

Interim report
January – June 2024

Profitable growth and strong cash flow

Q2

The quarter in brief

April-June 2024

Revenues for Leases amounted to MSEK 1,009 (942). For comparable units in fixed currency, the increase was 3 percent

Revenues for Own Operations amounted to MSEK 857 (832) MSEK. For comparable units in fixed currency, the increase was 10 percent

Net operating income for Leases amounted to MSEK 869 (806). For comparable units in fixed currency, the increase was 4 percent

Net operating income for Own Operations amounted to MSEK 256 (219). For comparable units in fixed currency, the increase was 20 percent

EBITDA amounted to MSEK 1,082 (977), an increase of 11 percent

Cash earnings amounted to MSEK 560 (510), equivalent to SEK 3.05 (2.77) per share

Changes in property values amounted to MSEK 413 (-466). Unrealised changes in value of derivatives amounted to MSEK -8 (332)

Profit for the period amounted to MSEK 710 (288), equivalent to SEK 3.83 (1.56) per share

DoubleTree by Hilton Montreal in Canada was transferred 15 April

Financial summary

MSEK	Apr-Jun			Jan-Jun			Jul '23 - Jun '24	Full-year
	2024	2023	Δ%	2024	2023	Δ%	R12m	2023
Total revenue	1,866	1,774	5	3,367	3,127	8	7,089	6,849
- Of which Leases	1,009	942	7	1,854	1,722	8	3,822	3,690
- Of which Own Operations	857	832	3	1,513	1,405	8	3,267	3,159
Total net operating income	1,125	1,025	10	1,910	1,739	10	4,041	3,870
- Of which Leases	869	806	8	1,563	1,468	6	3,252	3,157
- Of which Own Operations	256	219	17	347	271	28	789	713
EBITDA	1,082	977	11	1,822	1,652	10	3,866	3,696
Profit for the period	710	288	147	1,164	85	n.a	499	-580
Earnings per share, SEK	3.83	1.56	145	6.26	0.39	n.a	2.69	-3.18
Cash earnings	560	510	10	832	769	8	1,805	1,742
Cash earnings per share, SEK	3.05	2.77	10	4.53	4.18	8	9.82	9.48
Market value properties	-	-	-	70,815	72,164	-2	70,815	69,039
Investments	274	246	11	515	482	7	955	922
Net interest-bearing debt	-	-	-	32,705	33,718	-3	32,705	32,190
Loan to value net, %	-	-	-	46.2	46.7	n.a	46.2	46.6
Net interest-bearing debt/EBITDA, times	-	-	-	8.5	9.6	n.a	8.5	8.7
Average interest rate, end of period, %	-	-	-	4.1	4.3	n.a	4.1	4.2
Interest cover ratio, times	2.9	2.9	n.a	2.5	2.6	n.a	2.6	2.7
EPRA NRV per share, SEK	-	-	-	207.70	209.86	-1	207.70	201.12

Key figures, Q2 2024

TOTAL NET OPERATING INCOME

+10%

CASH EARNINGS PER SHARE

+10%

LOAN TO VALUE, NET

46.2%

INTEREST COVER RATIO, R12M

2.6x

January-June 2024

- Revenue for Leases amounted to MSEK 1,854 (1,722)
- Revenue from Own Operations amounted to MSEK 1,513 (1,405)
- Net operating income for Leases amounted to MSEK 1,563 (1,468)
- Net operating income Own Operations amounted to MSEK 347 (271)
- EBITDA amounted to MSEK 1,822 (1,652), an increase of 10 percent
- Cash earnings amounted to MSEK 832 (769), corresponding to SEK 4.53 (4.18) per share
- Changes in property values amounted to MSEK 447 (-678) and unrealised changes in the value of derivatives amounted to MSEK 290 (-12)
- Profit for the period amounted to MSEK 1,164 (85), corresponding to SEK 6.26 (0.39) per share
- The loan-to-value ratio was 46.2 percent and the interest coverage ratio, rolling twelve months, was 2.6x

CEO comment

A strong position in a growing hotel market

An active and vibrant hotel market

Demand in the hotel market was solid in the second quarter, with good business outcomes in both of our segments. Total revenue and total net operating income both increased by 6 percent for comparable portfolios with fixed exchange rates. The Own Operations business segment developed particularly well, with growth in revenue and net operating income of 10 and 20 percent respectively for comparable portfolios with fixed exchange rates. Cash earnings increased by 10 percent and EPRA NRV growth measured on an annualised basis was positive.

The hotel market developed in a positive direction, supported by a packed event calendar, active leisure travel and stable business travel. There was also a certain calendar effect compared with the previous year when Easter was in April. Increased international incoming travel from the USA and Asia also contributed to growth in multiple markets.

Higher property values and increased yield spread

There were positive, unrealised net changes in value for the property portfolio as a whole, explained by increased cash flow. The hotel property portfolio's average valuation yield increased marginally to 6.26 percent. Our average interest on debt decreased to 4.1 percent, further reinforcing our positive yield spread which is greater than 200 basis points.

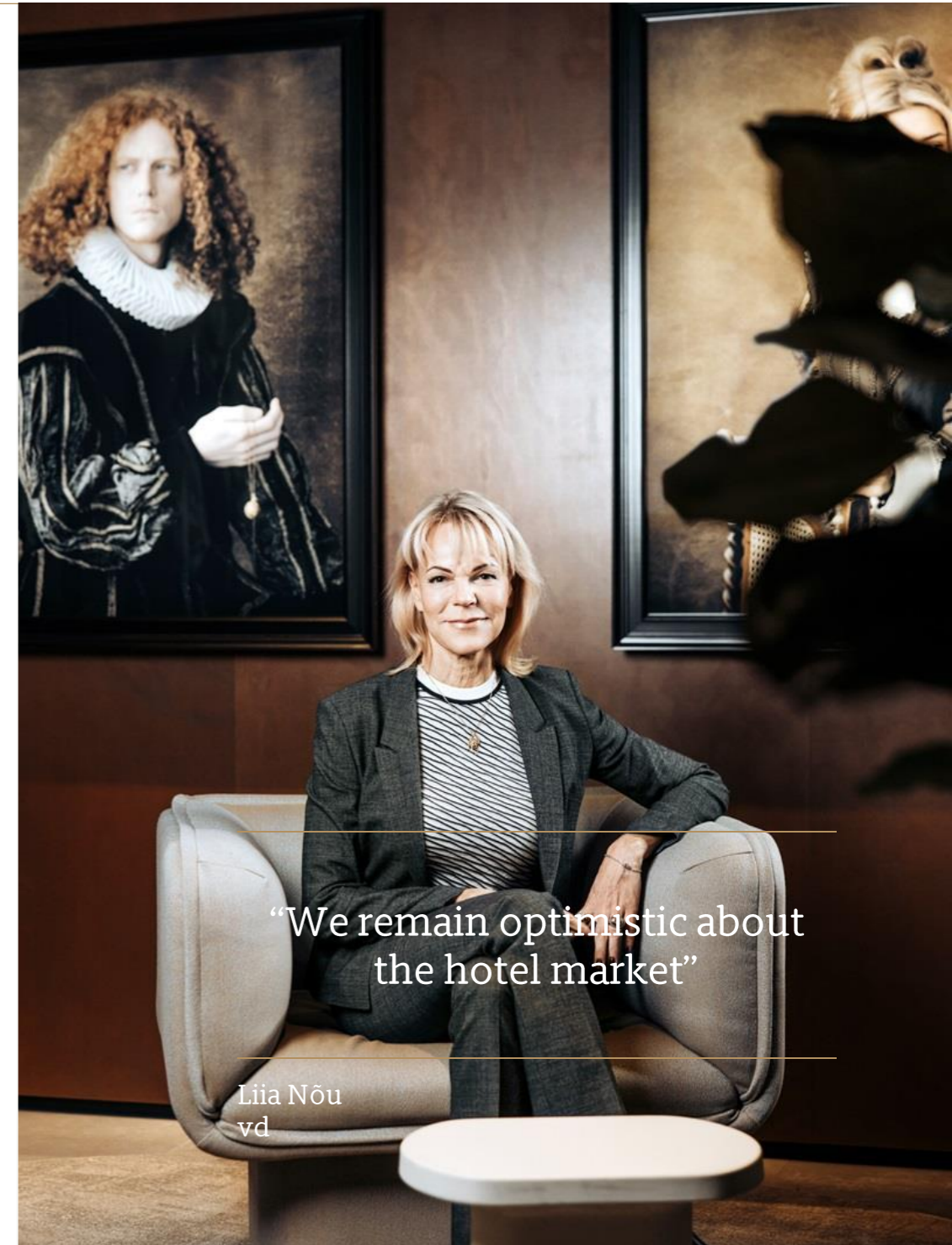
Our lower interest on debt reflects sustained improvement in the financing market, with lower base rates and lower credit margins for the refinancing we carried out during the quarter. We are having an active and positive dialogue on future refinancing and we expect credit margins to be lower in these transactions as well. Our assessment is that an increased risk appetite among banks and other lenders will gradually lead to greater activity in the hotel transaction market.

Financial strength creates opportunities

With a loan-to-value ratio of 46.2 percent, interest-bearing net debt/EBITDA of 8.5 times, and cash and equivalents and unutilised credit facilities of MSEK 4,137, we are able to act swiftly when attractive acquisition opportunities come along. Acquisitions are an important growth tool for us and also a prioritised component of our business strategy. Through acquisitions we are creating growth in the short term and laying the foundation for value-raising investments in the long term.

The outlook remains positive

We are in a seasonally strong period, with a packed event calendar, active domestic and regional leisure travel and increased international travel into Europe. This will lead to continued good hotel demand in the third quarter. We remain optimistic about the hotel market, and we are reiterating our previous prediction of some RevPAR growth in the hotel market in 2024.



“We remain optimistic about the hotel market”

Liia Nõu
vd

Group results analysis April-June 2024

Revenues

The Group's total revenues amounted to MSEK 1,866 (1,774), an increase of 5 percent supported by good demand in the hotel market.

Net operating income

Total net operating income amounted to MSEK 1,125 (1,025), an increase of 10 percent. Both business segments contributed to the increase.

Administration costs

Central administration costs amounted to MSEK -48 (-53).

Depreciation

Depreciation within Own Operations amounted to MSEK -66 (-73). Depreciation of MSEK -6 (-5) are included in administration costs.

Net financial items

Net financial items amounted to MSEK -414 (-387). The increase is mainly explained by a higher average interest rate.

Tax

Current tax amounted to MSEK -104 (-78). Deferred tax amounted to MSEK -188 (-13), explained by changes in value Investment Properties. See also Note 6 on page 23.

Cash earnings

Cash earnings amounted to MSEK 560 (510). Cash earnings per share amounted to SEK 3.05 (2.77), an increase of 10 percent.

Changes in value

Changes in property values amounted to MSEK 413 (-466), of which MSEK 431 refers to unrealised changes in value Investment Properties and MSEK -18 (2) MSEK refers to realised changes Operating Properties.

Unrealised changes in value of derivatives amounted to MSEK -8 (332).

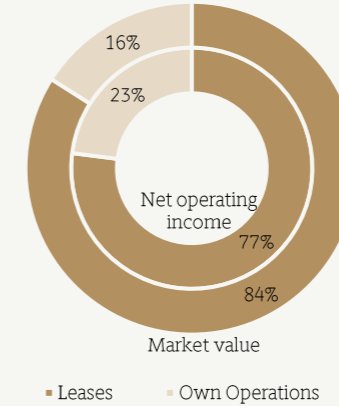
Profit for the period

Profit for the period amounted to MSEK 710 (288). Profit for the period attributable to the shareholders of the parent company amounted to MSEK 704 (287), equivalent to SEK 3.83 (1.56) per share.

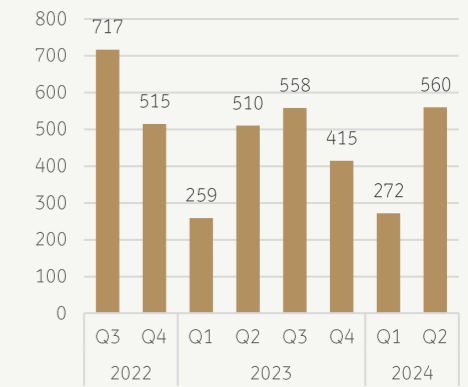
MSEK	Apr-Jun				Jan-Jun				Jul '23 - Jun '24	Full-year
	2024	2023	Δ%	LFL%*	2024	2023	Δ%	LFL%*	R12	2023
Revenue Leases	1,009	942	7	3	1,854	1,722	8	3	3,822	3,690
Revenue Own Operations	857	832	3	10	1,513	1,405	8	8	3,267	3,159
Total revenue	1,866	1,774	5	6	3,367	3,127	8	5	7,089	6,849
Net operating income Leases	869	806	8	4	1,563	1,468	6	3	3,252	3,157
Net operating income Own Operations	256	219	17	20	347	271	28	21	789	713
Total net operating income	1,125	1,025	10	6	1,910	1,739	10	5	4,041	3,870
Central administration costs	-48	-53	-9		-99	-98	1		-198	-197
Depreciation	-66	-73	-10		-137	-141	-3		-282	-286
Net financial items	-414	-387	7		-828	-723	15		-1,680	-1,575
Unrealised changes in value properties	431	-468	n.a		465	-878	n.a		36	-1,307
Current tax	-104	-78	33		-149	-143	4		-381	-375
Cash earnings	560	510	10		832	769	8		1,805	1,742
Cash earnings per share	3.05	2.77	10		4.53	4.18	8		9.82	9.48

*For comparable units in fixed currency. For Leases, based on net operating income before property administration

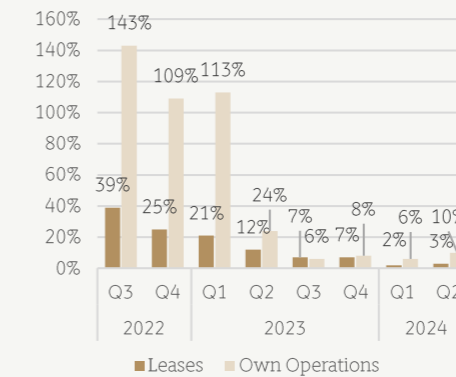
MARKET VALUE AND NET OPERATING INCOME
Per segment, %



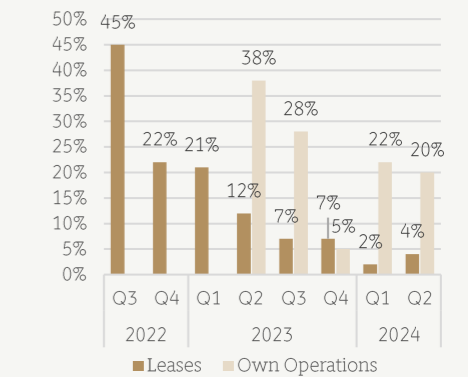
CASH EARNINGS, MSEK



REVENUE GROWTH, %
For comparable units in fixed currency



NET OPERATING INCOME GROWTH, %
For comparable units in fixed currency



Figures in brackets are from the corresponding period the previous year for profit/loss items and year-end 2023 for balance sheet items, unless otherwise stated.

Segment Leases April-June 2024

- Well-filled event calendar
- Stable business demand
- Frich's Hotel Hamar opened

Revenues

Rental income and Other property income amounted to MSEK 1,009 (942), an increase of 7 percent. For comparable units in fixed currency, revenues increased by 3 percent.

The occupancy rate for comparable hotels amounted to approximately 66 (68) percent. Norway and the UK were particularly strong submarkets in the quarter.

Stockholm and Malmö were individual destinations with a particularly good growth, supported by Taylor Swift concerts and the Eurovision Song Contest 2024, as well as Glasgow. Gothenburg continued to be negatively affected by new capacity and a weaker event calendar.

Costs

Costs, including property administration, amounted to MSEK -140 (-136).

Net operating income

Net operating income amounted to MSEK 869 (806), an increase of 8 percent. For comparable units in fixed currency, net operating income increased by 4 percent.

The net operating margin was approximately 86 percent.

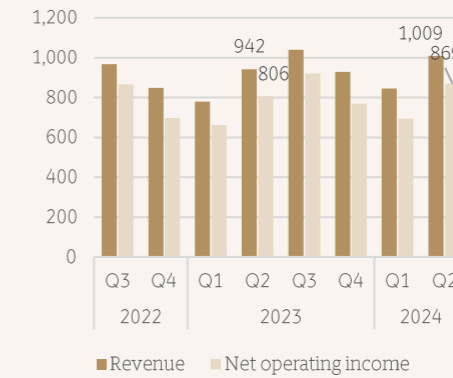
Important events

Frich's Hotel Hamar opened 21 May after renovation.

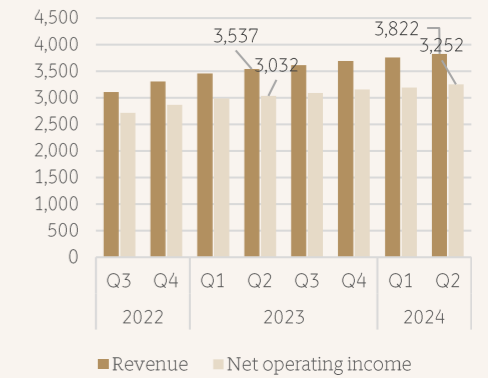
Citybox Brussels is in its final stage of renovation and will open 14 July.

MSEK	Apr-Jun			Jan-Jun			Full-year
	2024	2023	Δ%	2024	2023	Δ%	2023
Rental income	980	908	8	1,792	1,651	9	3,548
Other property income	29	34	-15	62	71	-13	142
Costs, excl. property admin	-78	-66	18	-146	-146	0	-290
Net operating income, before property admin	931	876	6	1,708	1,576	8	3,400
Property administration	-62	-70	-11	-145	-108	34	-243
Gross profit	869	806	8	1,563	1,468	6	3,157
Net operating income, after property admin	869	806	8	1,563	1,468	6	3,157
Net operating income margin, %	86%	86%	1	84%	85%	-1	86%
Revenues comparable units	970	942	3	1,766	1,722	3	
Of which currency effect		7			14		
Net operating income comparable units, before property admin	899	868	4	1,626	1,578	3	
Of which currency effect		7			14		

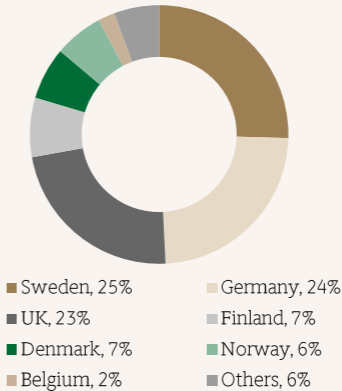
REVENUE AND NOI, MSEK Per quarter



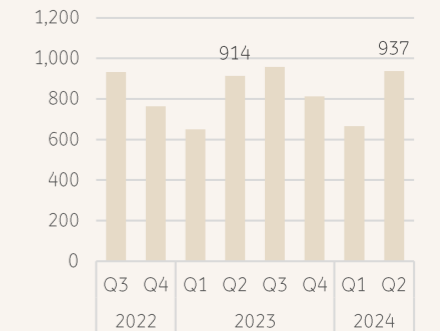
REVENUE AND NOI, MSEK R12m



REVENUE PER COUNTRY, Q2



REVPAR, SEK



Leases are the core of our business. The agreements are turnover-based with long terms, a good guaranteed minimum level, shared risk and stable earnings. Guaranteed rents, i.e. contracted minimum rents plus fixed rents, amount to approximately MSEK 2,300 measured at an annual rate.

Segment Own Operations April-June 2024

- Good demand
- Improved profitability
- Divestment of DoubleTree by Hilton Montreal completed

Revenues

Revenues from Own Operations amounted to MSEK 857 (832), an increase of 3 percent. For comparable units at fixed currency, revenues and RevPAR increased by 10 and 8 percent respectively.

Hotel demand was good and average prices rose. The occupancy ratio for comparable hotels amounted to approximately 74 (70) percent.

Some of the best performing hotels in the quarter were Crowne Plaza Antwerpen and Holiday Inn Brussels Airport in Belgium. In Germany a strong positive effect from the European championship in football (Euro 2024) was noted in June in the newly renovated and repositioned Hotel Berlin Berlin, as well as in Radisson Blu Dortmund.

Costs

Costs amounted to MSEK -667 (-685). The decrease is mainly explained by the divestment of DoubleTree by Hilton Montreal in April.

Net operating income (EBITDA)

Net operating income (EBITDA) amounted to MSEK 256 (219), equivalent to a margin of 30 (26) percent. The margin increase is explained by higher business volumes, positive mix and improved productivity. For comparable units at fixed currency, net operating income increased by a solid 20 percent.

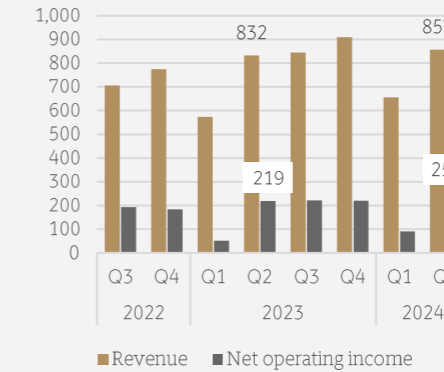
Important events

DoubleTree by Hilton Montreal transferred 15 April.

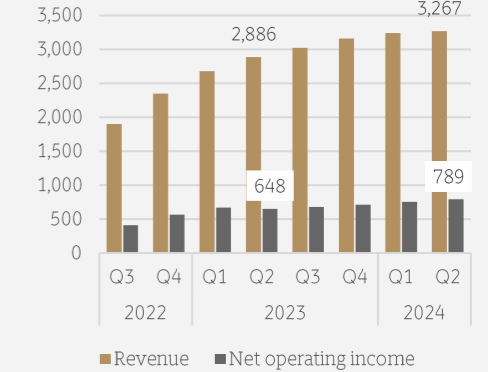
Management agreement signed with Axiom Hospitality for the operation of Radisson Blu Glasgow.

MSEK	Apr-Jun			Jan-Jun			Full-year
	2024	2023	Δ%	2024	2023	Δ%	2023
Revenues	857	832	3	1,513	1,405	8	3,159
Costs	-667	-685	-3	-1,302	-1,273	2	-2,729
Gross profit	190	147	29	211	132	n.a	430
Plus depreciation included in costs	66	72	-8	136	139	-2	283
Net operating income/EBITDA	256	219	17	347	271	28	713
<i>Net operating income/EBITDA margin</i>	<i>30%</i>	<i>26%</i>	<i>13</i>	<i>23%</i>	<i>19%</i>	<i>19</i>	<i>23%</i>
Revenues comparable units	682	619	10	1,249	1,155	8	
<i>Of which currency effect</i>		6			13		
Net operating income comparable units, before property admin	219	183	20	289	239	21	
<i>Of which currency effect</i>		2			3		

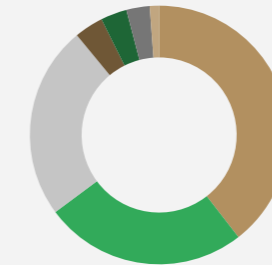
REVENUE AND NOI, MSEK
Per quarter



REVENUE AND NOI, MSEK
R12m

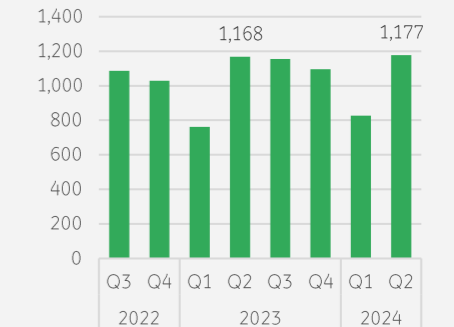


REVENUE PER COUNTRY, Q2



- Belgium, 39%
- UK, 25%
- Germany, 24%
- Canada, 4%
- Denmark, 3%
- Netherlands, 3%
- Finland, 1%

REVPAR, SEK



Own Operations are hotel operations we run in properties we own ourselves. It is an important part of our active ownership model. It gives us valuable opportunities to acquire and reposition hotel properties with the aim of creating value through new leases or realising value through divestment.

Hotel market development April-June 2024

Continued optimism in the tourist industry

Hotel and travel demand was strong, and leisure travellers continued to prioritise travel and experiences over other consumption. Business travel also developed well. The experience industry has become an important driver of hotel demand. In the second quarter there were many major events such as Taylor Swift concerts and Euro 2024 in Germany, to be followed by the Olympics in Paris later in the summer.

Travel into Europe from North America increased during the first half of the year – from already record high levels – and incoming travel from Asia grew significantly. In May London Heathrow reported its strongest 12-month period ever and there is still good potential for increased passenger volumes during the summer.

The second quarter began with a positive calendar effect in April as the negative effect of the March Easter dates was neutralised.

In certain sub-markets, however, business and conference demand was negatively affected in May by the dates of public holidays.

- In Europe, occupancy increased by 2 percent in both April and May, at the same time as average prices increased by 3 and 5 percent respectively.
- Overall RevPAR in Europe amounted to EUR 98 in April (+5 percent) and in May to EUR 114 (+7 percent).

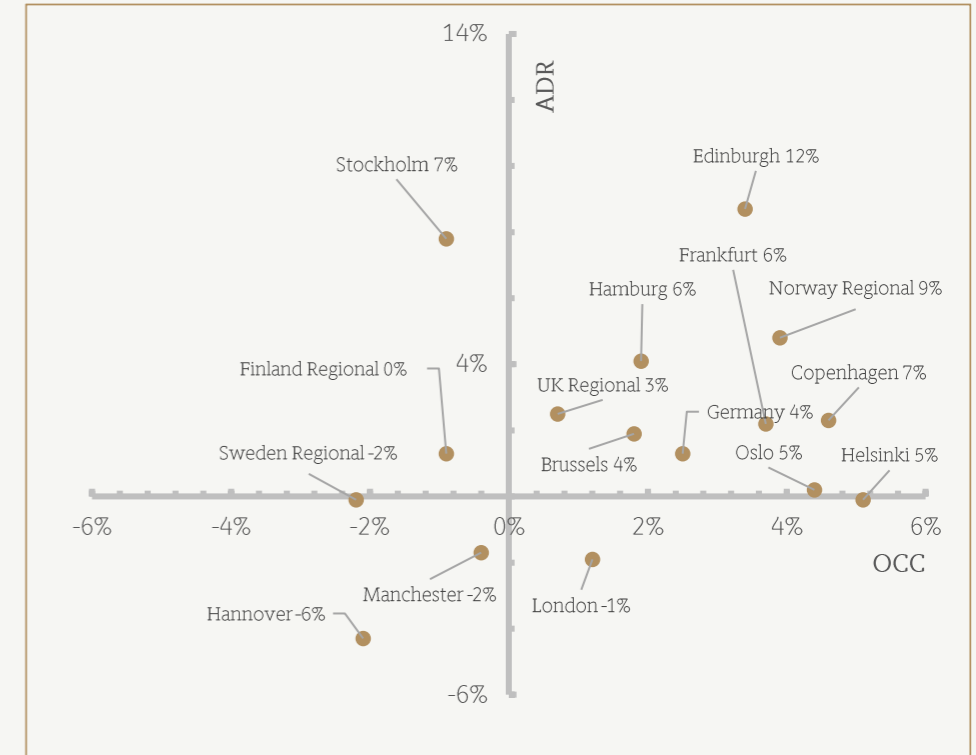
RevPAR development in Pandox's markets

- Occupancy in the Nordic region amounted to 64 percent, which was 3 percent higher than the previous year, at the same time as average prices increased by 3 percent.
- The Nordic capitals saw higher growth than regional cities, partly explained by major events. RevPAR increased, for example, in Helsinki by 9 percent and in Stockholm by 10 percent.

- Gothenburg continued to be impacted by the opening of many new hotels and by a lack of large conferences and events (-22 percent in RevPAR). Malmö, on the other hand, increased by 19 percent largely due to Eurovision in May.
- In Germany RevPAR increased by 5 percent in April (a certain Easter effect) and decreased by 2 percent in May (calendar effect). June is expected to show good growth, supported by Euro 2024.
- UK Regional performed well, with an increase in RevPAR of 7 percent in May after a small decline of 1 percent in April. Average price is the main driver of growth in the market.
- Ireland, which started the year in a negative trend, turned its RevPAR around in May, with an increase of 4 percent.
- In Brussels RevPAR increased by 12 percent in April (Easter effect) and decreased by 5 percent in May (calendar effect).

Countries	Q2 2024		Jan-Jun 2024	
	RevPAR local currency	RevPAR Growth y/y	RevPAR local currency	RevPAR Growth y/y
Europe (EUR fixed currency)	106	6%	89	6%
Sweden	843	3%	712	1%
Norway	895	10%	782	7%
Denmark	780	6%	616	4%
Finland	64	3%	61	3%
Germany	79	1%	69	4%
UK	94	1%	81	2%
Ireland	143	-3%	115	-3%
Destinations				
London	151	-2%	131	-1%
UK Regional	72	3%	62	3%
Frankfurt	65	8%	67	6%
Berlin	96	7%	80	6%
Brussels	112	3%	97	4%
Stockholm	1,064	10%	855	7%
Oslo	1,075	6%	887	5%
Copenhagen	947	8%	719	7%
Helsinki	71	9%	60	5%

REVPARANALYSIS Y/Y (YTD 2024)



The chart shows RevPAR development for a selection of countries, regions and cities compared to the same period last year, based on market data from STR and the Benchmarking Alliance. ADR/average price is shown on the vertical axis and OCC/occupancy on the horizontal axis. The centre of the chart (origo) corresponds to the ADR/average price and OCC/occupancy rate for the corresponding period of the previous year. The percentage figure indicates the RevPAR change compared to the corresponding previous year.

Note: Market data is not available for June for countries and destinations outside the Nordics. Q2 refers to an average of the period April-May, and January-June (YTD) refers to the period January-May.

Important events during and after the period

- **10 April 2024**
Bulletin from the AGM in Pandox Aktiebolag (publ)
- **15 April 2024**
Pandox completes previously communicated divestment of DoubleTree by Hilton Montreal
- **25 April 2024**
Pandox interim report January-March 2024



Group results analysis January-June 2024

Net sales

The Group's net sales amounted to MSEK 3,367 (3,127), an increase of 8 percent driven by good demand in the hotel market. For comparable units, net sales increased by 5 percent, adjusted for currency effects. Income from Leases amounted to MSEK 1,854 (1,722), an increase of 8 percent supported by increased turnover-based rents. For comparable units, revenues increased by 3 percent, adjusted for exchange rate effects. Revenue from Own Operations amounted to MSEK 1,513 (1,405), an increase of 8 percent due to good demand in all submarkets. For comparable units, revenues increased by 8 percent, adjusted for exchange rate effects.

Changes in value

Changes in the value of properties net amounted to MSEK 447 (-678), of which unrealised changes in value amounted to MSEK 536, adjusted for MSEK -71 relating to previous divestment. Increased yield requirements had a negative impact of MSEK -338. Increased cash flows had a positive contribution of MSEK 873. Realised changes in value amounted to MSEK -18 and refers to Operating Properties. Unrealised changes in the value of derivatives amounted to MSEK 290 (-12).

Result

Net operating income Leases amounted to MSEK 1,563 (1,468), an increase of 6 percent. For comparable units, net operating income increased by 3 percent, adjusted for exchange rate effects. Net operating income Own Operations amounted to MSEK 347 (271), an increase of 28 percent. For comparable units, net operating income increased by 21 percent, adjusted for currency effects. Total net operating income amounted to MSEK 1,910 (1,739), an increase of 10 percent. For comparable units, total net operating income increased by 5 percent, adjusted for exchange rate effects.

Cash earnings amounted to MSEK 832 (769). Cash earnings per share amounted to SEK 4.53 (4.18), an increase of 8 percent.

Profit for the period amounted to MSEK 1,164 (85) and profit for the period attributable to parent company shareholders amounted to MSEK 1,151 (71), corresponding to SEK 6.26 (0.39) per share.

Tax

Current tax amounted to MSEK -149 (-143). Deferred tax amounted to MSEK -271 (139), explained by changes in the value of Investment Properties. See also note 6 on page 23.

Employees

At the end of the period, Pandox had the equivalent of 1,479 (1,408) full-time employees, based on the number of hours worked, converted to full-time employees. Of the total number of employees, 1,436 (1,358) were employed in the Own Operations segment and 43 (50) in the Leases segment and central administration.

Property valuation

Market value properties

At the end of the period, Pandox's property portfolio had a total market value of MSEK 70,815 (69,039), of which Investment Properties accounted for MSEK 59,271 (57,226) and Operating Properties for MSEK 11,544 (11,813). Over the past twelve months, external valuations were performed for around 98 percent of the hotel properties and are in total in line with the internal valuations, measured in value. External valuations were performed in the second quarter for around 14 percent of Pandox's hotel property portfolio, measured in value.

In the period net unrealised changes in value of Investment Properties amounted to MSEK 536, of which MSEK 431 in the second quarter. The increased valuation yield of 0.04 percentage points (of which 0.03 in Q2) had a negative impact of MSEK -338 (of which MSEK -312 in Q2), while increased cash flows had a positive impact of MSEK 873 (of which MSEK 742 in Q2) in the period.

In the period net unrealised changes in the value of Operating Properties amounted to MSEK -113 (reported for disclosure purposes only), of which MSEK -7 in the second quarter. Adjusted for DoubleTree by Hilton Montreal, which was divested in April, the valuation yield increased by 0.03 percentage points in the second quarter for the underlying portfolio, which had a negative impact of MSEK -43. Increased cash flows had a positive impact of MSEK 36.

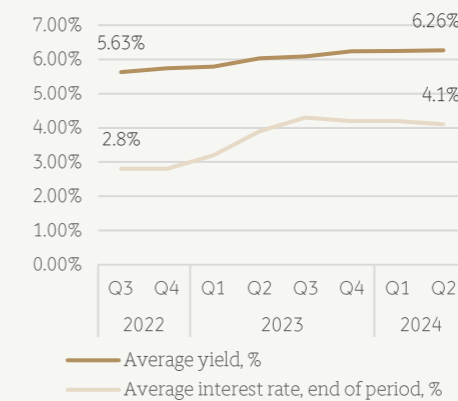
Value changes properties (period)

MSEK	Investment properties	Operating properties	Total market value
Market value beginning of the period 1 January	57,226	11,813	69,039
Acquisitions	0	0	0
Divestments	-69	-644	-713
Investments	373	142	515
Unrealised changes in value	536	-113	423
Change in currency exchange rates	1,205	346	1,551
Market value end of period 30 Jun	59,271	11,544	70,815
Influencing factors			
Yield	-338	-11	-349
Cash flow	873	-102	771
Sum unrealised changes in value	536	-113	423
Sum realised changes in value	-	-18	-18
Average valuation yield % Q2 2024	6.13	6.90	6.26
Average valuation yield % Q1 2024	6.10	6.98	6.25
Average valuation yield % Q4 2023	6.09	7.02	6.24

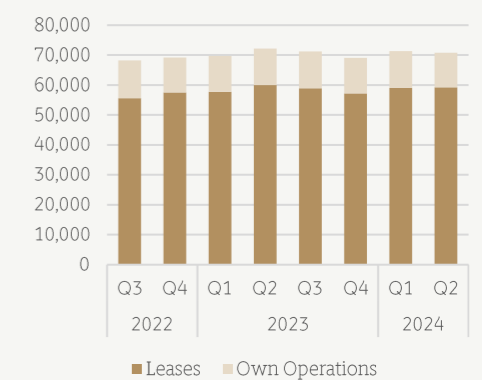
Acquisitions, divestments, and reclassifications

Action	Hotel property	Date
Divestment Own Operations	DoubleTree by Hilton Montreal	Q2 2024
Acquisition Own Operations	Hilton Belfast	Q3 2023
Reclassification to Leases	Hotel Mayfair, Copenhagen	Q1 2023
Acquisition Leases	Best Western Hotel Fridhemsplan	Q1 2023
Acquisition Own Operations	The Queens Hotel Leeds	Q1 2023
Divestment Own Operations	InterContinental Montreal	Q1 2023

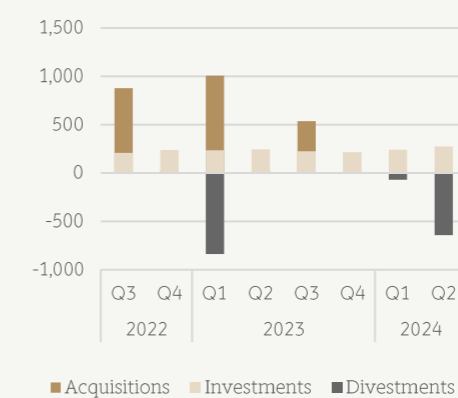
YIELD AND AVERAGE INTEREST RATE, %



MARKET VALUE PROPERTIES, MSEK



ACQUISITIONS, INVESTMENTS, AND DIVESTMENTS



INVESTMENT PROPERTIES SENSITIVITY ANALYSIS EFFECT ON VALUE Per 30 June, 2024

Effect on fair value	Δ%	ΔMSEK
Yield	+/- 0,5	-4,468/ +5,261
Change in currency exchange rates	+/- 1	+/- 435
Net operating income	+/- 1	+/- 563

The value of Operating Properties is reported for disclosure purposes and is included in EPRA NRV, EPRA NDV and EPRA NTA 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 8,518 (8,842) at the end of the period.

For more information on property valuation, see Annual Report 2023 Note E.

Portfolio overview

At the end of the period Pandox's property portfolio consisted of 157 (158) hotel properties with 35,018 (35,648) hotel rooms in eleven countries.

Pandox's main geographical focus is Northern Europe. Germany (23 percent) is Pandox's single largest geographical market, measured as a percentage of the property portfolio's total market value, followed by Sweden (22 percent), UK (20 percent), Belgium (8 percent) and Finland (6 percent).

Approximately 85 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.

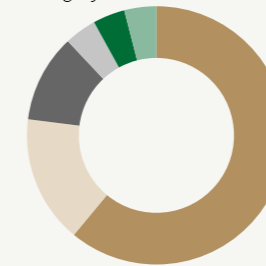
On 30 June 2024 Investment Properties had a weighted average unexpired lease term (WAULT) of 14.6 years (15.0).

Leases	Number		Market value (MSEK)		
	Hotels	Rooms	Per country	In % of total	Per room
Sweden	42	9,107	15,809	22	1.7
Germany	32	6,633	13,009	18	2.0
UK	20	4,821	11,310	16	2.3
Finland	12	2,742	4,496	6	1.6
Norway	14	2,573	3,443	5	1.3
Denmark	8	1,843	4,245	6	2.3
Austria	2	639	1,618	2	2.5
Belgium	3	765	1,473	2	1.9
Ireland	3	445	1,671	2	3.8
Switzerland	1	206	912	1	4.4
The Netherlands	1	189	1,285	2	6.8
Sum Leases	138	29,963	59,271	84	2.0
Own Operations					
Belgium	7	1,968	4,439	6	2.3
Germany	5	1,490	3,861	5	2.6
UK	5	1,221	2,800	4	2.3
The Netherlands	1	216	415	1	1.9
Finland	1	160	30	0	0.2
Sum Own Operations	19	5,055	11,544	16	2.3
Sum total	157	35,018	70,815	100	2.0

Brand	Number		
	Hotels	Rooms	In % of total
Scandic	50	11,209	32
Leonardo	38	7,957	23
Hilton	9	2,447	7
Independent	11	2,855	8
Radisson Blu	8	2,033	6
Strawberry	11	1,949	6
NH	7	1,681	5
Dorint	4	847	2
Mercure	3	610	2
Elite Hotels	2	493	1
Holiday Inn	2	469	1
Novotel	2	421	1
Others	10	2,047	6
Total	157	35,018	100

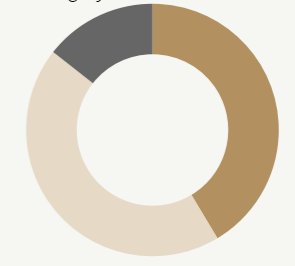
For more information about Pandox's portfolio, visit www.pandox.se

NUMBER OF ROOMS
Per location category



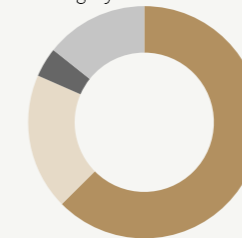
- City center, 61%
- Ringroad, 16%
- Airport, 11%
- Resort, 4%
- Exhibition center, 4%
- Business park, 4%

NUMBER OF ROOMS
Per demand category



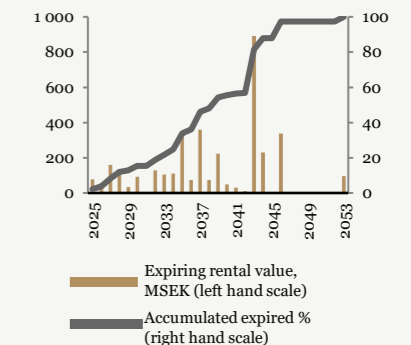
- Domestic, 41%
- Regional, 44%
- International, 14%

NUMBER OF ROOMS
Per agreement category



- Revenue-based with minimum guarantee, 63%
- Revenue-based without minimum guarantee, 19%
- Fixed, 4%
- Own Operations, 14%

LEASE MATURITY PROFILE
Per 30 June 2024



Property investments

A central part of the value creation

A large and well-diversified portfolio offers good opportunities for value-creating and growth-driving investments. Pandox maintains an ongoing dialogue with each tenant on joint investment projects to further increase the hotel's revenue and profitability. For example, new beds in existing rooms, new rooms in existing hotel properties or new rooms through extensions to existing hotel properties.

Investments in the period

In the period January–June 2024, investments in property, plant and equipment, excluding acquisitions, amounted to MSEK 515 (482), of which MSEK 373 (254) was for Investment Properties and MSEK 142 (228) for Operating Properties.

At the end of the second quarter 2024, approved investments for ongoing and future projects amounted to around

MSEK 1,365, of which around MSEK 470 is for projects that are expected to be completed in 2024.

The cost of maintenance in the period January–June 2024 was MSEK 43 (32).

Larger ongoing investment projects

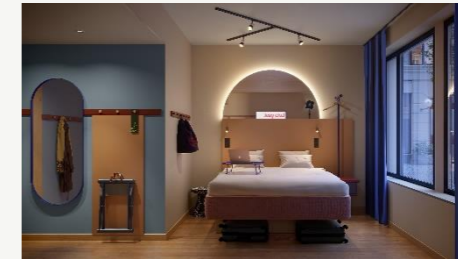
	Number of rooms	City, country	Segment	Type of investment	Investment size	Status	Remaining	Completed
DoubleTree by Hilton Brussels	354	Brussels, Belgium	O	O, E, P, T, H	XL	Open	50%	H1 2026
Radisson Blu Glasgow	247	Glasgow, UK	O	P, T, H	Medium	Open	40%	Q3 2025
Hotel Mayfair	203	Copenhagen, Denmark	O (L)	O, E, P, T, H	Medium	Open	70%	H1 2025
Scandic Go Fridhemsplan	234	Stockholm, Sweden	L	E, P, T, H	Medium	Closed	30%	H2 2024
The Hotel Brussels	421	Brussels, Belgium	O	O, P, T, H	Smaller	Open	100%	Q1 2025
Leonardo Royal Frankfurt	449	Frankfurt, Germany	L	P, T, H	Smaller	Open	30%	Q3 2024
Leonardo Royal Baden-Baden	121	Baden-Baden, Germany	L	P, T, H	Smaller	Open	40%	Q2 2024
Leonardo Christchurch	182	Dublin, Ireland	L	P, T, H	Smaller	Open	100%	H1 2025

Business segment		Categories		Size range (MSEK):	
Leases	L	Repositioning	O	Running	0-30
Own Operations	O	Expansion	E	Smaller	30-90
		Product	P	Medium	90-150
		Technical	T	Large	150-250
		Sustainability	H	XL	250-



Citybox Brussels

Lease agreement with Citybox for a hotel property in Brussels acquired in 2022. The hotel will open on 14 July after a thorough renovation. The Citybox economy lifestyle concept fits the hotel property well and attracts a new type of demand for Pandox in Brussels.



Scandic Go Kungsholmen

Lease agreement with Scandic for a hotel property on Kungsholmen in Stockholm, which was acquired in 2023. The hotel is currently being renovated and will open 8 October. Scandic Go is Scandic's new brand in the growing economy segment.

Financing

Financial position and net asset value

At the end of the period the loan-to-value net was 46.2 (46.6) percent. Equity attributable to the Parent Company's shareholders amounted to MSEK 30,627 (29,573). EPRA NRV amounted to MSEK 38,187 (36,976), equivalent to SEK 207.70 (201.12) per share. Cash and cash equivalents plus unutilised credit facilities amounted to MSEK 4,137 (3,146) and there are unpledged properties with a value of approximately MSEK 815 in total. In addition, there are additional unutilised 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 35,553 (32,960), excluding loan arrangement fees. Unutilised credit facilities, after deduction of commercial paper, amounted to MSEK 3,289 (2,378) and the volume issued under the commercial paper programme amounted to MSEK 1,374 (816). Commercial paper is only used

to optimise Pandox's financial cost via interest rate arbitrage.

Commercial paper aside, all Pandox's debt financing is bank financing only with loans secured by a combination of mortgage collateral and pledged shares. Pandox has a geographically diversified lender base consisting of 14 Nordic and international banks, and AMF Tjänstepension AB.

Per 30 June 2024, the average repayment period was 2.2 (2.3) years, the average fixed interest rate period was 3.3 (3.9) years, and the average interest rate level, including effects from interest-rate derivatives, but excluding accrued arrangement fees, was 4.1 (4.2) percent, which also is a reasonable approximation for the expected level at the end of the third quarter 2024, given unchanged market rates.

At the end of the period the interest cover ratio (measured on rolling twelve months) was 2.6 times.

Short-term interest-bearing debt amounted to MSEK 7,146 (5,509). Short-term credit facilities, including unutilised credits, maturing in less than twelve months amount to MSEK 7,397, of which MSEK 4,399 matures in the fourth quarter 2024.

During the first half of 2024, Pandox has carried out refinancing of previous short-term debt corresponding to a total of approximately MSEK 6,436, of which MSEK 3,531 in the second quarter.

Sustainability-linked financing

During the second quarter, Pandox has sustainability-linked additional bank loans. As of 30 June 2024, the total sustainability-linked loan volume amounts to MSEK 5,409. The credit margin of the bank loans is linked to the annual outcome of three well-defined environmental, social and governance (ESG) sustainability targets, which will also be reported in the annual sustainability report.

Key ratios, financing

MSEK	Apr-Jun		Jan-Jun		Full-year
	2024	2023	2024	2023	2023
Net interest-bearing debt	-	-	32,705	33,718	32,191
Cash and cash equivalents and unutilised credit facilities	-	-	4,137	3,340	3,146
Average fixed interest period, years	-	-	3.3	4.3	3.9
Average repayment period, years	-	-	2.2	2.6	2.3
Average interest rate end of period, %	-	-	4.1	4.3	4.2
Interest cover ratio, times	2.9	2.9	2.5	2.6	2.7
Loan to value net, %	-	-	46.2	46.7	46.6
Net interest-bearing debt/EBITDA, times	-	-	8.5	9.6	8.7

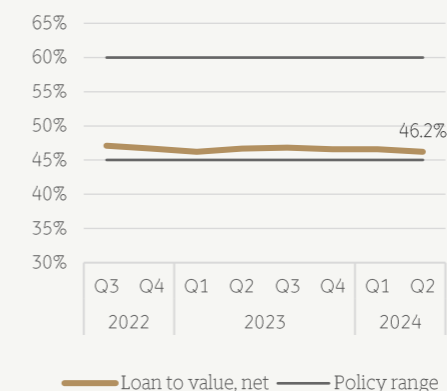
MATURITY STRUCTURE CREDIT FACILITIES

Year due (MSEK)	Credit facilities ¹
< 1 year	7,397
1–2 year	13,071
2–3 year	6,382
3–4 year	9,133
4–5 year	859
> 5 year	-
Total	36,842

¹ Excluding contractual amortisation.

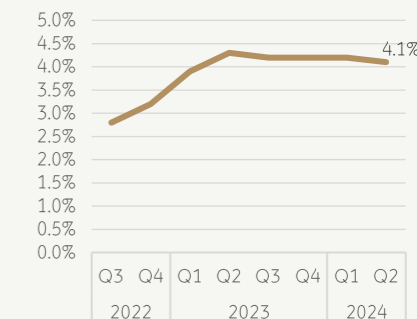
LOAN TO VALUE, NET, %

Policy range 45–60%



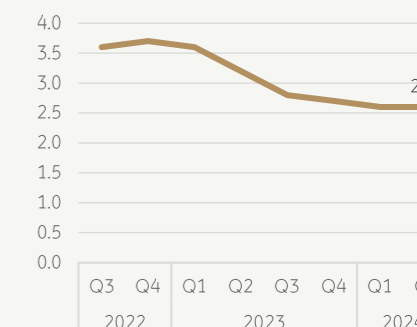
AVERAGE INTEREST RATE

End of period, %



INTEREST COVER RATIO

R12m, times



On group level, Pandox's financial covenants are loan-to-value and interest cover ratio.

Net financial items

MSEK	Apr-Jun		Jan-Jun		Full-year
	2024	2023	2024	2023	2023
Financial income	7	9	12	17	31
Interest costs	-362	-340	-727	-630	-1,366
Average interest rate, end of period, %	4.1	4.3	4.1	4.3	4.2
Other financial costs	-30	-30	-56	-58	-131
Total debt costs, %	4.5	4.6	4.5	4.6	4.6
Financial costs right of use assets	-29	-26	-57	-52	-108
Sum net financial items	-414	-387	-828	-723	-1,574

The increase in costs compared to the corresponding quarter last year is mainly explained by increased interest costs on bank loans due to higher average interest rates going into the quarter and some currency exchange rate effects.

Loans by currency 30 June, 2024

	SEK	DKK	EUR ³	CHF	CAD	NOK	GBP	Total
Sum credit facilities, MSEK¹	10,915	2,385	15,456	533	-	1,106	6,447	36,842
Sum interest bearing debt, MSEK¹	7,207	2,385	15,875	533	-	1,106	6,447	33,553
Share of debt in currency, %	21.5	7.1	47.3	1.6	-	3.3	19.2	100
Average interest rate, % ²	3.5	3.8	3.5	4.0	-	5.6	6.1	4.1
Average interest rate period, years	3.3	1.0	3.3	0.2	-	3.4	4.2	3.3
Market value Properties, MSEK ¹	15,809	4,245	32,297	912	-	3,443	14,109	70,815

¹⁾ Converted to MSEK

²⁾ Average interest rate including margin and derivatives, excluding arrangement fee for loans.

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

Currency and interest rate risk

To reduce the currency exposure in foreign investment Pandox's aim is to finance 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.

Pandox's bank financing is with variable interest rate. In order to manage interest rate risk and increase the predictability of Pandox's earnings, interest rate derivatives are used.

Per 30 June 2024, the gross nominal volume of interest rate derivatives amounted to MSEK 32,404, including forward starting swaps. At the same time, the net nominal volume of interest rate derivatives amounted to MSEK 25,632. The net volume is the portion of Pandox's loan portfolio for which interest rates are hedged.

Approximately 71 percent of Pandox's net debt was thereby hedged against interest rate movements for periods longer than one year and the average fixed rate period was 3.3 (3.9) years.

Interest maturity profile 30 June 2024

Tenor (MSEK)	Total interest maturity		Interest maturity derivatives		
	Amount ¹	Share, %	Volume	Share, %	Average interest rate derivatives, %
< 1 year	10,449	31	2,528	10	0.5
1-2 year	3,159	9	3,159	12	0.8
2-3 year	2,432	7	2,432	9	0.4
3-4 year	4,386	13	4,386	17	1.5
4-5 year	6,211	19	6,211	24	1.1
> 5 year	6,917	21	6,917	27	2.0
Sum	33,553	100	25,632	100	1.3

¹⁾ 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 1,345 (1,055).

Currency exchange rates

	Average rate			Rate at end-of-period		
	2024	2023	Change %	2024	2023	Change %
Euro (EUR)	11.393	11.324	1	11.360	11.792	-4
British pound (GBP)	13.331	12.918	3	13.421	13.720	-2
Danish krone (DKK)	1.528	1.521	0	1.523	1.583	-4
Norwegian krone (NOK)	0.991	1.002	-1	0.997	1.010	-1
Canadian dollar (CAD)	7.759	7.774	0	7.743	8.185	-5
Swiss franc (CHF)	11.849	11.488	3	11.791	12.072	-2

Financial sensitivity analysis 30 June 2024

Effect on earnings before changes in value	MSEK	Δ
Current fixed interest hedging, change in interest rates, with derivatives	-/+ 65	+/- 1%
Current fixed interest hedging, change in interest rates, without derivatives	-/+ 322	+/- 1%
Remeasurements of interest-rate derivatives following shift of yield-curves	+/- 880	+/- 1%

Sustainability

Development in the second quarter 2024

Pandox Science Based Targets:

1. Monitoring and procurement process initiated for new climate change project in Own Operations (Scope 1 and 2). See below.
2. Energy mapping in the majority of properties in the UK for planning investment programmes (Scope 3).
3. Missing data for Pandox properties in Germany has been collected.
4. Agreement with Scandic regarding sustainable bathrooms where the climate footprint will be considered in a more structured way. Two pilot bathrooms will be created at Scandic Backadal in the third quarter with the hope of being able to roll out the concept in all 600 or so bathrooms to be renovated in the Nordic region by 2026.

Pandox has automated the collection of energy data in around half of its properties. The aim is to ensure simpler and accurate data collection in order to meet reporting requirements, such as CSRD, which place high demands on data quality.

Focus areas

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

Pandox has defined the most important sustainability areas and divided them into five focus areas:

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

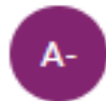
Science Based Targets initiative (SBTi)

Pandox's science-based climate targets have been approved by the Science Based Targets initiative (SBTi). They mean that by 2030 Pandox will reduce greenhouse gas emissions in Own Operations (Scope 1 and 2) by 42 percent, while emissions in Leases (Scope 3) will be reduced by 25 percent.

Larger investments

Pandox has decided to invest MEUR 29 in a climate transition project for eight hotel properties in Own Operations. When the project is completed in 2027, we are expected to reach the SBTi-validated emission targets for Own Operations. The project will gradually generate cost savings, which by the end of 2027 are estimated to amount to MEUR 3 annually. The climate transition project consists of phasing out oil and gas, upgrading or replacing obsolete technical systems for energy optimisation, as well as renewable energy and behavioural change.

Acknowledgements



Sustainability overview Own Operations	2023	2022	Δ%	2021
<i>Resource efficiency</i>				
Total energy consumption, kWh/sqm	204	230	-11	214
Total energy consumption, kWh/gn	36	44	-18	99
Total water consumption, l/gn	174	219	-21	304
Waste per hotel guest, kg	1.2	n.a	n.a	n.a
<i>Renewable energy</i>				
Total of renewable energy, %	42	49	n.a	48
<i>Emission reduction</i>				
Total emissions, CO2e/sqm	27	23	17	23
<i>Sustainability certification</i>				
Total number of BREEAM In Use-certified properties on level Very Good	13	12	8	5
Green key certification of operations, number	14	16	-13	14
Total, Pandox group	2023	2022	Δ%	2021
<i>Key social indicators</i>				
Employee satisfaction, %	77	77	n.a	78
<i>Supplier key figures</i>				
Number of suppliers audited	37	48	-23	82
Sustainability overview Leases	2023	2022	Δ%	2021
<i>Resource efficiency</i>				
Total energy consumption, kWh/sqm	218	210	4	189
Total energy consumption, kWh/gn	37	42	-12	62
Total water consumption, l/gn	183	184	-1	311
<i>Renewable energy</i>				
Total of renewable energy, %	40	39	n.a	39
<i>Emission reduction</i>				
Total emissions, CO2e/sqm	31	35	-11	35
Larger ongoing investment projects	Total amount	Remaining		Completed
Climate transition project	29 MEUR	90%		2027

Change in the table above has 2021 as base year.

Summary of financial reports

Condensed consolidated statement of income

MSEK	Apr-Jun		Jan-Jun		Full-year
	2024	2023	2024	2023	2023
Revenues Leases					
Rental income	980	908	1,792	1,651	3,548
Other property income	29	34	62	71	142
Revenue Own Operations	857	832	1,513	1,405	3,159
Total revenues	1,866	1,774	3,367	3,127	6,849
Costs Leases	-140	-136	-291	-254	-533
Costs Own Operations	-667	-685	-1,302	-1,273	-2,729
Gross profit	1,059	953	1,774	1,600	3,587
- whereof gross profit Leases	869	806	1,563	1,468	3,157
- whereof gross profit Own Operations	190	147	211	132	430
Central administration	-48	-53	-99	-98	-197
Financial income	5	9	12	19	31
Financial expenses	-390	-370	-783	-690	-1,498
Financial cost right of use assets	-29	-26	-57	-52	-108
Profit before changes in value	597	513	847	779	1,815
Changes in value					
Changes in value properties	413	-466	447	-678	-1,107
Changes in value derivatives	-8	332	290	-12	-1,205
Profit before tax	1,002	379	1,584	89	-497
Current tax	-104	-78	-149	-143	-375
Deferred tax	-188	-13	-271	139	292
Profit for the period	710	288	1,164	85	-580

Condensed consolidated statement of other comprehensive income

MSEK	Apr-Jun		Jan-Jun		Full-year
	2024	2023	2024	2023	2023
<i>Items that may not be classified to profit or loss, net after tax</i>					
This year's revaluation of tangible non-current assets	-	38	-	38	39
<i>Items that may be classified to profit or loss, net after tax</i>					
Net investment hedge of foreign operations	60	-242	-117	-300	26
Translation differences of foreign operations	-287	1,350	759	1,578	-177
Other comprehensive income for the period	-227	1,146	642	1,316	-112
Total comprehensive income for the period	483	1,434	1,806	1,401	-692
Profit for the period attributable to the shareholders of the parent company	704	287	1,151	71	-585
Profit for the period attributable to non-controlling interests	6	2	13	15	5
Total comprehensive income for the period attributable to the shareholders of the parent company	479	1,422	1,789	1,372	-698
Total comprehensive income for the period attributable to non-controlling interests	4	12	17	29	6
Earnings per share, before and after dilution, SEK	3.83	1.56	6.26	0.39	-3.18

In comprehensive income for the period of MSEK 642 is included tax of MSEK -132, of which MSEK 51 is current tax.

Condensed consolidated statement of financial position

MSEK	30 Jun		31 Dec
	2024	2023	2023
ASSETS			
Operating Properties	8,030	8,296	8,273
Equipment and interiors	498	639	580
Investment Properties	59,271	59,992	57,226
Right-of-use assets	2,977	3,345	2,848
Deferred tax assets	342	269	340
Derivatives ¹	1,564	2,605	1,535
Other non-current receivables	90	103	77
Total non-current assets	72,772	75,249	70,879
Current assets			
Inventories	8	16	16
Current tax assets	186	181	173
Trade account receivables	477	631	445
Prepaid expenses and accrued income	475	373	648
Other current receivables	398	132	207
Cash and cash equivalents	848	1,008	769
Assets held for sale	-	-	71
Total current assets	2,392	2,341	2,329
Total assets	75,164	77,590	73,208

MSEK	30 Jun		31 Dec
	2024	2023	2023
EQUITY AND LIABILITIES			
Equity			
Share capital	460	460	460
Other paid-in capital	7,525	7,525	7,525
Reserves	1,843	2,620	1,205
Retained earnings, including profit for the period	20,799	21,038	20,383
Equity attributable to the owners of the Parent Company	30,627	31,643	29,573
Non-controlling interests	169	231	152
Sum equity	30,796	31,874	29,725
LIABILITIES			
Non-current liabilities			
Non-current interest-bearing liabilities ²	26,210	29,017	24,190
Other non-current liabilities	29	2	29
Long-term lease liability	2,957	3,320	2,826
Derivatives ¹	219	357	479
Provisions	42	39	40
Deferred tax liability	5,601	5,476	5,270
Total non-current liabilities	35,058	38,211	32,834
Current liabilities			
Provisions	36	26	35
Current interest-bearing liabilities ²	7,146	5,509	8,580
Short-term lease liability	30	32	30
Tax liabilities	636	461	551
Trade accounts payable	321	405	333
Other current liabilities	276	213	170
Accrued expenses and prepaid income	865	859	950
Total current liabilities	9,310	7,505	10,649
Total liabilities	44,368	45,716	43,483
Total equity and liabilities	75,164	77,590	73,208

¹⁾ 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.

²⁾ The carrying amounts of interest-bearing liabilities and other financial instruments constitute a reasonable approximation of their fair value.

Condensed consolidated statement of cash flow

MSEK	Apr-Jun		Jan-Jun		Full-year
	2024	2023	2024	2023	2023
OPERATING ACTIVITIES					
Profit before tax	1,002	379	1,584	89	-497
Reversal of depreciation	67	74	137	142	286
Changes in value, properties	-413	466	-447	678	1,107
Changes in value, derivatives	8	-330	-290	13	1,205
Other items not included in the cash flow	6	-72	-85	-174	40
Taxes paid	-46	21	-78	-45	-178
Cash flow from operating activities before changes in working capital	624	538	821	703	1,963
Increase/decrease in operating assets	160	31	-4	361	137
Increase/decrease in operating liabilities	-60	15	3	166	93
Change in working capital	100	46	-1	527	230
Cash flow from operating activities	724	584	820	1,230	2,193
INVESTING ACTIVITIES					
Investments in properties and fixed assets	-274	-246	-515	-482	-922
Divestment of hotel properties, net effect on liquidity	613	-	680	897	894
Acquisitions of hotel properties, net effect on liquidity	-	-15	-	-954	-1,465
Acquisitions of financial assets	0	-2	-12	-2	12
Cash flow from investing activities	339	-263	153	-541	-1,481
FINANCING ACTIVITIES					
New loans	2,497	2,663	5,657	9,445	12,944
Amortisation of debt	-2,635	-3,592	-5,851	-10,503	-14,168
Dividend non-controlling interest	-	-	-	-	-17
Paid dividends	-735	-460	-735	-460	-460
Cash flow from financing activities	-873	-1,389	-929	-1,518	-1,701
Cash flow for the period	190	-1,068	44	-829	-989
Cash and cash equivalents at beginning of period	703	2,004	769	1,630	1,630
Exchange differences in cash and cash equivalents	-45	72	35	207	129
Liquid funds end of period	848	1,008	848	1,008	769
Information regarding interest payments					
Interest received amounted to	7	9	12	17	31
Interest paid amounted to	-372	-344	-747	-616	-1,243
Financial cost right of use assets	-29	-26	-57	-52	-108
Information regarding cash and cash equivalents end of period	848	1,008	848	1,008	769

Cash and cash equivalents consists of bank deposits.

Condensed consolidated statement of changes in equity

MSEK	Attributable to the owners of the parent company							
	Share capital	Other paid in capital	Translation reserves	Revaluation reserve ¹⁾	Retained earnings, incl profit for the period	Total	Non-controlling interests	Total equity
Opening balance equity 1 Jan, 2023	460	7,525	1,131	187	21,428	30,731	202	30,933
Profit for the period	—	—	—	—	-585	-585	5	-580
Other comprehensive income	—	—	-152	39	—	-113	1	-112
Dividend non-controlling interest	—	—	—	—	—	—	-56	-56
Dividend	—	—	—	—	-460	-460	—	-460
Closing balance equity 31 Dec, 2023	460	7,525	979	226	20,383	29,573	152	29,725
Opening balance equity 1 Jan, 2024	460	7,525	979	226	20,383	29,573	152	29,725
Profit for the period	—	—	—	—	1,151	1,151	13	1,164
Other comprehensive income	—	—	638	—	—	638	4	642
Dividend	—	—	—	—	-735	-735	—	-735
Closing balance equity 30 Jun, 2024	460	7,525	1,617	226	20,799	30,627	169	30,796

¹⁾ Refers to the fair value change of hotel properties that have been reclassified from Own Operations to Leases.

Comparison figures and period

Figures in brackets are from the corresponding period the previous year for profit/loss items and year-end 2023 for balance sheet items, unless otherwise stated.

Not 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 1–28 and page 1–14 is thus an integrated part of this financial report. The accounting principles applied are consistent with those described in Pandox's Annual Report for 2023.

Not 2. Ongoing disputes and insurance cases

No significant change has taken place in any disputes and insurance cases commented on previously.

Condensed income statement for the parent company

MSEK	Apr-Jun		Jan-Jun		Full-year
	2024	2023	2024	2023	2023
Total revenues	32	27	61	52	112
Administration cost	-63	-66	-124	-121	-245
Operating profit	-31	-39	-63	-69	-133
Profit from participations in Group companies	121	-	121	122	964
Other interest income and similar profit/loss items	230	809	690	1,097	1,235
Derivatives, unrealised	23	-117	167	-105	-231
Profit after financial items	343	653	915	1,045	1,835
Year-end appropriations	-	-	-	-	352
Profit before tax	343	653	915	1,045	2,187
Current tax	-2	-78	-68	-93	-217
Deferred tax	-3	25	-40	17	46
Profit for the period	338	600	807	969	2,016
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	338	600	807	969	2,016

Condensed balance sheet for the parent company

MSEK	30 Jun		31 Dec
	2024	2023	2023
ASSETS			
Non-current assets			
Property, plant and equipment	10	12	11
Financial non-current assets	21,931	21,532	22,830
Current assets	1,916	2,190	2,054
Total assets	23,857	23,734	24,895
EQUITY AND LIABILITIES			
Equity	13,386	12,267	13,314
Untaxed reserves	4	2	4
Provisions	83	65	69
Non-current liabilities	8,084	7,525	7,893
Current liabilities	2,300	3,875	3,615
Total equity and liabilities	23,857	23,734	24,895

Not 3. 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.

Not 4. 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–June 2024, revenue from Pelican Bay Lucaya amounted to MSEK 0.6 (0.0).

Segment information

MSEK	Q2 2024 (Apr-Jun 2024)				Q2 2023 (Apr-Jun 2023)			
	Leases	Own operations	Group and non-allocated items	Total	Leases	Own operations	Group and non-allocated items	Total
Revenues								
Rental and other property income								
Leases	1,009	—	—	1,009	942	—	—	942
Revenue Own Operations	—	857	—	857	—	832	—	832
Total revenues	1,009	857	—	1,866	942	832	—	1,774
Costs Leases	-140	—	—	-140	-136	—	—	-136
Costs Own Operations	—	-667	—	-667	—	-685	—	-685
Gross profit	869	190	—	1,059	806	147	—	953

Q2 2024 (Apr-Jun 2024)

	Sweden	Denmark	Norway	Finland	Germany	Belgium	UK+IE	Others	Total
Total revenues									
Leases	257	66	62	75	240	21	232	56	1,009
Own Operations	—	28	—	10	208	338	217	56	857
Market value properties	15,809	4,245	3,443	4,526	16,870	5,912	15,780	4,230	70,815
Investments in properties	85	7	25	12	0	90	21	1	241
Acquisitions of properties	0	—	—	—	—	—	0	—	0
Changes in value properties	223	70	47	-49	15	-28	146	-1	423
Book value Operating Properties	—	—	—	30	2,049	3,168	2,889	382	8,518
Total noncurrent assets at book value, less deferred tax assets	17,968	4,258	3,446	5,308	15,738	4,896	16,555	4,261	72,430

Q2 2023 (Apr-Jun 2023)

	Sweden	Denmark	Norway	Finland	Germany	Belgium	UK+IE	Others	Total
Total revenues									
Leases	260	57	58	56	211	20	219	61	942
Own Operations	—	26	—	11	187	327	144	136	832
Market value properties	15,641	4,120	3,348	4,790	17,732	5,963	15,367	5,203	72,164
Investments in properties	37	10	4	8	50	45	87	6	247
Acquisitions of properties	1	—	—	—	—	4	24	—	29
Changes in value properties	126	-157	1	-37	-82	5	-302	-20	-466
Book value Operating Properties	—	—	—	33	2,150	3,221	2,462	1,057	8,923
Total noncurrent assets at book value, less deferred tax assets	18,826	4,134	3,351	5,564	16,591	4,975	16,503	5,036	74,980

MSEK	Q1-2 2024 (Jan-Jun 2024, year to date)				Q1-2 2023 (Jan-Jun 2023, year to date)			
	Leases	Own operations	Group and non-allocated items	Total	Leases	Own operations	Group and non-allocated items	Total
Revenues								
Rental and other property income								
Leases	1,854	—	—	1,854	1,722	—	—	1,722
Revenue Own Operations	—	1,513	—	1,513	—	1,405	—	1,405
Total revenues	1,854	1,513	—	3,367	1,722	1,405	—	3,127
Costs Leases	-291	—	—	-291	-254	—	—	-254
Costs Own Operations	—	-1,302	—	-1,302	—	-1,273	—	-1,273
Gross profit	1,563	211	—	1,774	1,468	132	—	1,600

Q1-Q2 2024 (Jan-Jun)

	Sweden	Denmark	Norway	Finland	Germany	Belgium	UK+IE	Others	Total
Total revenues									
Leases	451	111	109	147	474	37	419	106	1,854
Own Operations	—	40	—	17	364	588	381	123	1,513
Market value properties	15,809	4,245	3,443	4,526	16,870	5,912	15,780	4,230	70,815
Investments in properties	155	20	56	19	62	149	46	8	515
Acquisitions of properties	0	—	—	—	—	—	0	—	0
Changes in value properties	183	68	41	-56	114	-73	154	-8	423
Book value Operating Properties	—	—	—	30	2,049	3,168	2,889	382	8,518
Total noncurrent assets at book value, less deferred tax assets	17,968	4,258	3,446	5,308	15,738	4,896	16,555	4,261	72,430

Q1-Q2 2023 (Jan-Jun)

	Sweden	Denmark	Norway	Finland	Germany	Belgium	UK+IE	Others	Total
Total revenues									
Leases	451	102	109	147	397	33	372	111	1,722
Own Operations	—	38	—	20	310	577	238	221	1,405
Market value properties	15,641	4,120	3,348	4,790	17,732	5,963	15,367	5,203	72,164
Investments in properties	76	30	11	13	98	111	132	11	482
Acquisitions of properties	326	—	—	—	—	4	707	—	1,037
Changes in value properties	-198	-129	-77	-29	-43	11	-325	112	-678
Book value Operating Properties	—	—	—	33	2,150	3,221	2,462	1,057	8,923
Total noncurrent assets at book value, less deferred tax assets	18,826	4,134	3,351	5,564	16,591	4,975	16,503	5,036	74,980

Not 5. Operating segments

Pandox's operating segments consist of the Leases and Own Operations business streams. The Leases 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 Own Operations segment owns hotel properties and operates hotels in such owned properties. The Own Operations 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.

Alternative performance measurements

About alternative performance measurements

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. 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. Reconciliation of alternative performance measures is available on Pandox's website.

Properties

Properties	Apr-Jun		Jan-Jun		Full-year
	2024	2023	2024	2023	2023
Number of properties	-	-	157	158	159
- of which Leases	-	-	138	139	139
- of which Own Operations	-	-	19	19	20
Number of rooms	-	-	35,018	35,648	35,851
- of which Leases	-	-	29,963	30,201	30,201
- of which Own Operations	-	-	5,055	5,447	5,650
Total square meters	-	-	-	-	2,102,973
Market value properties, MSEK	-	-	70,815	72,164	69,039
- of which Investment properties	-	-	59,271	59,992	57,226
- of which Operating properties	-	-	11,544	12,172	11,813
Total average yield, %	-	-	6.26	6.03	6.24
- Investment properties	-	-	6.13	5.88	6.09
- Operating properties	-	-	6.90	6.80	7.02
Unrealised changes in value, MSEK	-	-	423	-992	-1,685
- Investment properties	-	-	536	-878	-1,294
- Operating properties	-	-	-113	-114	-391
WAULT, years	-	-	14.6	14.6	15.0

Financial

Financially	Apr-Jun		Jan-Jun		Full-year
	2024	2023	2024	2023	2023
Loan to value, net, %	-	-	46.2	46.7	46.6
Interest cover ratio, times	2.9	2.9	2.5	2.6	2.7
Interest cover ratio R12m, times	-	-	2.6	3.2	2.7
Interest-bearing net debt/EBITDA, times	-	-	8.5	9.6	8.7

Per share

Per share	Apr-Jun		Jan-Jun		Full-year
	2024	2023	2024	2023	2023
Earnings per share	3.83	1.56	6.26	0.39	-3.18
Equity per share	-	-	167.51	173.37	161.68
Cash earnings per share	3.05	2.77	4.53	4.18	9.48
Dividend per share	-	-	-	-	4.00
Average number of shares	183,849,999	183,849,999	183,849,999	183,849,999	183,849,999
Total number of shares outstanding, end of period	183,849,999	183,849,999	183,849,999	183,849,999	183,849,999

EPRA

EPRA	Apr-Jun		Jan-Jun		Full-year
	2024	2023	2024	2023	2023
EPRA earnings, MSEK	560	510	832	769	1,742
EPRA NRV, MSEK	-	-	38,187	38,583	36,976
Growth EPRA NRV, %	-	-	0.9	11.6	-0.7
EPRA NTA, MSEK	-	-	38,187	38,583	36,976
EPRA NDV, MSEK	-	-	33,653	34,892	32,544
EPRA NIY, Investment properties, R12, %	-	-	5.96	5.44	5.94
EPRA LTV, %	-	-	46.5	46.9	47.0
EPRA Capital Expenditure, MSEK	274	249	515	1,519	2,498
EPRA earnings per share (EPS)	3.05	2.77	4.53	4.18	9.48
EPRA NRV per share	-	-	207.70	209.86	201.12
EPRA NTA per share	-	-	207.70	209.86	201.12
EPRA NDV per share	-	-	183.05	189.78	177.01

About EPRA

EPRA's (European Public Real Estate Association) mission is to promote, develop and represent the European public real estate sector. EPRA has more than 290 members, covering the full spectrum of the listed property industry (companies, investors and their stakeholders) and representing over €840 billion in property assets and 95% of the market value of the FTSE EPRA Nareit Europe Index. For more information, see www.epra.com.

Quarterly data

Condensed consolidated statement of comprehensive income

MSEK	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep
	2024	2024	2023	2023	2023	2023	2022	2022
Revenues Leases								
Rental income	980	812	895	1,002	908	743	803	886
Other property income	29	33	33	38	34	37	45	81
Revenue Own Operations	857	656	910	844	832	573	775	706
Total revenues	1,866	1,501	1,838	1,884	1,774	1,353	1,623	1,673
Costs Leases	-140	-151	-159	-120	-136	-118	-150	-101
Costs Own Operations	-667	-635	-762	-694	-685	-588	-732	-578
Gross profit	1,059	715	917	1,070	953	647	741	994
Central administration	-48	-51	-53	-46	-53	-45	-59	-28
Financial net	-385	-386	-376	-420	-361	-310	-289	-248
Financial cost right of use assets	-29	-28	-28	-28	-26	-26	-26	-24
Profit before value changes	597	250	460	576	513	266	367	694
Changes in value								
Changes in value properties	413	34	-339	-90	-466	-212	-66	572
Changes in value derivatives	-8	298	-1,236	43	332	-344	-59	815
Profit before tax	1,002	582	-1,115	529	379	-290	242	2,081
Current tax	-104	-45	-137	-95	-78	-65	-24	-48
Deferred tax	-188	-83	127	26	-13	152	-117	-346
Profit for the period	710	454	-1,125	460	288	-203	101	1,687
Other comprehensive income	-227	869	-845	-583	1,146	170	308	341
Total comprehensive income for the period	483	1,323	-1,970	-123	1,434	-33	409	2,028
Key ratios								
Total net operating income	1,125	785	989	1,142	1,025	714	882	1,059
- of which Leases	869	694	769	920	806	662	698	866
- of which Own Operations	256	91	220	222	219	52	184	193
EBITDA	1,082	740	942	1,102	977	675	829	1,037
Total cash earnings	560	272	415	558	510	259	515	717
Revenue growth Leases (LFL), %	3	2	7	7	12	21	25	39
Revenue growth Own Operations (LFL), %	10	6	8	6	24	113	109	143
NOI growth Leases (LFL), %	4	2	7	7	12	21	22	45
NOI growth Own Operations (LFL), %	20	22	5	28	38	n.a	n.a	n.a
RevPAR Leases, SEK	937	665	813	958	914	650	763	932
RevPAR Own Operations, SEK	1,177	827	1,096	1,156	1,168	762	1,029	1,087
RevPAR growth Leases (LFL), %	3	2	6	2	14	66	43	66
RevPAR growth Own Operations (LFL), %	8	6	7	8	26	112	113	140

Condensed consolidated statement of financial position

MSEK	30 Jun	31 Mar	31 Dec	30 Sep	30 Jun	31 Mar	31 Dec	30 Sep
	2024	2024	2023	2023	2023	2023	2022	2022
ASSETS								
Properties incl equipment and interiors	67,799	67,651	66,079	68,210	68,927	66,550	65,552	64,712
Right-of-use assets	2,977	2,971	2,848	2,975	3,345	3,250	3,218	3,383
Other non-current receivables	1,654	1,723	1,612	2,600	2,708	2,274	2,462	2,544
Deferred tax assets	342	394	340	335	269	268	305	239
Current assets	1,544	2,350	1,560	1,454	1,333	1,287	2,050	1,964
Cash and cash equivalents	848	703	769	749	1,008	2,004	1,630	2,463
Total assets	75,164	75,792	73,208	76,323	77,590	75,633	75,217	75,305
EQUITY AND LIABILITIES								
Equity	30,796	31,048	29,725	31,751	31,874	30,900	30,933	30,540
Deferred tax liability	5,601	5,487	5,270	5,470	5,476	5,359	5,538	5,287
Interest-bearing liabilities	33,356	33,761	32,770	33,891	34,526	34,054	33,871	34,478
Leasing liabilities	2,987	2,980	2,856	2,983	3,352	3,256	3,223	3,387
Non interest-bearing liabilities	2,424	2,516	2,587	2,228	2,362	2,064	1,652	1,613
Total equity and liabilities	75,164	75,792	73,208	76,323	77,590	75,633	75,217	75,305
Key ratios								
Market value properties	70,815	71,317	69,039	71,178	72,164	69,695	69,232	68,257
- of which Investment properties	59,271	59,044	57,226	58,936	59,992	57,719	57,563	55,582
- of which Operating properties	11,544	12,273	11,813	12,242	12,172	11,976	11,669	12,675
Average yield, Leases, %	6.13	6.10	6.09	5.92	5.88	5.62	5.58	5.45
Average yield, Own Operations, %	6.90	6.98	7.02	6.95	6.80	6.59	6.50	6.43
Interest-bearing net debt	32,705	33,256	32,190	33,333	33,718	32,188	32,224	32,119
Average interest level end of period, %	4.1	4.2	4.2	4.2	4.3	3.9	3.2	2.8
Interest cover ratio, times	2.5	2.0	2.6	2.8	2.9	2.3	3.1	4.8
Interest cover ratio, R12m, times	2.6	2.6	2.7	2.8	3.2	3.6	3.7	3.6
Loan to value, net, %	46.2	46.6	46.6	46.8	46.7	46.2	46.7	47.1
Interest-bearing net debt/EBITDA, times	8.5	8.8	8.7	9.3	9.6	9.2	9.8	10.7
Average repayment period, years	2.2	2.2	2.3	2.4	2.6	2.1	1.7	1.8
Average fixed interest period, years	3.3	3.3	3.9	4.1	4.3	2.7	2.7	2.8

Properties

	30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023	30 Jun 2023	31 Mar 2023	31 Dec 2022	30 Sep 2022
Number of properties	157	158	159	159	158	158	157	157
- of which Leases	138	138	139	139	139	138	137	135
- of which Own Operations	19	20	20	20	19	20	20	22
Number of rooms	35,018	35,613	35,851	35,851	35,648	35,586	35,490	35,490
- of which Leases	29,963	29,963	30,201	30,201	30,201	29,938	29,717	29,160
- of which Own Operations	5,055	5,650	5,650	5,650	5,447	5,648	5,773	6,330
Market value properties, MSEK	70,815	71,317	69,039	71,178	72,164	69,695	69,232	68,257
- of which Investment properties	59,271	59,044	57,226	58,936	59,992	57,719	57,563	55,582
- of which Operating properties	11,544	12,273	11,813	12,242	12,172	11,976	11,669	12,675

Per share

SEK	Apr-Jun 2024	Jan-Mar 2024	Oct-Dec 2023	Jul-Sep 2023	Apr-Jun 2023	Jan-Mar 2023	Oct-Dec 2022	Jul-Sep 2022
Closing price of B shares, end of period	189.00	179.70	150.40	116.30	125.60	129.40	116.40	118.40
EPRA NRV	207.70	208.55	201.12	207.53	209.86	204.93	205.03	202.96
EPRA NTA	207.70	208.55	201.12	207.53	209.86	204.93	205.03	202.96
EPRA NDV	183.05	184.55	177.01	187.67	189.78	184.06	184.67	184.22
EPRA earnings (EPS)	3.05	1.48	2.26	3.04	2.77	1.41	2.80	3.90
Equity	167.51	168.88	161.68	172.70	173.37	168.07	168.25	166.11
Profit for the period	3.86	2.47	-6.12	2.50	1.57	-1.10	0.55	9.18
Net operating income	6.12	4.27	5.38	6.21	5.58	3.88	4.80	5.76
Cash earnings	3.05	1.48	2.26	3.04	2.77	1.41	2.80	3.90
Average number of shares, thousands	183,850	183,850	183,850	183,850	183,850	183,850	183,850	183,850
Average number of shares after dilution, thousands	183,850	183,850	183,850	183,850	183,850	183,850	183,850	183,850
Number of shares outstanding, end of period, thousands	183,850	183,850	183,850	183,850	183,850	183,850	183,850	183,850
Number of shares outstanding after dilution, end of period, thousands	183,850	183,850	183,850	183,850	183,850	183,850	183,850	183,850

EPRA NRV, EPRA NTA, EPRA NDV and Equity are recognised at balance date.

Not 6. Tax

Current tax is calculated on the taxable profit for the period based on the tax rules applicable in the countries where the group operates. Since taxable profit excludes expenses that are not tax-deductible and income that is not taxable, this differs from the profit before tax in the income statement. Current tax also includes adjustments to current tax recognised in previous periods.

At the end of the period, deferred tax assets amounted to MSEK 342 (340). This consists mainly of the carrying amount of tax loss carryforwards which the Company expects to be able to utilise in future financial years.

Deferred tax liabilities amounted to MSEK 5,601 (5,270) 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, and temporary measurement differences for interest rate derivatives.

Not 7. Risk and uncertainty factors

Pandox's general approach to business risk has not changed from the detailed account provided in the 2023 Annual Report. There is a risk that market interest rates, financing costs and higher yield requirements does not decrease in the pace that the market is expecting. There is uncertainty about how geopolitical unrest will affect the economic cycle and thus hotel demand from companies and households.

Definitions

Financial information

Average interest on debt, %

Average weighted interest rate, including interest rate derivatives, for interest-bearing liabilities at the end of period.

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 reported in the income statement, adjusted for any unrealised translation effect on bank balances and non-controlling interest.

EBITDA, MSEK

Total gross profit less central administration (excluding depreciation).

EBITDA margin, MSEK

EBITDA in relation to total revenues.

EPRA Earnings, MSEK

Earnings Leases and Own Operations before tax. Reversal of change in value of properties, change in value of derivatives and non-controlling interests. Company-specific reversal of depreciation of Own Operations, depreciation of central administration costs, unrealised translation effect of bank balances, less current tax.

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 and deductions for intangible assets,

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 of Operating Properties.

EPRA LTV, %

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

EPRA NYI (%)

Net operating income Leases, before property administration, rolling 12 months, divided by market value Investment Properties.

Growth for comparable units in constant currency

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, Own Operations, MSEK

Revenue less directly related costs for Own Operations including depreciation of Own Operations.

Gross profit, Leases, MSEK

Revenue less directly related costs for Leases.

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-bearing net debt/EBITDA

Interest-bearing net debt at the end of the period in relation to accumulated EBITDA R12.

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, 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, Own Operations, MSEK

Gross profit for Own Operations plus depreciation included in costs for Own Operations.

Net operating income, Leases, MSEK

Net operating income corresponds to gross profit for Leases.

Net operating margin, Own Operations, %

Net operating income for Own Operations as a percentage of total revenue from Own Operations.

Net operating margin, Leases, %

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

Result before changes in value, MSEK

Profit before tax plus change in value of properties plus change in value of derivatives.

Rounding off

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

Per share

Cash earnings per share, SEK

Cash earnings divided by the weighted average number of shares outstanding after dilution during the period.

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 during 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.

EPRA Earnings (EPS) per share, SEK

EPRA Earnings divided by the weighted average number of shares outstanding during the period.

EPRA NRV, NTA, NDV per share, SEK

EPRA NRV, NTA, and 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 Leases and Own Operations (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 (Leases)

Weighted average unexpired lease term for Investment Properties.

A property company focused solely on hotels

Pandox is a hotel property company that owns, develops and leases out hotel properties to skilled hotel operators. We are an active and engaged owner that since inception in 1995 has created one of the largest hotel property portfolios in Europe.



Property management

Property management is at the heart of our business. Our business model is built on revenue-based, long-term leases with guaranteed minimum levels and joint incentives. We also operate hotels ourselves as an important part of our active ownership strategy



Property development

Our portfolio offers good opportunities for making value-adding investments together with our tenants. We also make transformative investments in the hotels we operate with the objective of signing new leases.



Portfolio optimisation

The portfolio is evaluated on an ongoing basis to ensure that each hotel property has attractive return potential. Acquisitions form the foundation for growth, and divestment is important to free up capital for investments with higher return potential



Sustainability

We want to contribute to sustainable development by creating resource efficient properties, operating our own hotels sustainably and providing safe and secure environments for our employees and guests



Financial policy

Loan to value

Pandox's loan-to-value ratio shall be in the interval 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.

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 the composition of demand and the hotel property's location. The second quarter is normally the strongest supported by high demand and willingness to pay from all sub-segments in the hotel market. Since most of the customers that stay at Pandox owned or operated hotels are business travellers, hotel demand is normally the weakest in the first quarter.

The share and owners

Listed on Nasdaq Stockholm

Pandox's B shares have been listed on Nasdaq Stockholm's list for large companies since 2015. The B shares are also traded on several alternative marketplaces.

As of 30 June 2024, the last price paid for the B shares was SEK 189.00 and the visible market capitalisation was MSEK 20,573. Including the unlisted A shares at the same price as the B shares, the market capitalisation was MSEK 34,748. During the period, the Pandox share traded at a high of SEK 193.20 and a low of SEK 160.40. During the period April-June 2024, the value of the Pandox share increased by +5 percent, compared to the OMX Stockholm Benchmark PI index of +1 percent and the OMX Stockholm Real Estate PI index of +4 percent.

As of 30 June 2024, Pandox has 7,300 registered shareholders and the number of shares in Pandox amounts to 183,849,999.

Dividend policy

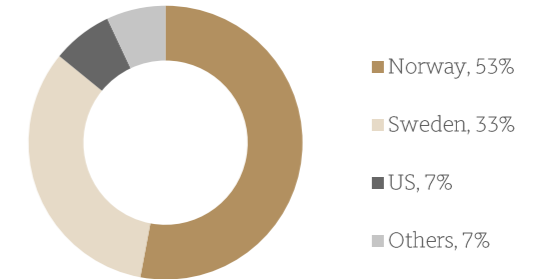
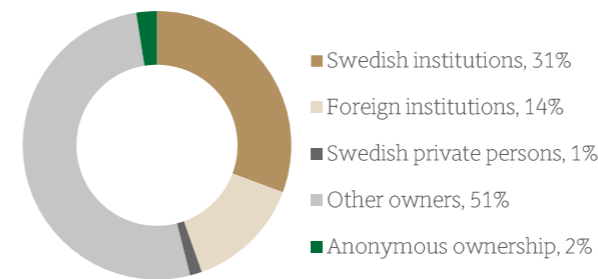
Pandox's policy is a dividend payout ratio of 30-50 percent of cash earnings per share with an average dividend payout ratio over time of approximately 40 percent. For 2023, the annual general meeting in 2024 approved a dividend of SEK 4.00 (2.50) per share, totalling approximately MSEK 735 (460), corresponding to a dividend payout ratio of approximately 42 (22) percent.

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 second quarter of 2024, the weighted number of shares before and after dilution amounted to 75,000,000 A shares and 108,849,999 B shares.

Top 10 owners per 30 June 2024

Owners	Number of A shares	Number of B shares	Share of share capital, %	Share of votes, %
Eiendomsspar	37,314,375	10,144,375	25.8	36.6
Helene Sundt AB	18,657,188	3,912,187	12.3	17.9
Christian Sundt AB	18,657,187	3,312,188	12.0	17.8
AMF Pension & Fonder		27,551,259	15.0	8.3
Alecta Tjänstepension		7,287,577	4.0	2.2
Länsförsäkringar Fonder		5,371,833	2.9	1.6
Vanguard		3,828,623	2.0	1.2
Fjärde AP-fonden		3,247,735	1.6	1.0
BlackRock		3,175,789	1.6	1.0
Carnegie Fonder		2,307,950	1.2	0.7
Sum 10 largest shareholders	74,628,750	70,139,516	78.3	88.1
Other shareholders	371,250	38,710,483	21.7	11.9
Total	75,000,000	108,849,999	100	100



Board of Directors' Assurance

The Board of Directors and the CEO confirms that this report provides a fair overview of the Company's business, position and results and describes the significant risks and uncertainties facing the Company and its subsidiaries.

Stockholm, 12 July 2024

Christian Ringnes
Chairman

Bengt Kjell
Board member

Jakob Iqbal
Board member

Jon Rasmus Aurdal
Board member

Ann-Sofi Danielsson
Board member

Ulrika Danielsson
Board member

Jeanette Dyhre Kvisvik
Board member

Liia Nõu
CEO

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



This information is information that Pandox AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Markets Act. The information was submitted, through the agency of the contact persons set out below, for publication on 12 July 2024 at 07:00 CEST.

A webcast and telephone conference will be held on 12 July 2024 at 08:30 CEST. More information is available on pandox.se.

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Financial calendar

24 October 2024	Interim report, Q3 2024
19 November 2024	Pandox Hotel Market Day
6 February 2025	Year-end report 2024
29 April 2025	Interim report Q1 2025

This interim report is a translation from the Swedish original report. In the event of discrepancies between the language versions the Swedish wording will prevail.