, before dilution, during the period.

## Property information

Market value properties, MSEK

Market value of Investment Properties plus market value of Operating Properties.

Number of hotels and rooms

Number of owned hotel properties and rooms at the end of the period.

RevPAR for Operating Properties (comparable units at constant exchange rates), SEK

Revenue per available room, i.e. total revenue from sold rooms divided by the number of available rooms. Comparable units are defined as hotel properties that have been owned and operated during the entire current period and the comparative period. Constant exchange rate is defined as the exchange rate for the current period, and the comparative period is recalculated based on that rate.

WAULT (Investment Properties)

Weighted average unexpired lease term across the property portfolio, weighted based on the 2019 rental income level (which is an approximation of a normal financial year not affected by the Covid-19 pandemic)



## Hotelism by Pandox

DOUBLETREE BY HILTON BRUSSELS CITY



NHOW BRUSSELS BLOOM



MOTEL ONE COPENHAGEN



SCANDIC PARK HELSINKI



PARK CENTRAAL AMSTERDAM



SCANDIC LILLEHAMMER



SCANDIC LULEÅ



RADISSON BLU ARLANDIA



NH COLLECTION SALZBURG CITY



LEONARDO ROYAL HOTEL FRANKFURT



HOTEL BERLIN BERLIN



APARTHOTEL ADAGIO EDINBURGH ROYAL MILE

