

A photograph of two women riding bicycles on a balcony or rooftop at sunset. The woman on the left is wearing a green jacket and patterned pants, smiling broadly. The woman on the right is wearing a grey sweater and red pants, looking towards her friend. The background shows a city skyline with a bright sun setting behind buildings.

# HALF-YEAR REPORT

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JANUARY-JUNE 2024

**Scandic**

*Your friend in town*

# IMPROVED RESULTS AND GOOD BOOKING SITUATION

## APRIL 1 – JUNE 30, 2024

- Net sales rose by 3.1 percent to 5,871 million SEK (5,693). Easter fell in March which is why the quarter is not fully comparable with the second quarter 2023. Calendar effects are estimated to have positively impacted net sales by 2-3%
- Average occupancy rate increased to 64.0 percent (63.0).
- Average revenue per available room (RevPAR) went up to 871 SEK (828).
- Operating profit totaled 927 million SEK (833).
- Adjusted EBITDA<sup>1)</sup> was 841 million SEK (772).
- Excluding IFRS 16, earnings per share equaled 2.00 SEK (1.84).
- Free cash flow was 463 million SEK (664).
- Interest-bearing net debt/adjusted EBITDA LTM, amounted to 0.7x (0.3x excluding the convertible loan).

## JANUARY 1 – JUNE 30, 2024

- Net sales rose by 0.7 percent to 10,290 million SEK (10,218).
- Average occupancy rate was 58.0 percent (58.3).
- Average revenue per available room (RevPAR) went up to 745 SEK (728).
- Operating profit totaled 1,053 million SEK (1,032).
- Adjusted EBITDA<sup>1)</sup> was 874 million SEK (942).
- Excluding IFRS 16, earnings per share equaled 1.07 SEK (1.18).
- Free cash flow was -270 million SEK (306).

## EVENTS DURING THE PERIOD

- Convertible bonds totaling 215.0 million SEK were pre-converted, resulting in an increase of 4,958,244 shares.

## EVENTS AFTER THE REPORTING DATE

- On July 4, Scandic signed an agreement for a new 176-room Scandic Go in Gothenburg and a new 100-room Scandic Go in Umeå.
- On July 1, Scandic signed an agreement for sustainability-linked long-term financing. The refinancing will provide Scandic with robust and flexible financing tailored to the company's growth strategy and strong financial position.
- Convertible bonds totaling 315.1 million SEK were converted early, resulting in an increase of 7,266,712 shares.

## KEY RATIOS

million SEK	Apr-Jun 2024	Apr-Jun 2023	Δ%	Jan-Jun 2024	Jan-Jun 2023	Δ%	Jan-Dec 2023	Jul-Jun 23/24
<b>Financial key ratios, reported</b>								
Net sales	5 871	5 693	3,1%	10 290	10 218	0,7%	21 935	22 007
Operating profit/loss	927	833		1 053	1 032		2 785	2 806
Net profit/loss for the period	310	271		-17	-31		569	583
Earnings per share, SEK	1,50	1,27		-0,14	-0,26		2,86	2,98
<b>Alternative performance measures</b>								
Adjusted EBITDA	841	772		874	942		2 566	2 498
Adjusted EBITDA margin, %	14,3	13,6		8,5	9,2		11,7	11,4
Net profit/loss for the period excl. IFRS 16	421	403		215	244		1 083	1 054
Earnings per share, SEK, excl. IFRS 16	2,00	1,84		1,07	1,18		5,09	5,18
Net debt	1 658	2 821		1 658	2 821		1 503	-
Net debt/adjusted EBITDA, LTM	0,7	1,1		0,7	1,1		0,6	-
<b>Hotel-related key ratios</b>								
RevPAR (revenue per available room), SEK	871	828	5,2%	745	728	2,3%	782	790
ARR (average room rate), SEK	1 360	1 315	3,4%	1 285	1 249	2,9%	1 272	1 289
OCC (occupancy), %	64,0	63,0		58,0	58,3		61,4	61,3
Total number of rooms on reporting date	55 566	55 930	-0,7%	55 566	55 930	-0,7%	55 642	55 566

1) Earnings before pre-opening costs, items affecting comparability, interest, taxes, depreciation and amortization, adjusted for the effects of IFRS 16.

## CEO'S COMMENTS

“Scandic delivered a good quarter with improved results and higher profitability.

We're maintaining a high pace to grow the hotel portfolio and strengthen ourselves even more commercially. Bookings are good, in line with last year, and with a more stabilized economy in the Nordics, we have a positive outlook on market development.”

Scandic delivered a good quarter with improved results and higher profitability and kept a high pace to grow the hotel portfolio and drive commercial development. We completed the implementation of Oracle Hospitality Cloud at all of our hotels before the summer, and we have several exciting ongoing initiatives for our loyalty program as well as our website and app, which will create additional value for guests.

Scandic Go continues to expand according to plan, and after the end of the quarter, we signed agreements for two new hotels in Sweden. In Gothenburg, we will open a hotel with 176 rooms, and in Umeå, a hotel with 100 rooms is planned. Both hotels are conversions of office buildings with a planned opening in 2026. The sentiment among property owners has improved and there is particular interest in converting office buildings, which suits the Scandic Go brand well. At the beginning of June, Scandic Södra Kajen reopened with 323 rooms in Värtahamnen, Stockholm. Värtahamnen is one of Stockholm's largest urban development projects, and the hotel underwent a complete renovation and an extension to meet higher demand. Preparations for the opening of our second Scandic Go hotel are also in full swing. The hotel, which is centrally located in Stockholm's Kungsholmen district, will open in early October with 234 rooms.

Market development during the quarter was stable with good demand and somewhat increasing price levels. Lower inflation and the likelihood that interest rates have peaked are creating more predictability for households and companies that continue to prioritize travel, experiences and meetings. Compared with last year, growth during the quarter was positively impacted by the early Easter holiday and adjusted for calendar effects, growth was marginally positive. Development in Finland was impacted by the strike in early April. In addition, Finland faced a difficult comparison quarter due to the Hockey World Championship that was held in May last year. Demand in Sweden was boosted by events such as the Taylor Swift concerts in Stockholm and the Eurovision Song Contest in Malmö, but it was also impacted by a weak event calendar and increased capacity in Gothenburg. In Norway, development was good even though demand for meetings and events was somewhat lower than last year. However, current bookings are good in Norway for both leisure and corporate travel.

I'm pleased with our performance, and even with the higher activity level within Scandic compared with last year, adjusted EBITDA improved and amounted to 841 million SEK (772), corresponding to an operating margin of 14.3 (13.6) percent. The higher profitability is mainly a result of good cost control and improved efficiency.

It is gratifying that we have now refinanced our loans and secured long-term financing that reflects our growth ambitions and strong financial position. The new credit facility is sustainability-linked, spans three years (with the possibility to extend for two years) and provides even greater flexibility to handle the different scenarios when the convertible loan matures in October. On the reporting date, about 532 million SEK of the convertible loan had been converted early, and including our buyback last year, the outstanding loan amounted to approximately 678 million SEK.

Based current bookings, we anticipate a continued good summer and a positive start to the conference season in the fall. For the third quarter, we expect occupancy rates in line with last year and slightly higher price levels. Household demand for travel and leisure activities remains high, and a more stabilized economy in the Nordics is paving the way for continued positive development in the hotel market.



**JENS MATHIESEN**  
President & CEO

# NORDIC HOTEL MARKET

**Historically, demand in the Nordic hotel market has grown steadily. Between 2009 and 2019, the number of sold rooms increased on average by 4 percent per year driven by growth in leisure travel and a greater number of international visitors. The hotel market is expected to continue growing steadily at an average rate of 3 percent per year between 2024 and 2028.**

## GOOD DEMAND

Market development was stable and demand during the quarter was good. Calendar effects from the Easter holiday falling in March compared with April in 2023 had a positive impact on demand in the quarter, primarily in Sweden, Norway and Finland.

Compared to the corresponding quarter last year, occupancy increased the most in Norway, where the occupancy rate rose from 59.1 to 63.6 percent. In Finland, occupancy increased to 57.9 percent (56.0), and in Denmark to 73.4 percent (71.7). In Sweden, occupancy decreased compared to last year, mainly due to a weak event calendar in Gothenburg, where the market's room capacity has also significantly increased.

Occupancy was highest in June and lowest in April. During April, average occupancy rates in the Nordic markets were between 52.9 and 66.5 percent. In May, occupancy ranged from 55.9 percent to 75.0 percent, and in June from 64.7 percent to 78.8 percent. Compared with the second quarter 2019, occupancy was 2.3 percentage points lower.

## POSITIVE PRICE DEVELOPMENT

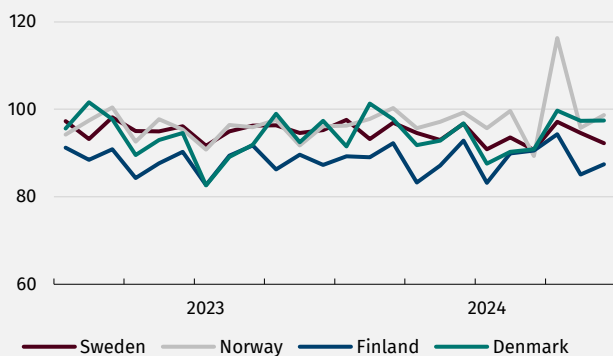
Compared with the second quarter 2023, average room rates grew 3.2 percent in the Nordic markets. Room rates went up most in Sweden, where they increased by 3.8 percent and in Denmark, where they grew 3.2 percent followed by Norway where room rates rose by 3.1 percent. In Finland, room rates decreased by 1.4 percent.

Compared with the second quarter 2019, average room rates rose by 25.2 percent. The greatest increase was in Norway, where room rates jumped 37.5 percent followed by Sweden, where the increase was 21.7 percent. In Finland and Denmark, room rates rose 7.7 and 17.6 percent respectively.

Average Revenue Per Available Room (RevPAR) went up by 6.3 percent in the Nordic markets compared with the corresponding period in 2023. Compared with the second quarter 2019, RevPAR increased by 22.3 percent.

## MARKET OCCUPANCY

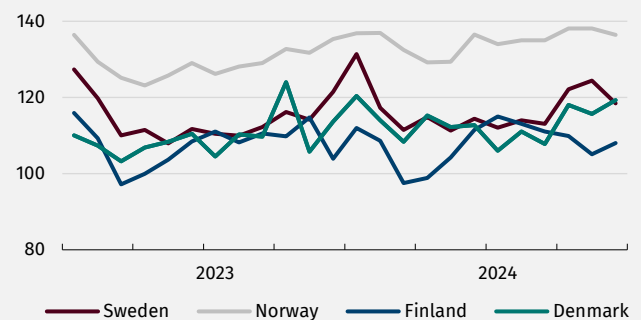
Index 2019 (monthly values), %



Source: Benchmark Alliance.

## MARKET PRICE DEVELOPMENT

Index 2019 (monthly values), %



Source: Benchmark Alliance.

# OPERATING MODEL & HOTEL PORTFOLIO

## SCANDIC'S OPERATING MODEL

Scandic operates according to a model with long-term lease agreements with full responsibility for the brand, hotel operations and distribution. This is the dominant model in the Nordic markets and in Germany. In many other countries, the franchise model where the hotel company controls only the brand while operations are run by a specialized management company or the property owner is more common. And some hotel companies have a fully integrated model where the property owner is also responsible for operations as well as the offering and brand.

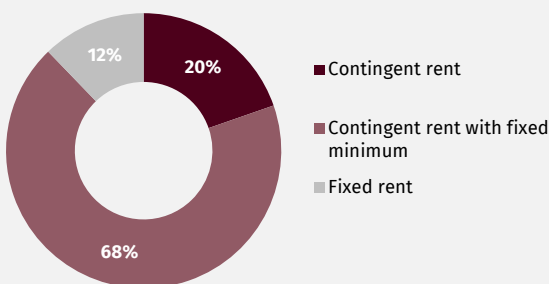
The leasing model helps Scandic ensure that its hotel offering is in line with what it markets while it can benefit from economies of scale in operations and distribution.

## HOTEL PORTFOLIO

Scandic operates hotels with long-term leases that are usually variable based on hotel revenues. This creates shared incentives for both parties since higher sales mean higher rents and greater property value for landlords. Variable rents ensure a relatively flexible cost structure, which helps stabilize margins. Over time, Scandic aims to increase the share of variable lease agreements and achieve more balanced conditions. Responsibility for investments is clearly regulated in Scandic's lease agreements. In general, Scandic is responsible for finishes, furniture, fixtures and equipment while the property owner is responsible for the building as well as technical installations and bathrooms.

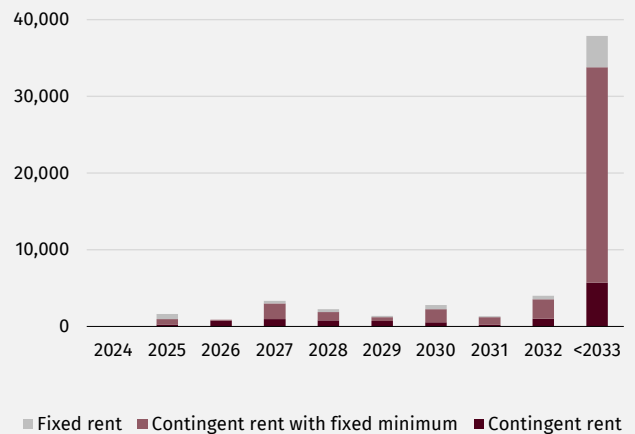
### SHARE OF LEASE AGREEMENTS

NUMBER OF ROOMS



### REMAINING LEASE TERMS

NUMBER OF ROOMS



At the end of the period, Scandic had 55,566 hotel rooms in operation at 264 hotels, of which 244 had lease agreements. In total, the number of rooms in operation decreased by 76 during the first half year. Scandic exited three hotels during the quarter: Scandic Vejle (129 rooms), Scandic The Reef (210 rooms) and Scandic Havna Tjørne (73 rooms). One hotel reopened, Scandic Södra Kajen, with 323 rooms.



Portfolio changes (number of rooms)	Apr-Jun 2024	Jan-Jun 2024
<b>Opening balance</b>		
Lease agreements	52 821	52 806
Franchise, management & other	2 836	2 836
<b>Total</b>	<b>55 657</b>	<b>55 642</b>
<b>Total change</b>	<b>-91</b>	<b>-76</b>
<b>Closing balance</b>		
Lease agreements	52 940	52 940
Franchise, management & other	2 626	2 626
<b>Total</b>	<b>55 566</b>	<b>55 566</b>

## NUMBER OF HOTELS & ROOMS IN OPERATION

### In operation as at 30 Jun, 2024

	Hotels	of which lease agreements	Rooms	of which lease agreements
Sweden	86	80	18 392	17 600
Norway	81	67	16 007	14 173
Finland	61	61	12 822	12 822
Denmark	27	27	5 577	5 577
Other Europe	9	9	2 768	2 768
<b>Total</b>	<b>264</b>	<b>244</b>	<b>55 566</b>	<b>52 940</b>
<i>Change during the quarter</i>			-91	119

## PIPELINE

Scandic constantly evaluates investments in new and existing hotels to determine which hotels, if any, should be exited to optimize returns, capital efficiency and guest satisfaction. Scandic's pipeline includes only hotels with signed lease agreements. At the end of the period, Scandic

had eight planned hotels with 2,200 rooms. Extensions totaling 129 rooms have been decided upon. Investments in the pipeline are expected to total approximately 784 million SEK. To date, investments of 122 million SEK have been made.

## NUMBER OF HOTELS IN OPERATION & PIPELINE

### In pipeline as at 30 Jun, 2024

	New hotels	Planned exits	Total	New rooms	Planned exits	Total
Sweden	2		2	660		660
Norway	2		2	535		535
Finland	3		3	603		603
Denmark	1		1	402		402
Other Europe			-			-
<b>Total</b>	<b>8</b>	<b>-</b>	<b>8</b>	<b>2 200</b>	<b>-</b>	<b>2 200</b>
<i>Change during the quarter</i>	-1	1	-	-196	129	-67

# GROUP DEVELOPMENT

**IFRS 16 Leases has a significant impact on Scandic's income statement and balance sheet, as Scandic has a business model with long-term lease agreements. To help investors gain a good understanding of the company's position, Scandic presents the company's financial results and financial key ratios both including and excluding the effects of IFRS 16.**

**Scandic's financial targets for profitability, capital structure and dividends exclude the effect of IFRS 16. The results for each segment (i.e. country or group of countries) are presented excluding the effects of IFRS 16 in accordance with the way Scandic's Executive Committee and Board of Directors follow up on the company's results. For more information on IFRS 16 and its effects on Scandic's financial reporting, see pages 30-34.**

## APRIL – JUNE 2024

Net sales rose by 3.1 percent to 5,871 million SEK (5,693). Calendar effects from Easter falling in March compared with April the previous year had a positive impact of approximately 2 to 3 percentage points on sales growth for comparable units. The number of available rooms at the end of the quarter was 0.7 percent lower compared with the previous year.

Organic growth excluding exchange rate effects and acquisitions was 2.8 percent. Sales for comparable units grew by 3.6 percent.

Average revenue per available room (RevPAR) rose by 5.2 percent to 871 SEK compared with 828 SEK during the previous year. Average room rates rose by 3.4 percent to 1,360 million SEK compared with the second quarter 2023.

Revenue from restaurant and conference operations grew by 0.5 percent. The share of net sales amounted to 26.7 percent (27.4).

## REPORTED RESULTS

The operating profit was 927 million SEK (833). Pre-opening costs of -11 million SEK (-2) for new hotels were included in the operating profit for the quarter. Depreciation and amortization totaled -975 million SEK (-943). This increase was impacted by additional depreciation and amortization of 30 million SEK due to IFRS 16.

The Group's net financial expense amounted to -519 million SEK (-503).

The profit before tax was 408 million SEK (329) and reported tax amounted to -98 million SEK (-59). Net profit was 310 million SEK (271).

Costs for central functions increased and amounted to -136 million SEK (-114), partly due to a high level of activity within digital development and measures to strengthen IT and commercial initiatives.

Earnings per share after dilution totaled 1.50 SEK per share (1.27). The calculation of earnings per share includes the full dilutive effect, as the profit for the quarter attributable to the Parent Company's shareholders was positive.

## EXCLUDING EFFECTS OF IFRS 16

Rental costs increased somewhat to amount to -1,684 million SEK (-1,604). Rental costs relative to net sales rose and totaled 28.7 percent (28.2). The increase compared with the corresponding period last year is mainly attributable to the indexing of fixed lease costs and new hotels with a higher proportion of fixed lease costs. Depreciation and amortization totaled -206 million SEK (-204).

Adjusted EBITDA was 841 million SEK (772). Excluding non-recurring items, the adjusted EBITDA margin was 13.9 percent (13.3). During the quarter, compensation amounting to 7 million SEK (20) was received in Norway for refugee operations involving hotel rooms that were not utilized as well as compensation totaling 23 million SEK in connection with hotel exits. Excluding non-recurring items, adjusted EBITDA for the quarter was 810 million SEK (752).

The Group's net financial expense amounted to -78 million SEK (-72). Interest expenses totaled -70 million SEK (-66); these expenses were impacted negatively by higher interest rates that were partially offset by lower indebtedness. The

profit before tax was 546 million SEK (494) and the net profit was 421 million SEK (403). Earnings per share after dilution totaled 2.00 SEK (1.84) per share.

## JANUARY – JUNE 2024

Net sales rose by 0.7 percent to 10,290 million SEK (10,218). Exchange rate effects had a negative impact of 6 million SEK or -0.1 percent on net sales. The number of available rooms at the end of the quarter decreased by 0.7 percent compared with the previous year.

Organic growth excluding exchange rate effects and acquisitions was 0.8 percent. Sales for comparable units grew by 1.5 percent.

Average revenue per available room (RevPAR) rose by 2.3 percent to 745 SEK compared with 728 SEK during the previous year. RevPAR improved in all markets compared with during the corresponding period in 2022. The average room rate continued to rise and amounted to 1,285 SEK, an increase of 2.9 percent compared with the corresponding period last year.

Revenue from restaurant and conference operations decreased by 2.0 percent. The share of net sales amounted to 28.5 percent (29.3).

### REPORTED RESULTS

The operating profit was 1,053 million SEK (1,032), including pre-opening costs for new hotels of -13 million SEK (-16). Items affecting comparability amounted to -0 million SEK (-3) related to costs associated with organizational changes. Depreciation and amortization totaled -1,930 million SEK (-1,881). This increase was impacted by additional depreciation and amortization of 60 million SEK due to IFRS 16.

The Group's net financial expense amounted to -1,023 million SEK (-1,025).

The profit before tax was 30 million SEK (7) and reported tax amounted to -47 million SEK (-38). The net loss was -17 million SEK (-31).

Costs for central functions increased and totaled -251 million SEK (-218), partly due to a high level of activity within digital development and measures to strengthen IT and commercial initiatives.

Earnings per share after dilution totaled -0.14 SEK per share (-0.26). The calculation of earnings per share does not include any dilutive effect, as the profit for the period attributable to the Parent Company's shareholders was negative.

### EXCLUDING EFFECTS OF IFRS 16

Rental costs increased to 3,077 million SEK (2,975). Rental costs relative to net sales rose as a result of higher sales and amounted to 29.9 percent (29.1). The increase compared with the corresponding period last year is mainly attributable to the indexing of fixed lease costs and new hotels with a higher proportion of fixed lease costs. Amortization and depreciation amounted to -401 million SEK (-412).

Adjusted EBITDA was 874 million SEK (942). Excluding non-recurring items, the adjusted EBITDA margin was 8.2 percent (8.7). During the period, compensation amounting to 14 million SEK (38) was received in Norway for refugee operations involving hotel rooms that were not utilized as well as compensation totaling 23 million SEK in connection with hotel exits.

The Group's net financial expense amounted to -140 million SEK (-163). Interest expenses totaled -137 million SEK (-131); these expenses were impacted positively by lower indebtedness. The profit before tax was 320 million SEK (349) and the net profit was 215 million SEK (244). Earnings per share after dilution totaled 1.07 SEK (1.18) per share.

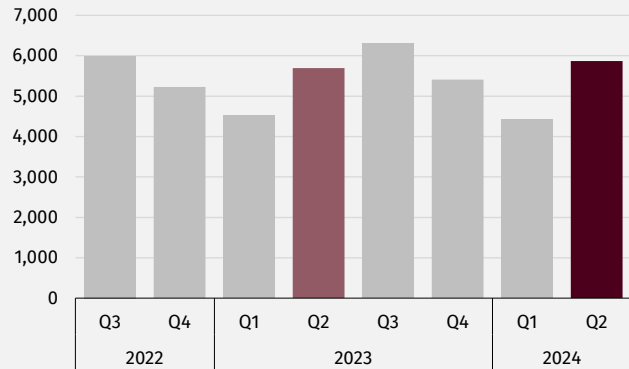
### SEASONAL VARIATIONS

Scandic operates in a sector affected by seasonal variations. The first quarter and other periods with low levels of business travel such as the Easter and Christmas/New Year's are generally the weakest periods. Easter falls either during the first or second quarter, which should be taken into consideration when making comparisons between years. Just as in 2022 and 2019, in 2023, the Easter holiday fell during the second quarter.

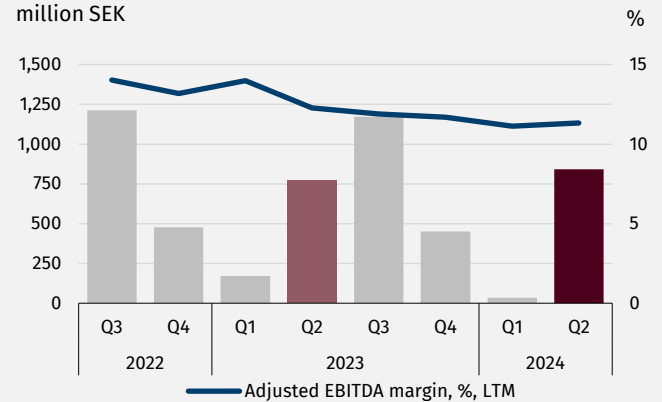


# NET SALES, OPERATING PROFIT & ADJUSTED EBITDA

## NET SALES million SEK

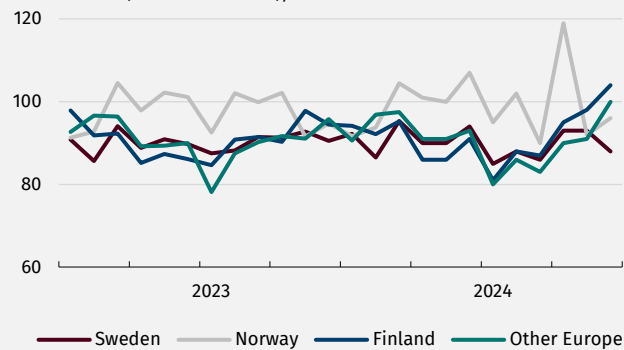


## ADJUSTED EBITDA million SEK



## OCCUPANCY, SCANDIC

Index 2019 (månadsvärden), %



## AVERAGE ROOM RATES, SCANDIC

Index 2019 (monthly values), %



	Apr-Jun 2024	Apr-Jun 2023	Δ%	Jan-Jun 2024	Jan-Jun 2023	Δ%
<b>Net sales (million SEK)</b>	<b>5 871</b>	<b>5 693</b>	<b>3,1%</b>	<b>10 290</b>	<b>10 218</b>	<b>0,7%</b>
Currency effects	21		0,4%	-6		-0,1%
Organic growth	157		2,8%	78		0,8%
New hotels	59		1,0%	103		1,0%
Exits	-109		-1,9%	-181		-1,8%
LFL	207		3,6%	157		1,5%
<b>Operating profit/loss</b>	<b>927</b>	<b>833</b>		<b>1 053</b>	<b>1 032</b>	
margin, %	15,8%	14,6%		10,2%	10,1%	
<b>Adjusted EBITDA</b>	<b>841</b>	<b>772</b>		<b>874</b>	<b>942</b>	
margin, %	14,3%	13,6%		8,5%	9,2%	
<b>RevPAR (SEK)</b>	<b>871</b>	<b>828</b>	<b>5,2%</b>	<b>745</b>	<b>728</b>	<b>2,3%</b>
Currency effects	3		0,4%	-0		-0,1%
New hotels/exits	1		0,2%	0		0,0%
LFL	39		4,7%	17		2,4%
<b>ARR (SEK)</b>	<b>1 360</b>	<b>1 315</b>	<b>3,4%</b>	<b>1 285</b>	<b>1 249</b>	<b>2,9%</b>
OCC %	64,0%	63,0%		58,0%	58,3%	

Quarter Apr-Jun million SEK	Net sales		Adjusted EBITDA		Adjusted EBITDA margin, %	
	2024	2023	2024	2023	2024	2023
Sweden	1 755	1 751	288	270	16,4%	15,4%
Norway	1 636	1 548	288	285	17,6%	18,4%
Finland	1 246	1 264	162	145	13,0%	11,5%
Other Europe	1 234	1 130	239	186	19,3%	16,4%
Central functions	-	-	-136	-114	-	-
<b>Total Group</b>	<b>5 871</b>	<b>5 693</b>	<b>841</b>	<b>772</b>	<b>14,3%</b>	<b>13,6%</b>

Period, Jan-Jun million SEK	Net sales		Adjusted EBITDA		Adjusted EBITDA margin, %	
	2024	2023	2024	2023	2024	2023
Sweden	3 080	3 139	355	365	11,5%	11,6%
Norway	2 884	2 860	380	437	13,2%	15,3%
Finland	2 308	2 318	178	165	7,7%	7,1%
Other Europe	2 018	1 901	212	193	10,5%	10,2%
Central functions	-	-	-251	-218	-	-
<b>Total Group</b>	<b>10 290</b>	<b>10 218</b>	<b>874</b>	<b>942</b>	<b>8,5%</b>	<b>9,2%</b>



# CASH FLOW & FINANCIAL POSITION

## CASH FLOW

The operating cash flow analysis below is based on adjusted EBITDA and excludes the effects of IFRS 16. The table below shows how interest-bearing net debt changed during the respective period. Excluding IFRS 16, operating cash flow for the period January to June was 274 million SEK (515). The cash flow contribution from the change in working capital amounted to -464 million SEK (-347).

Working capital was negatively impacted by repayment of variable rent debts of 430 million SEK for 2023. A further approximately 5 million SEK in rent debts is expected to be paid in 2024, mainly during the third quarter.

Taxes paid amounted to -105 million SEK (-79) and referred to payment of taxes for previous years primarily in Norway.

Net investments paid amounted to -544 million SEK (-209). Of these, -387 million SEK (-169) relates to ongoing hotel renovations at a number of hotels in Stockholm, Copenhagen, Gothenburg, Trollhättan and Oslo, among others, and -50 million SEK (-22) to IT. Investments in new hotels and increased room capacity amounted to -107 million SEK (-18) and mainly relate to the opening of the new hotel in Nuremberg, Germany.

In total, free cash flow was -270 million SEK (306).

## OPERATING CASH FLOW

million SEK	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Jan-Dec 2023	Jul-Jun 23/24
Adjusted EBITDA	841	772	874	942	2 566	2 498
Pre-opening costs	-11	-2	-13	-16	-17	-14
Items affecting comparability	-	-	-	-3	-14	-12
Adjustments for non-cash items	24	40	46	55	98	89
Paid tax	-51	-29	-105	-79	-109	-135
Change in working capital	-29	23	-464	-347	-192	-309
Interest paid	-30	-23	-64	-37	-57	-84
<b>Cash flow from operations</b>	<b>744</b>	<b>781</b>	<b>274</b>	<b>515</b>	<b>2 275</b>	<b>2 034</b>
Paid investments in hotel renovations	-237	-102	-387	-169	-434	-652
Paid investments in IT	-31	-14	-50	-22	-59	-87
<b>Free cash flow before investments in expansions</b>	<b>476</b>	<b>665</b>	<b>-163</b>	<b>324</b>	<b>1 782</b>	<b>1 295</b>
Paid investments in new capacity	-13	-1	-107	-18	-28	-117
<b>Free cash flow</b>	<b>463</b>	<b>664</b>	<b>-270</b>	<b>306</b>	<b>1 754</b>	<b>1 178</b>
Accrued interest, convertible loan	-30	-42	-61	-82	-163	-142
Conversion, convertible loan	207	-	207	-	-	207
Repurchase convertible bond	-	-	-	-	-630	-630
Other items in financing activities	-7	-10	-7	-85	-86	-8
Transaction costs	-2	-4	-5	4	-1	-10
Exchange difference in net debt	12	-39	-20	-55	-5	30
<b>Change in net debt</b>	<b>643</b>	<b>569</b>	<b>-156</b>	<b>88</b>	<b>869</b>	<b>625</b>

## FINANCIAL POSITION

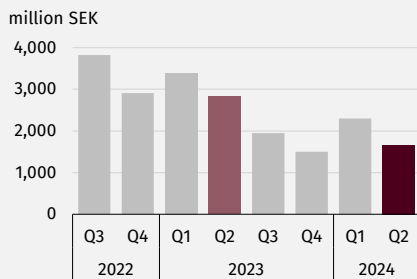
The balance sheet total on June 30, 2024 was 56,414 million SEK compared with 53,956 million SEK on December 31, 2023. The greatest change relates to an increase in lease debts and right-of-use assets according to IFRS 16, mainly attributable to index calculations in lease agreements and new contracts. Excluding IFRS 16, the balance sheet total amounted to 15,276 million SEK, compared with 14,613 million SEK on December 31, 2023.

On June 30, 2024, interest-bearing net liabilities totaled 1,658 million SEK, an increase of 155 million SEK compared with December 31, 2023. Debts to credit institutions totaled 985 million SEK, other interest-bearing liabilities amounted to 675 million SEK and cash and cash equivalents totaled 964 million SEK. The convertible loan was 962 million SEK at the end of the period. Interest-bearing net debt in relation to adjusted EBITDA for the previous 12 months amounted to 0.7x (0.3x excluding the convertible loan), which is higher than indebtedness at the end of 2023 (0.6) and less than at year-end 2019 (1.7).

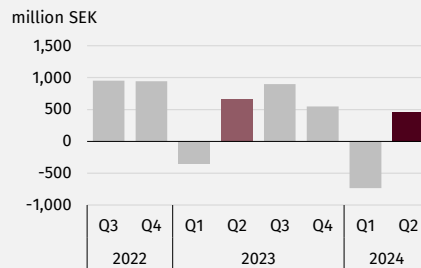
On February 15, 2023, Scandic signed an agreement for external financing with total credit facilities of 3,450 million SEK until December 31, 2025. In connection with the extension, among other things, interest terms and covenants were also adjusted. Under certain conditions, the external financing gives Scandic the opportunity to finance all or part of the convertible loan that will be due on October 8, 2024. Total available credit facilities amounted to 2,920 million SEK at the end of the quarter. Total available liquidity at the end of the period amounted to approximately 2,800 million SEK. After the reporting period, an agreement was signed for new external financing with credit facilities of 3,250 million SEK and term of three years (with the possibility to extend for an additional two years).

Other interest-bearing liabilities of 675 million SEK include debt relating to deferred VAT payments and social security contributions in Sweden. Debt during the first half year decreased by 83 million SEK net as a result of amortization. Repayment is expected to be carried out until September 2027, with 112 million SEK to be repaid before the end of 2024.

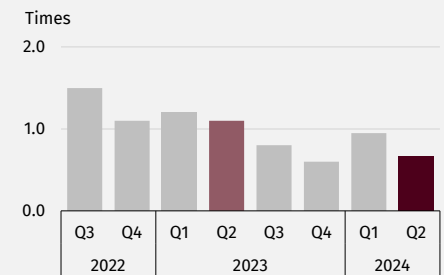
### INTEREST-BEARING NET LIABILITIES



### FREE CASH FLOW



### INTEREST-BEARING NET LIABILITIES/ADJUSTED EBITDA, LTM



# SWEDEN

**Scandic is one of Sweden's most well-known brands. The company has a market-leading position, operating 86 hotels and more than 18,000 hotel rooms in the country.**

## APRIL – JUNE

Net sales rose by 0.2 percent to 1,755 million SEK (1,751). Net sales for comparable units grew by 1.0 percent. Calendar effects due to the early Easter holiday had a positive impact on net sales for comparable units compared with the previous year. Growth was impacted positively by large events including the Taylor Swift concerts in Stockholm and the Eurovision Song Contest in Malmö. At the same time, development was negatively impacted by a weak event calendar in Gothenburg as well as increased capacity in the market.

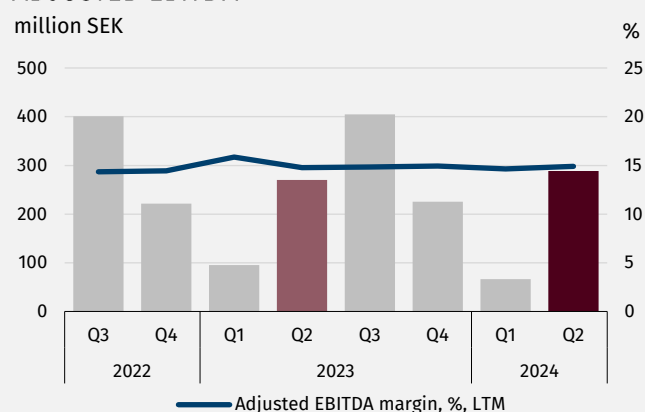
Changes in the hotel portfolio contributed -13 million SEK net. Scandic Foresta and Scandic Skogshöjd, which were exited at the end of 2023, had the greatest negative impact. Scandic Go Upplandsgatan, which opened in September 2023, had the greatest positive impact.

Average revenue per available room (RevPAR) was 843 SEK, 2.5 percent higher than during the corresponding quarter in 2023. Adjusted EBITDA was 288 million SEK (270). Rental costs rose by 20 million SEK to 522 million SEK.

## JANUARY – JUNE

Net sales declined by 1.9 percent to 3,080 million SEK (3,139). Development was impacted negatively by a weak event calendar in Gothenburg as well as increased capacity in the market. For comparable units, net sales decreased by -0.8 percent.

## ADJUSTED EBITDA



Changes in the hotel portfolio contributed -32 million SEK net. Scandic Foresta and Scandic Skogshöjd, which were exited at the end of 2023, had the greatest negative impact. Scandic Go Upplandsgatan, which opened in September 2023, had the greatest positive impact. Average Revenue Per Available Room (RevPAR) increased by 0.7 percent to 725 SEK compared with the previous year. Adjusted EBITDA was 355 million SEK (365). Rental costs increased by 15 million SEK to 937 million SEK as a result of greater turnover and consequently, higher variable rents.

	Apr-Jun 2024	Apr-Jun 2023	Δ%	Jan-Jun 2024	Jan-Jun 2023	Δ%
<b>Net sales (million SEK)</b>	<b>1 755</b>	<b>1 751</b>	<b>0,2%</b>	<b>3 080</b>	<b>3 139</b>	<b>-1,9%</b>
Organic growth	4		0,2%	-59		-1,9%
New hotels	19		1,1%	23		0,7%
Exits	-32		-1,8%	-55		-1,8%
LFL	18		1,0%	-26		-0,8%
<b>Adjusted EBITDA</b>	<b>288</b>	<b>270</b>		<b>355</b>	<b>365</b>	
margin, %	16,4%	15,4%		11,5%	11,6%	
<b>RevPAR (SEK)</b>	<b>843</b>	<b>823</b>	<b>2,5%</b>	<b>725</b>	<b>720</b>	<b>0,7%</b>
New hotels/exits	5		0,6%	4		0,6%
LFL	16		1,9%	1		0,1%
ARR (SEK)	1 313	1 277	2,8%	1 232	1 205	2,3%
OCC %	64,2%	64,4%		58,8%	59,7%	

# NORWAY

**With a nationwide network of 81 hotels offering more than 16,000 rooms, Scandic is Norway's second largest hotel company.**

## APRIL – JUNE

Net sales rose by 5.7 percent to 1,636 million SEK (1,548). Changes in the hotel portfolio contributed -35 million SEK net. Calendar effects due to the early Easter holiday had a positive impact on net sales for comparable units compared with the previous year.

Average revenue per available room (RevPAR) was 860 SEK, 10.4 percent higher than during the corresponding quarter in 2023.

Adjusted EBITDA was 288 million SEK (285). Rental costs rose by 25 million SEK to 444 million SEK. Approximately 7 million SEK of adjusted EBITDA (20) is estimated to be attributable to operations related to housing for refugees that was not used. These operations ceased at the end of June.

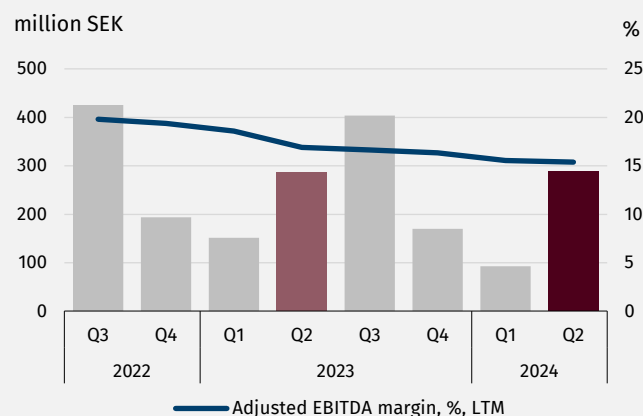
## JANUARY – JUNE

Net sales rose by 0.8 percent to 2,884 million SEK (2,860). Net sales for comparable units grew by 4.3 percent.

Changes in the hotel portfolio contributed -67 million SEK net.

Average Revenue Per Available Room (RevPAR) increased by 4.7 percent to 742 SEK compared with the previous year.

## ADJUSTED EBITDA



Adjusted EBITDA was 380 million SEK (437). Approximately 14 million SEK of adjusted EBITDA (38) is estimated to be attributable to operations related to housing for refugees that was not used. Rental costs increased by 8 million SEK to 790 million SEK as a result of greater turnover and consequently, higher variable rents.

	Apr-Jun 2024	Apr-Jun 2023	Δ%	Jan-Jun 2024	Jan-Jun 2023	Δ%
<b>Net sales (million SEK)</b>	<b>1 636</b>	<b>1 548</b>	<b>5,7%</b>	<b>2 884</b>	<b>2 860</b>	<b>0,8%</b>
Currency effects	9		0,6%	-33		-1,1%
Organic growth	79		5,1%	56		2,0%
New hotels	-		-	-		-
Exits	-35		-2,3%	-67		-2,3%
LFL	114		7,4%	123		4,3%
<b>Adjusted EBITDA</b>	<b>288</b>	<b>285</b>		<b>380</b>	<b>437</b>	
margin, %	17,6%	18,4%		13,2%	15,3%	
<b>RevPAR (SEK)</b>	<b>860</b>	<b>779</b>	<b>10,4%</b>	<b>742</b>	<b>708</b>	<b>4,7%</b>
Currency effects	4		0,5%	-8		-1,2%
New hotels/exits	0		0,0%	0		0,0%
LFL	77		9,9%	42		5,9%
ARR (SEK)	1 350	1 283	5,2%	1 285	1 244	3,3%
OCC %	63,7%	60,7%		57,7%	57,0%	

# FINLAND

**Scandic is the largest hotel chain in Finland with 61 hotels in operation and close to 13,000 rooms. Scandic also operates hotels under the Hilton, Crowne Plaza and Holiday Inn brands.**

## APRIL – JUNE

Net sales declined by 1.4 percent to 1,246 million SEK (1,264). For comparable units, net sales decreased by 1.9 percent, primarily due to a strike in early April and exceptionally high demand last year driven by the Hockey World Championship in May.

Average revenue per available room (RevPAR) was 757 SEK, 1.1 percent higher than during the corresponding quarter in 2023.

Adjusted EBITDA was 162 million SEK (145). Rental costs fell by 6 million SEK to 391 million SEK.

## JANUARY – JUNE

Net sales declined by 0.4 percent to 2,308 million SEK (2,318). For comparable units, net sales fell by 1.0 percent.

Average Revenue Per Available Room (RevPAR) increased by 0.7 percent to 680 SEK compared with the previous year.

Adjusted EBITDA improved, totaling 178 million SEK (165).

## ADJUSTED EBITDA



Rental costs increased by 8 million SEK to 766 million SEK as a result of greater turnover and consequently, higher variable rents and lower rent concessions.

	Apr-Jun 2024	Apr-Jun 2023	Δ%	Jan-Jun 2024	Jan-Jun 2023	Δ%
<b>Net sales (million SEK)</b>	<b>1 246</b>	<b>1 264</b>	<b>-1,4%</b>	<b>2 308</b>	<b>2 318</b>	<b>-0,4%</b>
Currency effects	6		0,5%	14		0,6%
Organic growth	-24		-1,9%	-23		-1,0%
New hotels	-		-	-		-
Exits	-0		-0,0%	0		0,0%
LFL	-24		-1,9%	-23		-1,0%
<b>Adjusted EBITDA</b>	<b>162</b>	<b>145</b>		<b>178</b>	<b>165</b>	
margin, %	13,0%	11,5%		7,7%	7,1%	
<b>RevPAR (SEK)</b>	<b>757</b>	<b>749</b>	<b>1,1%</b>	<b>680</b>	<b>675</b>	<b>0,7%</b>
Currency effects	4		0,5%	4		0,6%
New hotels/exits	-		-	-0		-0,0%
LFL	4		0,6%	0		0,1%
ARR (SEK)	1 300	1 297	0,3%	1 271	1 242	2,3%
OCC %	58,2%	57,8%		53,5%	54,3%	

# OTHER EUROPE

**The Other Europe segment includes Scandic's hotel operations in Denmark, Germany and Poland. In Denmark, Scandic has a market-leading position with 27 hotels and more than 5,500 hotel rooms. Outside of the Nordic region, the company operates nine hotels with more than 2,700 hotel rooms.**

## APRIL – JUNE

Net sales rose by 9.2 percent to 1,234 MSEK (1,130). Net sales for comparable units grew by 8.8 percent.

Changes in the hotel portfolio contributed -1 million SEK net. Scandic Nürnberg, which opened at the beginning of 2024, had the greatest positive impact. The hotel had a great start and is contributing positively to profits. Scandic Ermitage and Scandic Vejle, which were exited earlier in 2024, had the greatest negative impact.

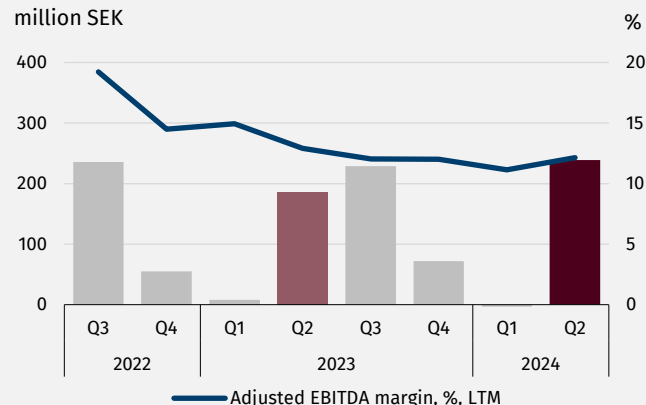
Average revenue per available room (RevPAR) was 1,120 SEK, 7.0 percent higher than during the corresponding quarter in 2023. Adjusted EBITDA was 239 million SEK (186). Compensation of 23 million SEK was received in connection with exiting hotels. Rental costs rose by 39 million SEK to 329 million SEK.

## JANUARY – JUNE

Net sales rose by 6.2 percent to 2,018 million SEK (1,901). Net sales for comparable units grew by 4.4 percent. Changes in the hotel portfolio contributed 21 million SEK net. Scandic Nürnberg, which opened during the first quarter 2024, had the greatest positive impact. Scandic Ermitage, which was exited during the first quarter 2024, had the greatest negative impact. Average Revenue Per Available Room (RevPAR) increased by 3.5 percent to 894 SEK compared

## ADJUSTED EBITDA

million SEK



with the previous year. Adjusted EBITDA improved, totaling 212 million SEK (193). During the period, compensation of 23 million SEK was received in connection with the exit of Scandic The Reef. In the comparative period, compensation of 23 million SEK was received in connection with opening hotels. Rental costs increased by 70 million SEK to 593 million SEK as a result of new hotels, higher turnover and consequently, higher variable rents and lower rent concessions.

	Apr-Jun 2024	Apr-Jun 2023	Δ%	Jan-Jun 2024	Jan-Jun 2023	Δ%
<b>Net sales (million SEK)</b>	<b>1 234</b>	<b>1 130</b>	<b>9,2%</b>	<b>2 018</b>	<b>1 901</b>	<b>6,2%</b>
Currency effects	6		0,5%	13		0,7%
Organic growth	98		8,7%	104		5,5%
New hotels	40		3,6%	80		4,2%
Exits	-41		-3,7%	-59		-3,1%
LFL	99		8,8%	83		4,4%
<b>Adjusted EBITDA</b>	<b>239</b>	<b>186</b>		<b>212</b>	<b>193</b>	
margin, %	19,3%	16,4%		10,5%	10,2%	
<b>RevPAR (SEK)</b>	<b>1 120</b>	<b>1 046</b>	<b>7,0%</b>	<b>894</b>	<b>864</b>	<b>3,5%</b>
Currency effects	7		0,7%	-		0,6%
New hotels/exits	1		0,1%	8		-1,2%
LFL	65		6,2%	367		4,1%
ARR (SEK)	1 535	1 458	5,3%	1 407	1 353	4,0%
OCC %	73,0%	71,8%		63,5%	63,9%	



# OTHER INFORMATION

## EVENTS DURING THE PERIOD

Convertible bonds totaling 215.0 million SEK were converted early, resulting in an increase of 4,958,244 shares.

## EVENTS AFTER THE REPORTING DATE

On July 4, Scandic signed an agreement for a new 176-room Scandic Go in Gothenburg and a new 100-room Scandic Go in Umeå. On July 1, Scandic signed an agreement for sustainability-linked long-term financing. The refinancing will provide Scandic with robust and flexible financing tailored to the company's growth strategy and strong financial position. Convertible bonds totaling 315.1 million SEK were converted early, resulting in an increase of 7,266,712 shares.

## OUTLOOK

For the third quarter, Scandic anticipates occupancy rates aligned with the corresponding period last year at somewhat higher average room rates.

## THE SHARE

The number of shareholders totaled 55,003 on June 30, 2024. The total number of shares was 196,262,360 and the closing price on June 28, 2024 was 64.00 SEK.

## SHAREHOLDERS AS AT JUNE 30, 2024

	Number of Shareholding, shares	Votes, %	Votes, %
Stena Sessan	29,016,865	14.78	14.78
AMF Pension & Fonder	28,113,714	14.32	14.32
Eiendomsspar	26,672,018	13.59	13.59
Handelsbanken Fonder	8,861,235	4.51	4.51
Norges Bank	5,304,360	2.76	2.76
Svolder	5,389,428	2.75	2.75
Periscopus AS	5,138,955	2.62	2.62
Vanguard	4,990,907	2.60	2.60
Dimensional Fund Advisors	3,640,418	1.89	1.89
Handelsbanken Liv Försäkring AB	3,149,679	1.60	1.60
Total 10 largest shareholders	120,277,579	61.4	61.4
Other	75,984,781	38.6	38.6
<b>Total</b>	<b>196,262,360</b>	<b>100</b>	<b>100</b>

## PARENT COMPANY

The operations of the Parent Company, Scandic Hotels Group AB, include management services for the rest of the Group. Revenue was 20 million SEK (17) for the quarter and 45 million SEK (32) for the half year. The operating profit amounted to 0 million SEK (0) for the quarter and 0 million SEK (0) for the half year.

Net financial items totaled -15 million SEK (-16) for the quarter and -26 million SEK (-30) for the half year. The loss before tax amounted to -15 million SEK (-16) for the quarter and -26 million SEK (-30) for the half year.

## PRESS RELEASES, 2024 (SELECTION)

July 4, 2024 Scandic Go expanding in Gothenburg and Umeå  
July 1, 2024 Sustainability-linked long-term financing secured  
March 12, 2024 Scandic Go to open in Oulu in 2025  
February 29, 2024 Scandic opens first hotel in Nuremberg  
January 17, 2024 Pär Christiansen appointed new CFO

## PRESENTATION OF THE REPORT

A live streamed presentation of Scandic's Interim Report Q1 will take place on July 17, 2024 at 9:00 CEST. Scandic's President & CEO Jens Mathiesen will present the report together with CFO Pär Christiansen in a live stream and phone conference. The interim report, presentation and live stream will be available at [scandichotelsgroup.com](https://scandichotelsgroup.com). Please register and call in a few minutes before the start.

## FINANCIAL CALENDAR

<b>2024-10-30</b>	Interim Report Q3 2024
<b>2025-02-19</b>	Year-End Report 2025

## CONTACT INFORMATION

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This information is information that Scandic Hotels Group AB is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication through the agency of the contact person set out above on July 17, 2024 at 07:30 CEST.

# SUSTAINABILITY

## BACKGROUND

Scandic has a long history of spearheading sustainability initiatives in the hospitality industry and began reporting sustainability data as early as 1996. As the largest hotel company in the Nordics, Scandic has the power to drive transformation and inspire change on a large scale for a better, more sustainable tomorrow.

## VISION

Sustainability is the basis of Scandic's business. The company has a strategic, long-term perspective for driving development in the industry to contribute to a more sustainable planet. Scandic's vision is to deliver world-class Nordic hotel experiences at hotels that are the most sustainable places to meet, eat and sleep away from home.

## SCANDIC'S SUSTAINABILITY STRATEGY

The strategy for sustainable business has three focus areas:

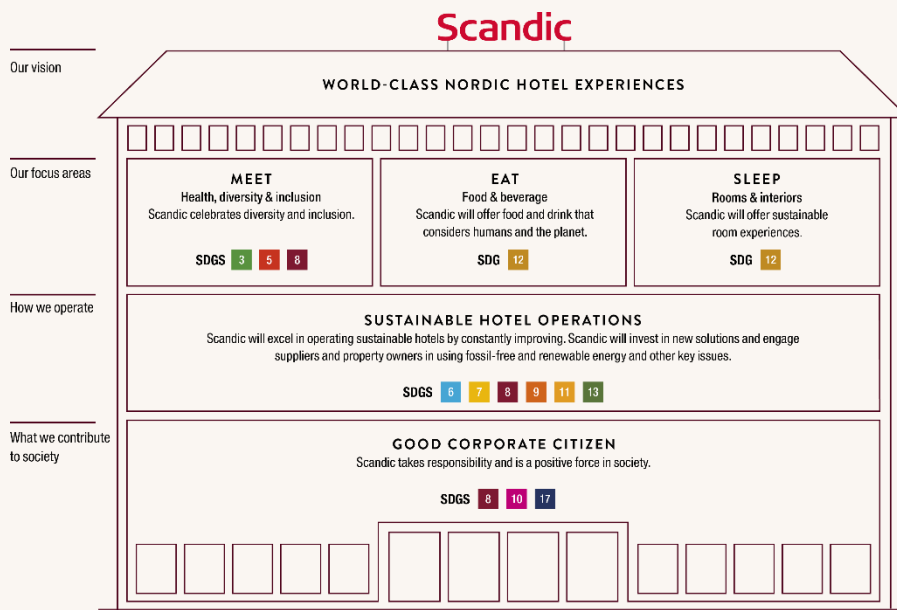
- MEET – Health, diversity and inclusion
- EAT – Food & beverage
- SLEEP – Rooms and interiors

A prerequisite for achieving the goals within each focus area is constantly improving the way Scandic operates hotels (Sustainable Hotel Operations) and being a responsible partner in society.

## HIGHLIGHTS DURING THE YEAR

- **Scandic launches sustainability-linked long-term financing:** The refinancing of the company's credit facilities is sustainability-linked, which means that it is connected to Scandic's overall sustainability strategy and specific objectives.
- **99% of hotels now certified by Nordic Swan Ecolabel:** Since the beginning of 2024, another seven hotels have been certified according to the Nordic Swan Ecolabel's environmental criteria.
- **Scandic Denmark named Denmark's best workplace within Diversity & Inclusion:** An important area for Scandic is diversity and inclusion, and receiving this designation from the organization "Great Place to Work" is an important milestone in the company's efforts to create an even better workplace.
- **Scandic's toiletries have been evaluated and environmentally certified:** The Swedish Society for Nature Conservation (*Naturskyddsföreningen*) evaluated Scandic's toiletry items to ensure that they are friendly to the environment and health, and all products are now ecolabeled according to the Good Environmental Choice (*Bra Miljöval*) standard.

Read more about Scandic's sustainability initiatives [here](#)



# FINANCIAL REPORTS

## CONSOLIDATED INCOME STATEMENT

million SEK	Note	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Jan-Dec 2023	Jul-Jun 23/24
<b>Net sales</b>		<b>5 871</b>	<b>5 693</b>	<b>10 290</b>	<b>10 218</b>	<b>21 935</b>	<b>22 007</b>
Other revenue		-	-	-	-	20	20
<b>TOTAL OPERATING INCOME</b>	<b>2, 3</b>	<b>5 871</b>	<b>5 693</b>	<b>10 290</b>	<b>10 218</b>	<b>21 955</b>	<b>22 027</b>
Raw materials and consumables		-415	-426	-764	-788	-1 698	-1 674
Other external expenses		-1 136	-1 120	-2 166	-2 161	-4 538	-4 543
Employee benefits expenses	4	-1 795	-1 770	-3 410	-3 352	-6 882	-6 940
Rental costs	5	-612	-598	-955	-986	-2 209	-2 178
Pre-opening costs		-11	-2	-13	-16	-17	-14
Items affecting comparability		-	-	-	-3	-14	-12
Depreciation, amortization and impairment		-975	-943	-1 930	-1 881	-3 812	-3 862
<b>TOTAL OPERATING COSTS</b>		<b>-4 944</b>	<b>-4 860</b>	<b>-9 237</b>	<b>-9 187</b>	<b>-19 170</b>	<b>-19 220</b>
<b>Operating profit/loss</b>		<b>927</b>	<b>833</b>	<b>1 053</b>	<b>1 032</b>	<b>2 785</b>	<b>2 806</b>
Net financial items	6	-519	-503	-1 023	-1 025	-2 064	-2 061
<b>Profit/loss before taxes</b>		<b>408</b>	<b>329</b>	<b>30</b>	<b>7</b>	<b>721</b>	<b>745</b>
Taxes		-98	-59	-47	-38	-152	-161
<b>Net profit/loss for the period</b>		<b>310</b>	<b>271</b>	<b>-17</b>	<b>-31</b>	<b>569</b>	<b>583</b>
Profit/loss for period relating to:							
Parent Company shareholders		304	262	-27	-49	532	555
Non-controlling interest		6	8	10	18	37	29
<b>Net profit/loss for the period</b>		<b>310</b>	<b>271</b>	<b>-17</b>	<b>-31</b>	<b>569</b>	<b>583</b>
Average number of outstanding shares before dilution		192 169 559	191 304 116	191 736 838	191 304 116	191 304 116	191 519 295
Average number of outstanding shares after dilution		219 157 936	232 768 903	191 736 838	191 304 116	231 016 258	224 252 751
<b>Earnings per share before dilution, SEK</b>		<b>1,71</b>	<b>1,54</b>	<b>-0,14</b>	<b>-0,26</b>	<b>3,46</b>	<b>3,48</b>
<b>Earnings per share after dilution, SEK</b>		<b>1,50</b>	<b>1,27</b>	<b>-0,14</b>	<b>-0,26</b>	<b>2,86</b>	<b>2,98</b>

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

million SEK	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Jan-Dec 2023	Jul-Jun 23/24
Net profit/loss for the period	310	271	-17	-31	569	583
Items that may be reclassified to the income statement	30	46	-1	-255	-495	-240
Items that may not be reclassified to the income statement	6	10	24	60	-89	-125
<b>Other comprehensive income</b>	<b>36</b>	<b>55</b>	<b>23</b>	<b>-196</b>	<b>-584</b>	<b>-365</b>
<b>Total comprehensive income for period</b>	<b>346</b>	<b>326</b>	<b>6</b>	<b>-227</b>	<b>-15</b>	<b>217</b>
Relating to:						
Parent Company shareholders	340	318	-4	-245	-53	188
Non-controlling interest	6	8	10	18	37	29

## CONSOLIDATED BALANCE SHEET, SUMMARY

million SEK	Note	30 Jun 2024	30 Jun 2023	31 Dec 2023
<b>Assets</b>				
Intangible assets		7 043	7 276	7 010
Buildings and land		74	77	75
Right-of-use assets		40 565	41 138	39 389
Equipment, fixtures and fittings		4 118	4 154	3 958
Financial assets		790	796	713
<b>Total non-current assets</b>	<b>7</b>	<b>52 590</b>	<b>53 442</b>	<b>51 145</b>
Current assets	<b>10</b>	2 859	2 574	1 467
Derivative instruments		-	107	-
Cash and cash equivalents	<b>9</b>	964	560	1 344
<b>Total current assets</b>		<b>3 823</b>	<b>3 242</b>	<b>2 811</b>
<b>Total assets</b>		<b>56 414</b>	<b>56 683</b>	<b>53 956</b>
<b>Equity and liabilities</b>				
Equity attributable to Parent Company shareholders		2 267	1 913	2 059
Non-controlling interest		117	91	107
<b>Total equity</b>		<b>2 384</b>	<b>2 003</b>	<b>2 166</b>
Liabilities to credit institutions	<b>9</b>	985	974	980
Convertible loan	<b>8</b>	-	1 566	-
Lease liabilities		42 415	42 599	41 041
Other long-term liabilities	<b>9</b>	1 182	1 208	1 106
<b>Total non-current liabilities</b>		<b>44 581</b>	<b>46 347</b>	<b>43 127</b>
Convertible loan		962	-	1 109
Current liabilities for leases		2 587	2 522	2 444
Derivative instruments		40	-	7
Other current liabilities	<b>10</b>	5 859	5 811	5 103
<b>Total current liabilities</b>		<b>9 448</b>	<b>8 333</b>	<b>8 663</b>
<b>Total equity and liabilities</b>		<b>56 414</b>	<b>56 683</b>	<b>53 956</b>
Equity per share, SEK		11,5	10,0	10,8
Total number of shares outstanding, end of period		196 262 360	191 304 116	191 304 116

## CHANGES IN GROUP EQUITY

million SEK	Share capital	Other contributed capital	Translation reserve	Retained earnings	Equity attributable to		Total equity
					Parent Company shareholders	Non-controlling interest	
<b>OPENING BALANCE 2023-01-01</b>	<b>48</b>	<b>9 892</b>	<b>656</b>	<b>-8 399</b>	<b>2 197</b>	<b>77</b>	<b>2 274</b>
Net profit/loss for the period	-	-	-	-49	-49	18	-31
Total other comprehensive income, net after tax	-	-	-255	60	-196	-	-196
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-255</b>	<b>10</b>	<b>-245</b>	<b>18</b>	<b>-227</b>
Other adjustments	-	-	-23	-	-23	-	-23
Total transactions with shareholders	-	-	-	-21	-21	-	-21
<b>CLOSING BALANCE 2023-06-30</b>	<b>48</b>	<b>9 892</b>	<b>377</b>	<b>-8 410</b>	<b>1 908</b>	<b>95</b>	<b>2 003</b>
Net profit/loss for the period	-	-	-	581	581	19	600
Total other comprehensive income, net after tax	-	-	-233	-149	-381	-7	-388
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-233</b>	<b>433</b>	<b>200</b>	<b>12</b>	<b>212</b>
Other adjustments	-	-	14	-	14	0	14
Total transactions with shareholders	-	-	-	-63	-63	-	-63
<b>CLOSING BALANCE 2023-12-31</b>	<b>48</b>	<b>9 892</b>	<b>160</b>	<b>-8 041</b>	<b>2 059</b>	<b>107</b>	<b>2 166</b>
<b>OPENING BALANCE 2024-01-01</b>	<b>48</b>	<b>9 892</b>	<b>160</b>	<b>-8 041</b>	<b>2 059</b>	<b>107</b>	<b>2 166</b>
Net profit/loss for the period	-	-	-	-27	-27	10	-17
Total other comprehensive income, net after tax	-	-	-1	24	23	0	23
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>-1</b>	<b>-3</b>	<b>-4</b>	<b>10</b>	<b>6</b>
Other adjustments	-	-	-0	-	-0	-	-0
Total transactions with shareholders	1	206	-	5	213	-	213
<b>CLOSING BALANCE 2024-06-30</b>	<b>49</b>	<b>10 098</b>	<b>159</b>	<b>-8 039</b>	<b>2 267</b>	<b>117</b>	<b>2 384</b>

\*Total transactions with shareholders mainly refers to repurchase or converting of convertible bonds

## CONSOLIDATED CASH FLOW STATEMENT

million SEK	Note	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Jan-Dec 2023	Jul-Jun 23/24
<b>OPERATING ACTIVITIES</b>							
Operating profit/loss		927	833	1 053	1 032	2 785	2 806
Depreciation, amortization and impairment losses		975	943	1 930	1 881	3 812	3 862
Adjustments for non-cash items		24	40	46	55	98	89
Paid tax		-51	-29	-105	-79	-109	-135
Change in working capital		-29	23	-464	-347	-192	-309
<b>Cash flow from operating activities</b>		<b>1 846</b>	<b>1 810</b>	<b>2 461</b>	<b>2 541</b>	<b>6 394</b>	<b>6 314</b>
<b>INVESTING ACTIVITIES</b>							
Paid net investments		-281	-119	-544	-210	-521	-855
<b>Cash flow from investing activities</b>		<b>-281</b>	<b>-119</b>	<b>-544</b>	<b>-210</b>	<b>-521</b>	<b>-855</b>
<b>FINANCING ACTIVITIES</b>	<b>6</b>						
Interest paid/received		-30	-23	-64	-37	-57	-84
Paid interest, leases		-441	-431	-883	-862	-1 734	-1 755
Repurchase convertible bond		-	-	-	-	-630	-630
Net borrowing/amortization		-39	-340	-83	34	-51	-168
Amortization, leases		-631	-575	-1 240	-1 127	-2 328	-2 441
Dividend, share swap agreement		-7	-7	-7	-7	-7	-7
Financing costs		-	-1	-	-34	-34	-
<b>Cash flow from financing activities</b>		<b>-1 148</b>	<b>-1 377</b>	<b>-2 277</b>	<b>-2 033</b>	<b>-4 841</b>	<b>-5 086</b>
<b>CASH FLOW FOR THE PERIOD</b>		<b>417</b>	<b>314</b>	<b>-360</b>	<b>298</b>	<b>1 032</b>	<b>373</b>
Cash and cash equivalents at the beginning of the period		534	285	1 344	317	317	560
Translation difference in cash and cash equivalents		13	-38	-20	-54	-4	29
Cash and cash equivalents at the end of the period		964	560	964	560	1 344	964

## PARENT COMPANY INCOME STATEMENT, SUMMARY

million SEK	Note	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Jan-Dec 2023	Jul-Jun 23/24
Net sales		20	17	45	32	75	88
Expenses		-20	-17	-45	-31	-75	-88
<b>Operating profit/loss</b>		<b>-0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-0</b>
Financial income		36	31	71	57	124	138
Financial expenses		-50	-47	-97	-87	-208	-217
<b>Net financial items</b>		<b>-15</b>	<b>-16</b>	<b>-26</b>	<b>-30</b>	<b>-84</b>	<b>-79</b>
Appropriations		-	-	-	-	7	7
<b>Profit/loss before taxes</b>		<b>-15</b>	<b>-16</b>	<b>-26</b>	<b>-30</b>	<b>-77</b>	<b>-72</b>
Taxes		0	2	-1	2	-	-2
<b>Net profit/loss for the period</b>		<b>-15</b>	<b>-14</b>	<b>-26</b>	<b>-28</b>	<b>-77</b>	<b>-75</b>

## PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

million SEK	Note	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Jan-Dec 2023	Jul-Jun 23/24
<b>Net profit/loss for the period</b>		<b>-15</b>	<b>-14</b>	<b>-26</b>	<b>-28</b>	<b>-77</b>	<b>-75</b>
Items that may be reclassified to the income statement		-	-	-	-	-	-
Items that may not be reclassified to the income statement		-	-	-	-	-	-
Other comprehensive income		-	-	-	-	-	-
<b>Total comprehensive income for period</b>		<b>-15</b>	<b>-14</b>	<b>-26</b>	<b>-28</b>	<b>-77</b>	<b>-75</b>

## PARENT COMPANY BALANCE SHEET, SUMMARY

million SEK	Note	30 Jun 2024	30 Jun 2023	31 Dec 2023
<b>Assets</b>				
Investments in subsidiaries		8 415	8 415	8 415
Group company receivables		1 700	1 555	1 623
Other receivables		12	10	11
<b>Total non-current assets</b>		<b>10 127</b>	<b>9 980</b>	<b>10 049</b>
Group company receivables		7	8	19
Current receivables		7	16	0
Cash and cash equivalents		0	0	0
<b>Total current assets</b>		<b>14</b>	<b>24</b>	<b>19</b>
<b>Total assets</b>		<b>10 141</b>	<b>10 004</b>	<b>10 068</b>
<b>Equity and liabilities</b>				
<b>Equity</b>		<b>8 265</b>	<b>8 191</b>	<b>8 079</b>
Convertible loan		-	1 566	-
Liabilities to Group companies		663	-0	636
Other liabilities		56	26	18
<b>Total non-current liabilities</b>		<b>720</b>	<b>1 592</b>	<b>654</b>
Convertible loan		962	-	1 109
Liabilities to Group companies		90	34	43
Other liabilities		67	164	140
Accrued expenses and prepaid income		38	24	43
<b>Total current liabilities</b>		<b>1 156</b>	<b>222</b>	<b>1 335</b>
<b>Total equity and liabilities</b>		<b>10 141</b>	<b>10 004</b>	<b>10 068</b>

## CHANGES IN PARENT COMPANY'S EQUITY

million SEK	Share capital	Share premium reserve	Retained earnings	Total equity
<b>OPENING BALANCE 2023-01-01</b>	<b>48</b>	<b>3 561</b>	<b>4 630</b>	<b>8 239</b>
Net profit/loss for the period	-	-	-28	-28
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	-28	-28
Total transactions with shareholders	-	-21	-	-21
<b>CLOSING BALANCE 2023-06-30</b>	<b>48</b>	<b>3 540</b>	<b>4 602</b>	<b>8 191</b>
Net profit/loss for the period	-	-	-49	-49
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	-49	-49
Total transactions with shareholders*	-	21	-85	-64
<b>CLOSING BALANCE 2023-12-31</b>	<b>48</b>	<b>3 561</b>	<b>4 468</b>	<b>8 079</b>
<b>OPENING BALANCE 2024-01-01</b>	<b>48</b>	<b>3 561</b>	<b>4 468</b>	<b>8 079</b>
Net profit/loss for the period	-	-	-26	-26
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	-26	-26
Total transactions with shareholders*	1	206	5	213
<b>CLOSING BALANCE 2024-06-30</b>	<b>49</b>	<b>3 767</b>	<b>4 447</b>	<b>8 265</b>

\*Total transactions with shareholders mainly refers to repurchase or converting of convertible bonds



# NOTES

## NOTE 01. Accounting principles

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The Group applies International Financial Reporting Standards, IFRS, as endorsed by the EU. This interim report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Annual Accounts Act.

The accounting principles and methods of calculation applied in this report are the same as those used in the preparation of the Annual Report and consolidated financial statements for 2023 and are outlined in Note 1, Accounting principles.

The Parent Company applies the Annual Accounts Act and RFR 2, Accounting for legal entities. This means that IFRS is applied with certain exceptions and additions.

This interim report gives a true and fair view of the Parent Company and Group's operations, financial position and results of operations and also describes the significant risks and uncertainties to which the Parent Company and Group companies are exposed. All amounts are expressed in million SEK unless otherwise stated. Rounding differences may occur.

The information about the interim period on pages 1 to 39 is an integral part of these financial statements.

### SIGNIFICANT RISKS & UNCERTAINTY FACTORS

Scandic operates in a sector where demand for hotel nights and conferences is influenced by the underlying domestic development and purchasing power in the geographic markets in which Scandic does business as well as development in countries from which there is a significant amount of travel to Scandic's domestic markets. Additionally, profitability in the sector is impacted by changes in room capacity. Increased capacity can initially lower occupancy in the short term, but in the long term, it can help stimulate interest in business and leisure destinations, which in turn can increase the number of hotel nights.

Scandic's business model is based on lease agreements where approximately 90 percent of its hotels (based on number of rooms) have variable revenue-based rents. This results in a lower profit risk since revenue losses are partly offset by lower rental costs. Scandic's other costs also include a high share of variable costs where above all, staffing flexibility is important to be able to adapt cost levels to variations in demand. All together, this means that

by having a flexible cost structure, Scandic can lessen the effects of seasonal and economic fluctuations.

On June 30, 2024, Scandic's goodwill and intangible assets amounted to 7,043 million SEK.

This figure relates mainly to operations in Sweden, Norway and Finland. A significant downturn in the hotel markets in these countries would affect expected cash flow negatively, and consequently, the value of goodwill and other intangible assets.

### SENSITIVITY ANALYSIS

Scandic has a cost structure consisting of variable costs, which are affected by changes in volumes, and costs that are fixed in the short term, which are independent of changes in volume. Costs that are affected by changes in volume largely include sales commissions and other external distribution costs, the cost of goods sold, sales-based rental charges, property-related costs (energy, water, etc.), payroll expenses for hotel employees without guaranteed working hours and the cost of certain services, such as laundry. Costs that are not affected by changes in volume largely consist of payroll expenses for hotel employees with guaranteed working hours, fixed and guaranteed rental costs and costs related to country and Group-wide functions such as sales, marketing, IT and other administrative services.

The operations of Scandic's subsidiaries are mainly local with revenues and expenses in domestic currencies and the Group's internal sales are low. This means that currency exposure due to transactions is limited to the operating profit/loss. Exchange rate effects in the Group arise from the translation of foreign subsidiaries' financial statements into SEK.



## CALCULATION OF FAIR VALUE

The fair value of financial instruments is determined by their classification in the hierarchy of actual value. The different levels are defined as follows:

Level 1: Quoted prices for identical assets or liabilities in active markets.

Level 2: Observable data other than quoted prices for assets or liabilities included in Level 1, either directly or indirectly.

Level 3: Data for assets or liabilities not based on observable market data.

The Group's derivative instruments and loans from credit institutions are classified as Level 2. Liabilities to credit institutions are recognized at fair value.

## SEGMENT DISCLOSURES

Segments are reported in accordance with IFRS 8 Operating segments. Segment information is reported in the same way as it is analyzed and studied internally by executive decision-makers, mainly the CEO, the Executive Committee and the Board of Directors.

Scandic's main markets in which the Group operates are:

Sweden – Swedish hotels operated under the Scandic brand.

Norway – Norwegian hotels operated under the Scandic brand.

Finland – Finnish hotels operated under the Scandic brand as well as hotels operated under the Hilton, Crowne Plaza and Holiday Inn brands.

Other Europe – hotels operated under the Scandic brand in Denmark, Poland and Germany.

Central functions – Costs for finance, business development, IR, communication, technical development, human resources, branding, marketing, sales, IT and purchasing. These functions support all hotels in the Group including those under lease agreements or under management and franchise agreements.

The division of revenues between segments is based on the location of the business activities and segment disclosures are determined after eliminating intra-Group transactions. Revenues derive from many customers in all segments. The segments are reviewed and analyzed based on adjusted EBITDA.

## NOTE 02. Net sales by type of revenue, country and type of agreement

### NET SALES BY TYPE OF REVENUE

million SEK	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Jan-Dec 2023	Jul-Jun 23/24
Room revenue	4 138	3 980	7 065	6 938	15 002	15 129
Restaurant and conference revenue	1 567	1 559	2 937	2 996	6 328	6 268
Franchise and management fees	7	5	14	11	30	33
Other hotel-related revenue	160	148	274	273	575	577
<b>Total</b>	<b>5 871</b>	<b>5 693</b>	<b>10 290</b>	<b>10 218</b>	<b>21 935</b>	<b>22 007</b>

\*) Revenue from bars, restaurants, breakfasts and conferences including rental of premises.

### NET SALES BY COUNTRY

million SEK	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Jan-Dec 2023	Jul-Jun 23/24
Sweden	1 755	1 751	3 080	3 139	6 644	6 585
Norway	1 636	1 548	2 884	2 860	6 180	6 204
Finland	1 246	1 264	2 308	2 318	4 998	4 988
Denmark	849	795	1 372	1 355	2 940	2 956
Germany	356	309	602	504	1 076	1 174
Poland	29	26	45	42	97	100
<b>Total countries</b>	<b>5 871</b>	<b>5 693</b>	<b>10 290</b>	<b>10 218</b>	<b>21 935</b>	<b>22 007</b>
Other	20	17	45	32	75	88
Group adjustments	-20	-17	-45	-32	-75	-88
<b>Group</b>	<b>5 871</b>	<b>5 693</b>	<b>10 290</b>	<b>10 218</b>	<b>21 935</b>	<b>22 007</b>

## NET SALES BY TYPE OF AGREEMENT

million SEK	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Jan-Dec 2023	Jul-Jun 23/24
Lease agreements	5 845	5 658	10 237	10 145	21 782	21 874
Management agreements	1	2	2	3	8	6
Franchise and partner agreements	6	5	12	11	22	23
Owned	19	27	40	59	123	104
<b>Total</b>	<b>5 871</b>	<b>5 693</b>	<b>10 290</b>	<b>10 218</b>	<b>21 935</b>	<b>22 007</b>
Other	20	17	45	32	75	88
Group adjustments	-20	-17	-45	-32	-75	-88
<b>Group</b>	<b>5 871</b>	<b>5 693</b>	<b>10 290</b>	<b>10 218</b>	<b>21 935</b>	<b>22 007</b>

## NOTE 03. Segment disclosures

Apr-Jun million SEK	Sweden		Norway		Finland		Other Europe		Central functions*		Group	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Room revenue	1 319	1 301	1 100	1 019	862	866	857	794	-	-	4 138	3 980
Restaurant and conference revenue	411	425	470	450	349	364	336	320	-	-	1 567	1 559
Franchise and management fees	2	2	4	3	-	-	-	-	-	-	7	5
Other hotel-related revenue	23	22	62	75	36	35	40	16	-	-	160	148
<b>Net sales</b>	<b>1 755</b>	<b>1 751</b>	<b>1 636</b>	<b>1 548</b>	<b>1 246</b>	<b>1 264</b>	<b>1 234</b>	<b>1 130</b>	-	-	<b>5 871</b>	<b>5 693</b>
Internal transactions	-	-	-	-	-	-	-	-	20	17	20	17
Group adjustments	-	-	-	-	-	-	-	-	-20	-17	-20	-17
<b>TOTAL OPERATING INCOME</b>	<b>1 755</b>	<b>1 751</b>	<b>1 636</b>	<b>1 548</b>	<b>1 246</b>	<b>1 264</b>	<b>1 234</b>	<b>1 130</b>	-	-	<b>5 871</b>	<b>5 693</b>
Raw materials and consumables	-105	-111	-142	-137	-96	-106	-72	-72	-0	-0	-415	-426
Other external expenses	-402	-400	-337	-299	-320	-317	-283	-269	207	164	-1 136	-1 120
Employee benefits expenses	-528	-548	-497	-464	-326	-343	-367	-360	-77	-55	-1 795	-1 770
Rental costs	-518	-499	-444	-420	-391	-397	-331	-288	1 072	1 006	-612	-598
Pre-opening costs	-7	-	-	-	-0	0	-4	-2	-	-	-11	-2
Depreciation, amortization and impairment losses	-70	-70	-48	-68	-52	-56	-32	-25	-774	-724	-975	-943
<b>TOTAL OPERATING COSTS</b>	<b>-1 630</b>	<b>-1 628</b>	<b>-1 469</b>	<b>-1 389</b>	<b>-1 185</b>	<b>-1 218</b>	<b>-1 088</b>	<b>-1 017</b>	<b>428</b>	<b>392</b>	<b>-4 944</b>	<b>-4 860</b>
<b>Operating profit/loss</b>	<b>126</b>	<b>123</b>	<b>167</b>	<b>159</b>	<b>61</b>	<b>46</b>	<b>145</b>	<b>113</b>	<b>428</b>	<b>392</b>	<b>927</b>	<b>833</b>
Net financial items	13	6	14	7	-18	-19	-5	-4	-523	-493	-519	-503
<b>Profit/loss before taxes</b>	<b>138</b>	<b>129</b>	<b>181</b>	<b>165</b>	<b>43</b>	<b>27</b>	<b>140</b>	<b>109</b>	<b>-95</b>	<b>-101</b>	<b>408</b>	<b>329</b>

\*Central functions here include all effects from group eliminations and IFRS adjustments.



Jan-Jun million SEK	Sweden		Norway		Finland		Other Europe		Central functions*		Group	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
Room revenue	2 257	2 263	1 886	1 824	1 562	1 554	1 361	1 296	-	-	7 065	6 938
Restaurant and conference revenue	776	830	894	904	668	691	599	572	-	-	2 937	2 996
Franchise and management fees	6	4	8	7	-	-	-	-	-	-	14	11
Other hotel-related revenue	42	43	96	125	78	73	58	32	-	-	274	274
<b>Net sales</b>	<b>3 080</b>	<b>3 139</b>	<b>2 884</b>	<b>2 860</b>	<b>2 308</b>	<b>2 318</b>	<b>2 018</b>	<b>1 901</b>	-	-	<b>10 290</b>	<b>10 218</b>
Internal transactions	-	-	-	-	-	-	-	-	45	32	45	32
Group adjustments	-	-	-	-	-	-	-	-	-45	-32	-45	-32
<b>TOTAL OPERATING INCOME</b>	<b>3 080</b>	<b>3 139</b>	<b>2 884</b>	<b>2 860</b>	<b>2 308</b>	<b>2 318</b>	<b>2 016</b>	<b>1 875</b>	-	-	<b>10 290</b>	<b>10 218</b>
Raw materials and consumables	-198	-211	-256	-249	-186	-203	-124	-125	-0	-0	-764	-788
Other external expenses	-756	-751	-663	-646	-634	-621	-493	-474	379	330	-2 166	-2 161
Employee benefits expenses	-999	-1 037	-935	-892	-639	-652	-691	-667	-146	-103	-3 410	-3 352
Rental costs	-930	-917	-790	-782	-766	-758	-592	-518	2 122	1 989	-955	-986
Pre-opening costs	-7	-	-	-	-0	0	-6	-16	-	-	-13	-16
Items affecting comparability	-	-	-	-	-	-	-	-	-	-3	-	-3
Depreciation, amortization and impairment losses	-138	-144	-116	-140	-104	-110	-56	-50	-1 516	-1 437	-1 930	-1 881
<b>TOTAL OPERATING COSTS</b>	<b>-3 027</b>	<b>-3 059</b>	<b>-2 759</b>	<b>-2 709</b>	<b>-2 329</b>	<b>-2 344</b>	<b>-1 961</b>	<b>-1 850</b>	<b>840</b>	<b>776</b>	<b>-9 237</b>	<b>-9 187</b>
<b>Operating profit/loss</b>	<b>53</b>	<b>80</b>	<b>125</b>	<b>151</b>	<b>-21</b>	<b>-27</b>	<b>57</b>	<b>51</b>	<b>840</b>	<b>776</b>	<b>1 053</b>	<b>1 032</b>
Net financial items	26	10	28	13	-35	-36	-7	-9	-1 034	-1 004	-1 023	-1 025
<b>Profit/loss before taxes</b>	<b>79</b>	<b>90</b>	<b>153</b>	<b>165</b>	<b>-57</b>	<b>-62</b>	<b>50</b>	<b>42</b>	<b>-194</b>	<b>-228</b>	<b>30</b>	<b>7</b>

\*Central functions here include all effects from group eliminations and IFRS adjustments.

#### NOTE 04. Number of employees

The average number of employees was 10,111 on June 30, 2024 compared with 10,774 on December 31, 2023.

#### NOTE 05. Rental costs

Rental costs	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Jan-Dec 2023	Jul-Jun 23/24
Fixed and guaranteed rental costs*	-54	-58	-118	-119	-229	-229
Variable rental costs	-558	-540	-836	-868	-1 980	-1 948
<b>Total rental costs</b>	<b>-612</b>	<b>-598</b>	<b>-955</b>	<b>-986</b>	<b>-2 209</b>	<b>-2 178</b>
*Of which received state aid and negotiated discounts	3	8	6	20	25	11

#### NOTE 06. Net finance income

Financial items	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Jan-Dec 2023	Jul-Jun 23/24
Financial income	7	6	17	11	45	51
Financial expenses	-526	-510	-1 040	-1 036	-2 109	-2 113
<b>Net financial items</b>	<b>-519</b>	<b>-503</b>	<b>-1 023</b>	<b>-1 025</b>	<b>-2 064</b>	<b>-2 061</b>
Financial expenses	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Jan-Dec 2023	Jul-Jun 23/24
Interest expenses, credit institutions	-19	-7	-38	-19	-47	-66
Interest expenses, convertible bond	-30	-42	-61	-82	-163	-142
Other interest expenses, net	-21	-17	-38	-30	-78	-86
Other items	-15	-12	-20	-42	-87	-65
Interest expenses, IFRS 16	-441	-432	-883	-862	-1 734	-1 755
<b>Total</b>	<b>-526</b>	<b>-510</b>	<b>-1 040</b>	<b>-1 036</b>	<b>-2 109</b>	<b>-2 113</b>

## NOTE 07. Assets and investments by segment

30 Jun million SEK	Sweden		Norway		Finland		Other Europe		Central functions		Group	
	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023	2024	2023
	Fixed assets	12 997	12 375	7 862	7 946	19 273	20 592	10 188	10 312	2 270	2 216	52 590
Investments in fixed assets, excl. IFRS 16	203	77	92	70	31	16	125	18	50	22	501	203
Investments in fixed assets, incl. IFRS 16	8	82	-	70	-	16	526	1 026	-	22	534	1 216

## NOTE 08. Convertible loan

An extraordinary general meeting on April 26, 2021 approved the Board of Directors' proposal to issue a convertible loan, raising 1,609 million SEK in gross proceeds. After 32 million SEK in issue expenses, net proceeds totaled 1,577 million SEK. Of the net proceeds, 1,231 million SEK was allocated to a convertible loan and 346 million SEK to equity. The theoretical effective interest rate, which is charged to profit/loss, is 11 percent and it is calculated for the part that has been allocated to the loan. No interest payments are being made during the life of the loan (maturity date: October 8, 2024). Instead, the interest expense is accumulated on an ongoing basis to the convertible debt, which when due will initially total 1,800 million SEK. During November 2023, Scandic repurchased convertible bonds for a nominal amount of 590 million SEK.

During the quarter, a total of 4,958,244 shares were converted. The fully diluted effect after repurchase and conversion amounted to 22,895,573 shares. The outstanding nominal amount of the convertible loan at the end of the period was 993 million SEK. Upon full conversion, the convertible bonds will result in a dilution of approximately 10.45 percent. The conversion rate is 43.36 SEK.

The calculation of earnings per share includes the full dilutive effect for any periods with profits. For the second quarter, the calculation was carried out with the full dilutive effect as the result for the period was positive. For the first half year, however, no dilution effect has been relevant as the result for the period was negative.

## NOTE 09. Interest-bearing net liabilities

	30 Jun 2024	30 Jun 2023	31 Dec 2023
<b>Interest-bearing net liabilities</b>			
Liabilities to credit institutions	985	974	980
Other interest-bearing liabilities	675	841	758
Cash and cash equivalents	-964	-560	-1 344
<b>Interest-bearing net liabilities, excl. convertible loan</b>	<b>695</b>	<b>1 255</b>	<b>394</b>
Convertible loan	962	1 566	1 109
<b>Net debt</b>	<b>1 658</b>	<b>2 821</b>	<b>1 503</b>

## NOTE 10. Working capital

	30 Jun 2024	30 Jun 2023	31 Dec 2023
<b>Working capital</b>			
Current assets, excl. cash and bank balances	3 017	2 729	1 619
Current liabilities	-5 242	-5 257	-4 377
<b>Working capital</b>	<b>-2 225</b>	<b>-2 528</b>	<b>-2 758</b>

## NOTE 11. Quarterly data

	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
<b>Financial key ratios, reported</b>						
Net sales	5 871	4 419	5 410	6 307	5 693	4 526
Operating profit/loss	927	126	502	1 251	833	199
Net profit/loss for the period	310	-327	41	559	271	-302
Earnings per share, SEK	1,50	-1,73	0,27	2,51	1,27	-1,63
<b>Alternative performance measures</b>						
Adjusted EBITDA	841	33	451	1 173	772	170
Adjusted EBITDA margin, %	14,3	0,7	8,3	18,6	13,6	3,8
Net profit/loss for the period excl. IFRS 16	421	-206	157	683	403	-159
Earnings per share, SEK, excl. IFRS 16	2,00	-1,10	0,78	3,04	1,84	-0,88
Net debt excl. convertible loan/adjusted EBITDA, LTM	0,3	0,5	0,2	0,1	0,5	0,6
Net debt/adjusted EBITDA, LTM	0,7	0,9	0,6	0,8	1,1	1,2
<b>Hotel-related key ratios</b>						
RevPAR (revenue per available room), SEK	871	619	734	933	828	626
ARR (average room rate), SEK	1 360	1 193	1 268	1 313	1 315	1 169
OCC (occupancy), %	64,0	51,9	57,9	71,0	63,0	53,5

### QUARTERLY DATA PER SEGMENT

	Q2 2024	Q1 2024	Q4 2023	Q3 2023	Q2 2023	Q1 2023
<b>Net sales</b>						
Sweden	1 755	1 325	1 641	1 862	1 751	1 388
Norway	1 636	1 248	1 469	1 851	1 548	1 313
Finland	1 246	1 061	1 283	1 397	1 264	1 053
Other Europe	1 234	785	1 017	1 196	1 130	771
<b>Total net sales</b>	<b>5 871</b>	<b>4 419</b>	<b>5 410</b>	<b>6 307</b>	<b>5 693</b>	<b>4 526</b>
<b>Adjusted EBITDA</b>						
Sweden	288	66	225	405	270	95
Norway	288	92	170	404	285	152
Finland	162	16	130	245	145	19
Other Europe	239	-26	72	229	186	8
Central functions	-136	-115	-146	-110	-114	-104
<b>Total adjusted EBITDA</b>	<b>841</b>	<b>33</b>	<b>451</b>	<b>1 173</b>	<b>772</b>	<b>170</b>
Adjusted EBITDA margin, %	14,3%	0,7%	8,3%	18,5%	13,6%	3,8%

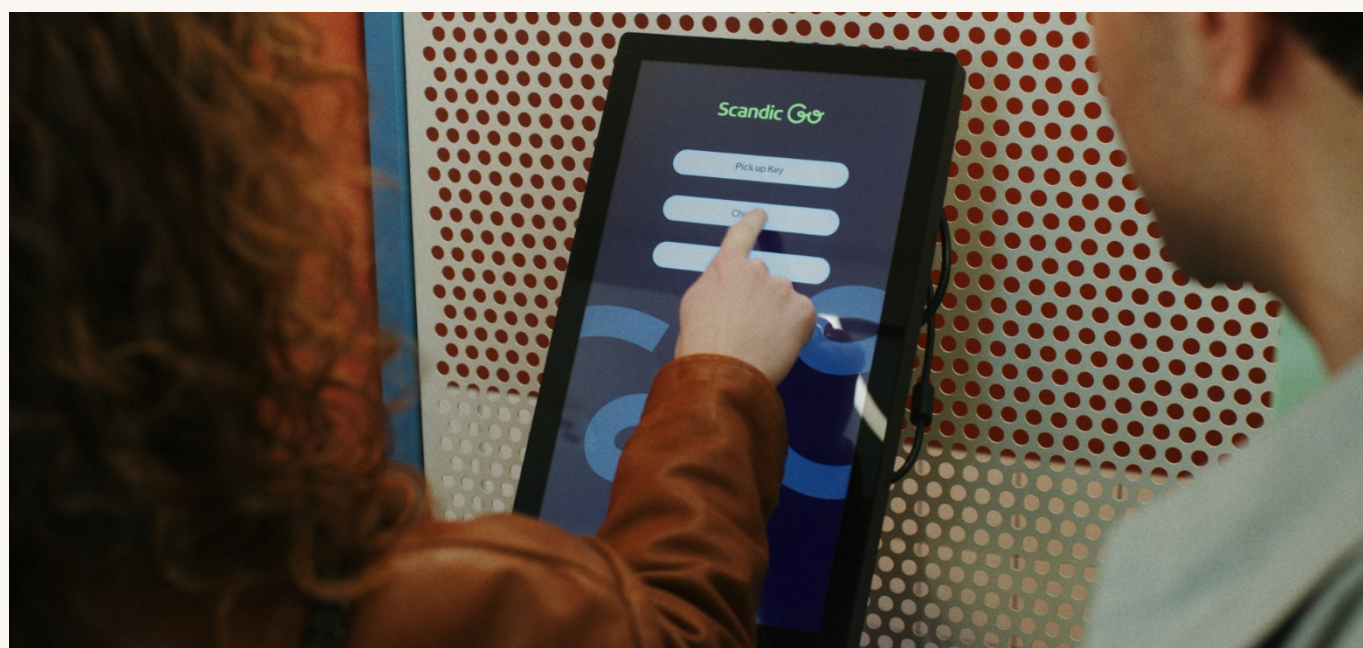
## NOTE 12. Transactions between related parties

The group Braganza AB is considered a related party based on its ownership and representation on the Board of Directors during the year. Accommodation revenues from related parties totaled 0 million SEK during the period.

Costs for purchasing services from related parties amounted to 0 million SEK. The OECD's recommendations for Transfer Pricing are applied for transactions with subsidiaries.

## EXCHANGE RATES

	Jan-Jun 2024	Jan-Jun 2023	31 dec 2023
<b>SEK / EUR</b>			
Income statement (average)	11,3907	11,3235	11,4765
Balance sheet (at end of period)	11,3595	11,7917	11,0960
<b>SEK / NOK</b>			
Income statement (average)	0,9911	1,0024	1,0054
Balance sheet (at end of period)	0,9968	1,0096	0,9871
<b>SEK / DKK</b>			
Income statement (average)	1,5273	1,5207	1,5403
Balance sheet (at end of period)	1,5232	1,5834	1,4888



# RECONCILIATIONS

## RESULTS INCLUDING & EXCLUDING IFRS 16

### EFFECTS OF IFRS 16

As of January 1, 2019, the Group applies IFRS 16 Leases. The accounting principle means that lease agreements with fixed or minimum rent are recognized in the balance sheet as right-of-use assets and lease liabilities. IFRS 16 has a substantial impact on Scandic's income statement and balance sheet. Since the application of IFRS 16, reported EBITDA has increased significantly as the cost of leases has fallen while depreciation of right-of-use assets and interest expenses for the lease liability has increased. Since Scandic's business model is to lease (rather than own) its hotel properties, IFRS 16 will continue to have a major impact on the company's accounting. To help investors gain a good understanding of the company's position, Scandic presents financial key ratios both including and excluding the effects of IFRS 16. Scandic's

financial targets for profitability, capital structure and dividends exclude the effect of IFRS 16.

With the portfolio of leasing agreements that existed at the end of the first half year 2024, net profit after tax for 2024 is expected to be negatively impacted by approximately -440 million SEK (2023: -515). With an unchanged portfolio of lease agreements and unchanged assumptions, the negative effect on results is expected to diminish over time and affect the net result positively from 2029. This is because interest expenses for the lease debt decrease over time as the debt is constantly amortized.

The definition of adjusted EBITDA excludes the effect of IFRS 16. The table below shows the difference between the reported results including and excluding IFRS 16.

### INCOME STATEMENT INCLUDING & EXCLUDING IFRS 16

MSEK	Apr-Jun 2024			Apr-Jun 2023		
	Reported	Effect IFRS 16	Excl. effect IFRS 16	Reported	Effect IFRS 16	Excl. effect IFRS 16
<b>Operating income</b>	<b>5 871</b>	<b>-</b>	<b>5 871</b>	<b>5 693</b>	<b>-</b>	<b>5 693</b>
Raw materials and consumables	-415	-	-415	-426	-	-426
Other external expenses	-1 136	-	-1 136	-1 120	-	-1 120
Employee benefits expenses	-1 795	-	-1 795	-1 770	-	-1 770
Rental costs	-612	-1 072	-1 684	-598	-1 006	-1 604
Pre-opening costs	-11	-	-11	-2	-	-2
Depreciation, amortization and impairment losses	-975	769	-206	-943	739	-204
<b>TOTAL OPERATING COSTS</b>	<b>-4 944</b>	<b>-303</b>	<b>-5 247</b>	<b>-4 860</b>	<b>-267</b>	<b>-5 127</b>
<b>Operating profit/loss</b>	<b>927</b>	<b>-303</b>	<b>624</b>	<b>833</b>	<b>-267</b>	<b>566</b>
Net financial items	-519	441	-78	-503	432	-72
<b>Profit/loss before taxes</b>	<b>408</b>	<b>138</b>	<b>546</b>	<b>329</b>	<b>165</b>	<b>494</b>
Taxes	-98	-27	-125	-59	-32	-91
<b>Net profit/loss for the period</b>	<b>310</b>	<b>111</b>	<b>421</b>	<b>271</b>	<b>133</b>	<b>403</b>

MSEK	Jan-Jun 2024			Jan-Jun 2023		
	Reported	Effect IFRS 16	Excl. effect IFRS 16	Reported	Effect IFRS 16	Excl. effect IFRS 16
<b>Operating income</b>	<b>10 290</b>	-	<b>10 290</b>	<b>10 218</b>	-	<b>10 218</b>
Raw materials and consumables	-764	-	-764	-788	-	-788
Other external expenses	-2 166	-	-2 166	-2 161	-	-2 161
Employee benefits expenses	-3 410	-	-3 410	-3 352	-	-3 352
Rental costs	-955	-2 122	-3 077	-986	-1 989	-2 975
Pre-opening costs	-13	-	-13	-16	-	-16
Items affecting comparability	-	-	-	-3	-	-3
Depreciation, amortization and impairment losses	-1 930	1 529	-401	-1 881	1 469	-412
<b>TOTAL OPERATING COSTS</b>	<b>-9 237</b>	<b>-594</b>	<b>-9 831</b>	<b>-9 187</b>	<b>-520</b>	<b>-9 707</b>
<b>Operating profit/loss</b>	<b>1 053</b>	<b>-594</b>	<b>460</b>	<b>1 032</b>	<b>-520</b>	<b>512</b>
Net financial items	-1 023	883	-140	-1 025	862	-163
<b>Profit/loss before taxes</b>	<b>30</b>	<b>289</b>	<b>320</b>	<b>7</b>	<b>342</b>	<b>349</b>
Taxes	-47	-57	-104	-38	-67	-105
<b>Net profit/loss for the period</b>	<b>-17</b>	<b>232</b>	<b>215</b>	<b>-31</b>	<b>275</b>	<b>244</b>

## SUMMARY OF REPORTED RENTAL COSTS INCLUDING & EXCLUDING IFRS 16

	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Jan-Dec 2023	Jul-Jun 23/24
<b>Rental costs</b>						
Rental costs, reported	-612	-598	-955	-986	-2 209	-2 178
Effect IFRS 16	-1 072	-1 006	-2 122	-1 989	-4 063	-4 197
<b>Rental costs excl. IFRS 16</b>	<b>-1 684</b>	<b>-1 604</b>	<b>-3 077</b>	<b>-2 975</b>	<b>-6 272</b>	<b>-6 374</b>
- of which fixed rental costs	-1 126	-1 064	-2 241	-2 107	-4 292	-4 425
- of which variable rental costs	-558	-540	-836	-868	-1 980	-1 948
Fixed and guaranteed rental costs of Net sales	-19,2%	-18,7%	-21,8%	-20,6%	-19,6%	-20,1%
Variable rental costs of Net sales	-9,5%	-9,5%	-8,1%	-8,5%	-9,0%	-8,9%
<b>Total rental costs of Net sales</b>	<b>-28,7%</b>	<b>-28,2%</b>	<b>-29,9%</b>	<b>-29,1%</b>	<b>-28,6%</b>	<b>-29,0%</b>

## SUMMARY OF OPERATING PROFIT/LOSS & ADJUSTED EBITDA

	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Jan-Dec 2023	Jul-Jun 23/24
<b>Operating profit/loss</b>	<b>927</b>	<b>833</b>	<b>1 053</b>	<b>1 032</b>	<b>2 785</b>	<b>2 806</b>
Pre-opening costs	11	2	13	16	17	14
Items affecting comparability	-	-	-	3	14	12
Depreciation, amortization and impairment losses	975	943	1 930	1 881	3 812	3 862
Effect IFRS 16	-1 072	-1 006	-2 122	-1 989	-4 063	-4 197
<b>Adjusted EBITDA</b>	<b>841</b>	<b>772</b>	<b>874</b>	<b>942</b>	<b>2 566</b>	<b>2 498</b>



## FINANCIAL ITEMS, REPORTED VS. CASH FLOW

	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Jan-Dec 2023	Jul-Jun 23/24
<b>Paid/received financial items</b>						
Financial items, reported	-519	-503	-1 023	-1 025	-2 064	-2 061
of which interest expenses, IFRS 16	-441	-432	-883	-862	-1 734	-1 755
<b>Financial net, excl. IFRS 16</b>	<b>-78</b>	<b>-72</b>	<b>-140</b>	<b>-163</b>	<b>-330</b>	<b>-307</b>
<b>Adjustments to paid financial items</b>						
Interest expenses, convertible bond (non-cash)	30	42	61	82	163	142
Change accrued interest expenses, bank loans	-3	-6	-6	4	6	-4
Other	14	5	13	-2	39	54
<b>Total adjustments</b>	<b>41</b>	<b>41</b>	<b>68</b>	<b>84</b>	<b>208</b>	<b>192</b>
<b>Paid(-)/received(+) financial items, net</b>	<b>-37</b>	<b>-31</b>	<b>-72</b>	<b>-79</b>	<b>-122</b>	<b>-115</b>

## BALANCE SHEET, INCLUDING & EXCLUDING IFRS 16

million SEK	30 Jun 2024			30 Jun 2023		
	Reported	Effect IFRS 16	Excl. effect IFRS 16	Reported	Effect IFRS 16	Excl. effect IFRS 16
<b>Assets</b>						
Intangible assets	7 043	-	7 043	7 276	-	7 276
Buildings and land	74	-	74	77	-	77
Right-of-use assets	40 565	-40 565	-	41 138	-41 138	-
Equipment, fixtures and fittings	4 118	-	4 118	4 154	-	4 154
Financial assets	790	-731	59	796	-78	718
<b>Total non-current assets</b>	<b>52 590</b>	<b>-41 296</b>	<b>11 295</b>	<b>53 442</b>	<b>-41 216</b>	<b>12 225</b>
<b>Current assets</b>	<b>2 859</b>	<b>158</b>	<b>3 017</b>	<b>2 574</b>	<b>155</b>	<b>2 729</b>
Derivative instruments	-	-	-	107	-	107
Cash and cash equivalents	964	-	964	560	-	560
<b>Total current assets</b>	<b>3 823</b>	<b>158</b>	<b>3 981</b>	<b>3 242</b>	<b>155</b>	<b>3 396</b>
<b>Total assets</b>	<b>56 414</b>	<b>-41 138</b>	<b>15 276</b>	<b>56 683</b>	<b>-41 061</b>	<b>15 622</b>
<b>Equity and liabilities</b>						
Equity attributable to Parent Company shareholders	2 267	3 778	6 044	1 913	3 405	5 318
Non-controlling interest	117	-	117	91	-	91
<b>Total equity</b>	<b>2 384</b>	<b>3 778</b>	<b>6 162</b>	<b>2 003</b>	<b>3 405</b>	<b>5 409</b>
Liabilities to credit institutions	985	-	985	974	-	974
Convertible loan	-	-	-	1 566	-	1 566
Lease liabilities	42 415	-42 415	-	42 599	-42 599	-
Other long-term liabilities	1 182	234	1 416	1 208	797	2 005
<b>Total non-current liabilities</b>	<b>44 581</b>	<b>-42 181</b>	<b>2 401</b>	<b>46 347</b>	<b>-41 802</b>	<b>4 545</b>
Convertible loan	962	-	962	-	-	-
Current liabilities for leases	2 587	-2 587	0	2 522	-2 522	0
Derivative instruments	40	-	40	-	-	-
Other current liabilities	5 859	-148	5 712	5 811	-143	5 668
<b>Total current liabilities</b>	<b>9 448</b>	<b>-2 735</b>	<b>6 713</b>	<b>8 333</b>	<b>-2 665</b>	<b>5 668</b>
<b>Total equity and liabilities</b>	<b>56 414</b>	<b>-41 138</b>	<b>15 276</b>	<b>56 683</b>	<b>-41 061</b>	<b>15 622</b>

## CASH FLOW ANALYSIS INCLUDING & EXCLUDING IFRS 16

MSEK	Apr-Jun 2024			Apr-Jun 2023		
	Reported	Effect IFRS 16	Excl. effect IFRS 16	Reported	Effect IFRS 16	Excl. effect IFRS 16
<b>OPERATING ACTIVITIES</b>						
Operating profit/loss	927	-303	624	833	-267	566
Depreciation, amortization and impairment losses	975	-769	206	943	-739	204
Adjustments for non-cash items	24	-	24	40	-	40
Paid tax	-51	-	-51	-29	-	-29
Change in working capital	-29	-	-29	23	-	23
<b>Cash flow from operating activities</b>	<b>1 846</b>	<b>-1 072</b>	<b>774</b>	<b>1 810</b>	<b>-1 006</b>	<b>804</b>
<b>INVESTING ACTIVITIES</b>						
Paid net investments	-281	-	-281	-119	-	-119
<b>Cash flow from investing activities</b>	<b>-281</b>	<b>-</b>	<b>-281</b>	<b>-119</b>	<b>-</b>	<b>-119</b>
<b>FINANCING ACTIVITIES</b>						
Interest paid/received	-30	-	-30	-23	-	-23
Paid interest, leases	-441	441	-	-431	431	-
Net borrowing/amortization	-39	-	-39	-340	-	-340
Amortization, leases	-631	631	-	-575	575	-
Dividend, share swap agreement	-7	-	-7	-7	-	-7
Financing costs	-	-	-	-1	-	-1
<b>Cash flow from financing activities</b>	<b>-1 148</b>	<b>1 072</b>	<b>-76</b>	<b>-1 377</b>	<b>1 006</b>	<b>-371</b>
<b>CASH FLOW FOR THE PERIOD</b>	<b>417</b>	<b>-</b>	<b>417</b>	<b>314</b>	<b>-</b>	<b>314</b>
Cash and cash equivalents at the beginning of the period	534	-	534	285	-	285
Translation difference in cash and cash equivalents	13	-	13	-38	-	-38
Cash and cash equivalents at the end of the period	964	-	964	560	-	560

MSEK	Jan-Jun 2024			Jan-Jun 2023		
	Reported	Effect IFRS 16	Excl. effect IFRS 16	Reported	Effect IFRS 16	Excl. effect IFRS 16
<b>OPERATING ACTIVITIES</b>						
Operating profit/loss	1 053	-594	460	1 032	-520	512
Depreciation, amortization and impairment losses	1 930	-1 529	401	1 881	-1 469	412
Adjustments for non-cash items	46	-	46	55	-	55
Paid tax	-105	-	-105	-79	-	-79
Change in working capital	-464	-	-464	-347	-	-347
<b>Cash flow from operating activities</b>	<b>2 460</b>	<b>-2 122</b>	<b>338</b>	<b>2 541</b>	<b>-1 989</b>	<b>552</b>
<b>INVESTING ACTIVITIES</b>						
Paid net investments	-544	-	-544	-210	-	-210
<b>Cash flow from investing activities</b>	<b>-544</b>	<b>-</b>	<b>-544</b>	<b>-210</b>	<b>-</b>	<b>-210</b>
<b>FINANCING ACTIVITIES</b>						
Interest paid/received	-64	-	-64	-37	-	-37
Paid interest, leases	-883	883	-	-862	862	-
Net borrowing/amortization	-83	-	-83	34	-	34
Amortization, leases	-1 240	1 240	-	-1 127	1 127	-
Dividend, share swap agreement	-7	-	-7	-7	-	-7
Financing costs	-	-	-	-34	-	-34
<b>Cash flow from financing activities</b>	<b>-2 276</b>	<b>2 122</b>	<b>-154</b>	<b>-2 034</b>	<b>1 989</b>	<b>-44</b>
<b>CASH FLOW FOR THE PERIOD</b>	<b>-360</b>	<b>-</b>	<b>-360</b>	<b>297</b>	<b>-</b>	<b>297</b>
Cash and cash equivalents at the beginning of the period	1 344	-	1 344	317	-	317
Translation difference in cash and cash equivalents	-20	-	-20	-54	-	-54
Cash and cash equivalents at the end of the period	964	-	964	560	-	560

## EARNINGS PER SHARE

	Apr-Jun 2024	Apr-Jun 2023	Jan-Jun 2024	Jan-Jun 2023	Jan-Dec 2023	Jul-Jun 23/24
<b>Earnings per share, SEK</b>	<b>1,50</b>	<b>1,27</b>	<b>-0,14</b>	<b>-0,26</b>	<b>2,86</b>	<b>2,98</b>
Effect IFRS 16	0,50	0,57	1,21	1,44	2,23	2,20
<b>Earnings per share, SEK, excl. IFRS 16</b>	<b>2,00</b>	<b>1,84</b>	<b>1,07</b>	<b>1,18</b>	<b>5,09</b>	<b>5,18</b>
<b>Average number of outstanding shares after dilution</b>	<b>219 157 936</b>	<b>232 768 903</b>	<b>191 736 838</b>	<b>191 304 116</b>	<b>231 016 258</b>	<b>224 252 751</b>

# ADOPTION

The Board of Directors and the CEO affirm that this interim report gives a true and fair view of the Parent Company and Group's operations, financial position, and results of operations and that it also describes the significant risks and uncertainties to which the Parent Company and Group companies are exposed.

**Stockholm, July 17, 2024**

**Per G. Braathen**  
Chairman

**Gunilla Rudebjer**  
Board member

**Frank Veenstra**  
Board member

**Kristina Patek**  
Board member

**Michael Levie**  
Board member

**Fredrik Wirdenius**  
Board member

**Marianne Sundelius**  
Employee representative

**Jens Mathiesen**  
President & CEO

## **Auditor's review**

This report has not been the subject of any review by the company's auditors.

# DEFINITIONS

## HOTEL-RELATED KEY RATIOS

### ARR (AVERAGE ROOM RATE)

The average room revenue per sold room.

### LFL (LIKE-FOR-LIKE)

The hotels that were in operation during the entire period as well as during the corresponding period of the previous year.

### OCC (OCCUPANCY)

Sold rooms in relation to the number of available rooms. Expressed as a percentage.

### REVPAR (REVENUE PER AVAILABLE ROOM)

The average room revenue per available room.

### PRE-OPENING COSTS

Costs for contracted and newly opened hotels before opening day.

## FINANCIAL KEY RATIOS & ALTERNATIVE PERFORMANCE MEASURES

### ADJUSTED EBITDA

Earnings before pre-opening costs, items affecting comparability, taxes, depreciation, and amortization, adjusted for the effects of IFRS 16.

### ADJUSTED EBITDA MARGIN

Adjusted EBITDA as a percentage of net sales.

### ITEMS AFFECTING COMPARABILITY

Items that are not directly related to the normal operations of the Group, for example, costs for transactions, integration, restructuring and capital gains/losses from the sale of operations.

### INTEREST-BEARING NET LIABILITIES

Liabilities to credit institutions, commercial papers, convertible loans and other interest-bearing liabilities, less cash and cash equivalents.

### WORKING CAPITAL, NET

Total current assets, excluding derivative instruments and cash and cash equivalents, less total current liabilities, excluding derivative instruments and the current portion of lease liabilities, other interest-bearing liabilities, and commercial papers.

## EQUITY-RELATED KEY RATIOS

### EARNINGS PER SHARE

The profit/loss during the period related to the shareholders of the Parent Company divided by the average number of shares.

### EQUITY PER SHARE

Equity related to the shareholders of the Parent Company divided by the number of shares outstanding at the end of the period.

A more comprehensive list of definitions is available at [scandichotelsgroup.com/en/definitions](https://scandichotelsgroup.com/en/definitions)



# THE LEADING NORDIC HOTEL COMPANY

SCANDIC HAS THE LARGEST AND WIDEST HOTEL NETWORK IN THE NORDIC COUNTRIES AS WELL AS A UNIQUE OFFERING IN THE MID-MARKET SEGMENT FOR LEISURE AND BUSINESS TRAVELERS.

**264** HOTELS

**130**  
DESTINATIONS

**55,566**  
HOTEL  
ROOMS

**6** COUNTRIES

## INDUSTRY LEADER IN SUSTAINABILITY

Scandic has a proud heritage of driving sustainability in the hospitality industry. Sustainability is an integrated part of Scandic's culture, strategy and business model and the company is constantly developing its operations to reduce its climate impact and contribute positively to society. Scandic's strategy for sustainable business is grounded in three focus areas: MEET – Health, diversity and inclusion; EAT – Food & beverage; SLEEP – Rooms and interiors.

As the largest hotel company in the Nordics, Scandic has the power to drive transformation and inspire change on a large scale. Scandic aims to remain at the forefront when it comes to guests' expectations in areas such as energy and climate-smart, environmentally friendly restaurant offerings. Since the 1990s, Scandic has ensured its hotels are environmentally certified and maintained a global approach to sustainability. Today, more than 90 percent of Scandic's hotels are certified by the Nordic Swan Ecolabel, the official ecolabel of the Nordic countries, and Scandic aims for all hotels to be certified.

# Scandic

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