

Q2 REPORT

July 17, 2024

Scandic
Your friend in town



Q2 HIGHLIGHTS

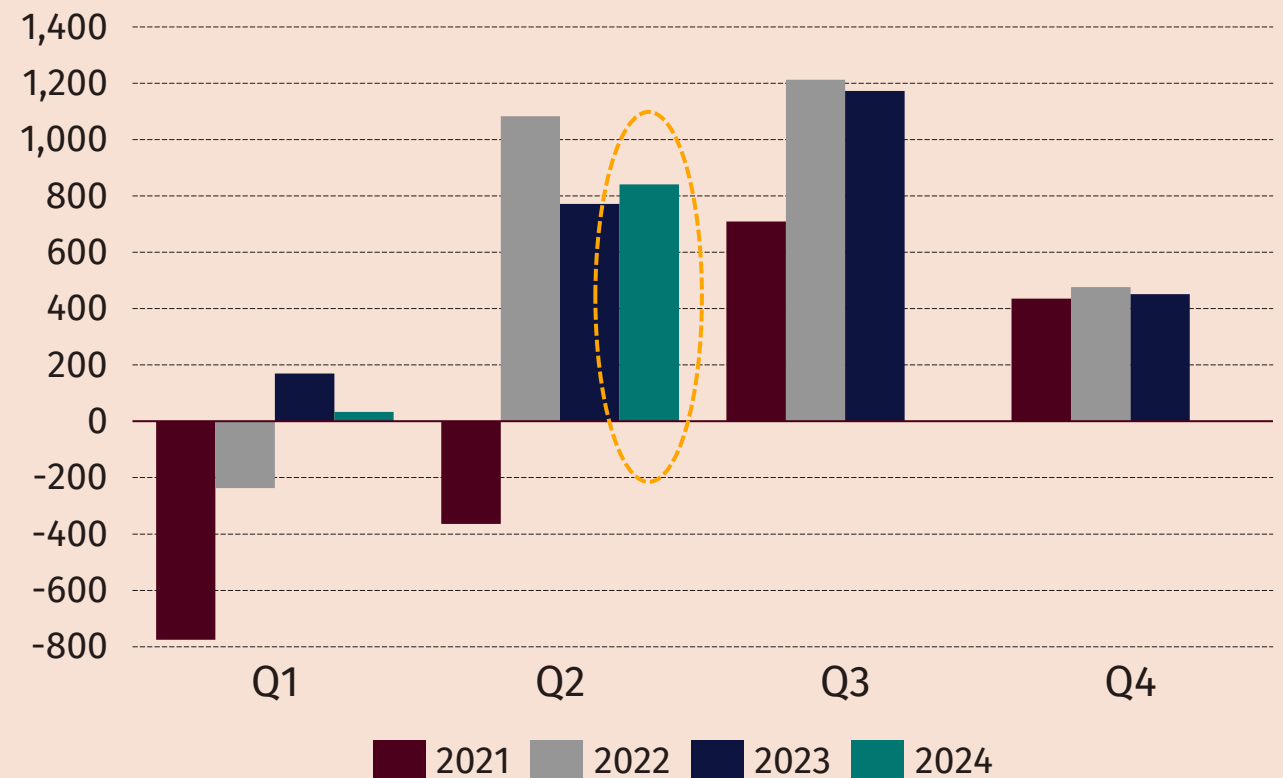
- Solid market with good demand and increasing prices
- Improved efficiency and strong results
- High portfolio activity
- New long-term sustainability-linked financing secured
- Positive booking situation for the third quarter



STRONG RESULTS

- Adjusted EBITDA of 841 (772) MSEK, corresponding to a margin of 14.3% (13.6)
- Good demand in combination with improved efficiency and cost control

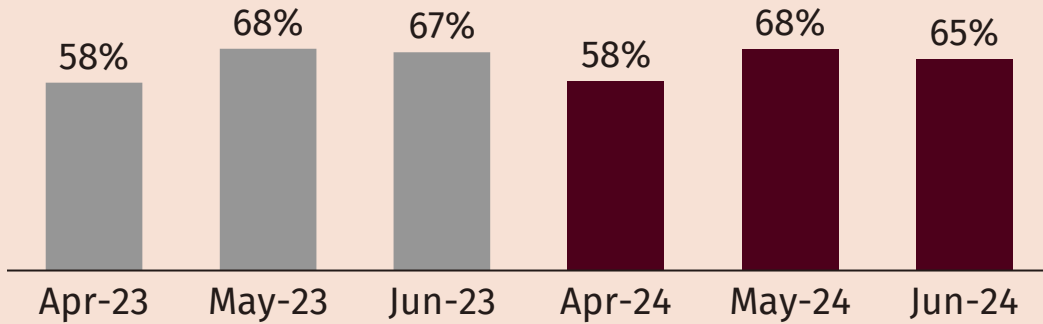
ADJUSTED EBITDA PER QUARTER 2021-2024, MSEK



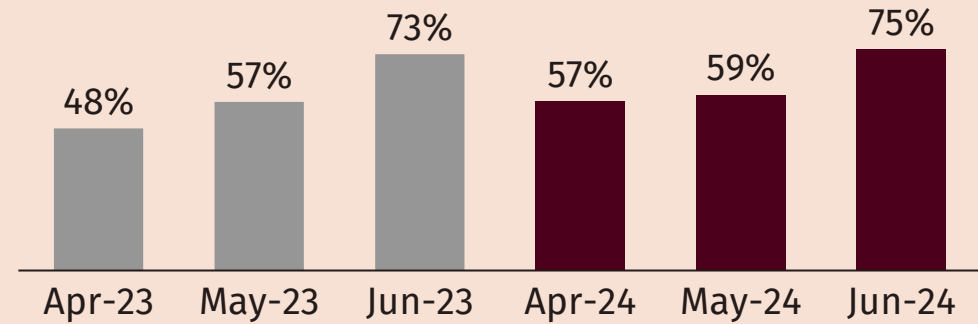
SOLID MARKET SITUATION

MARKET OCCUPANCY

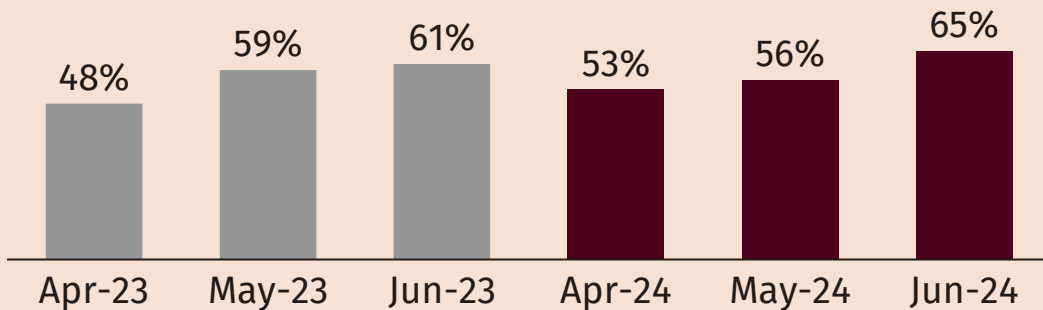
SWEDEN



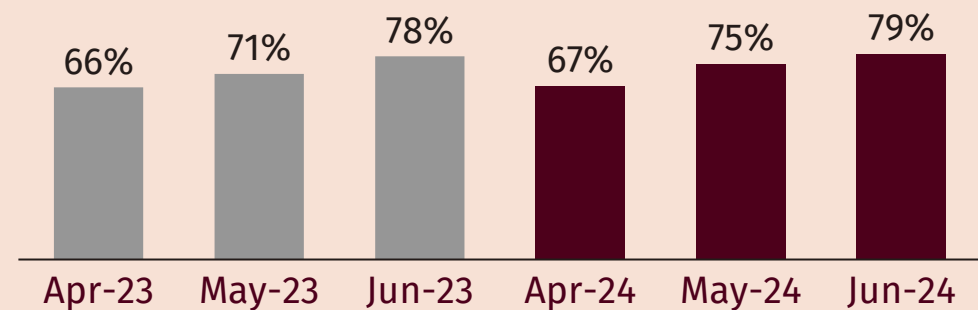
NORWAY



FINLAND

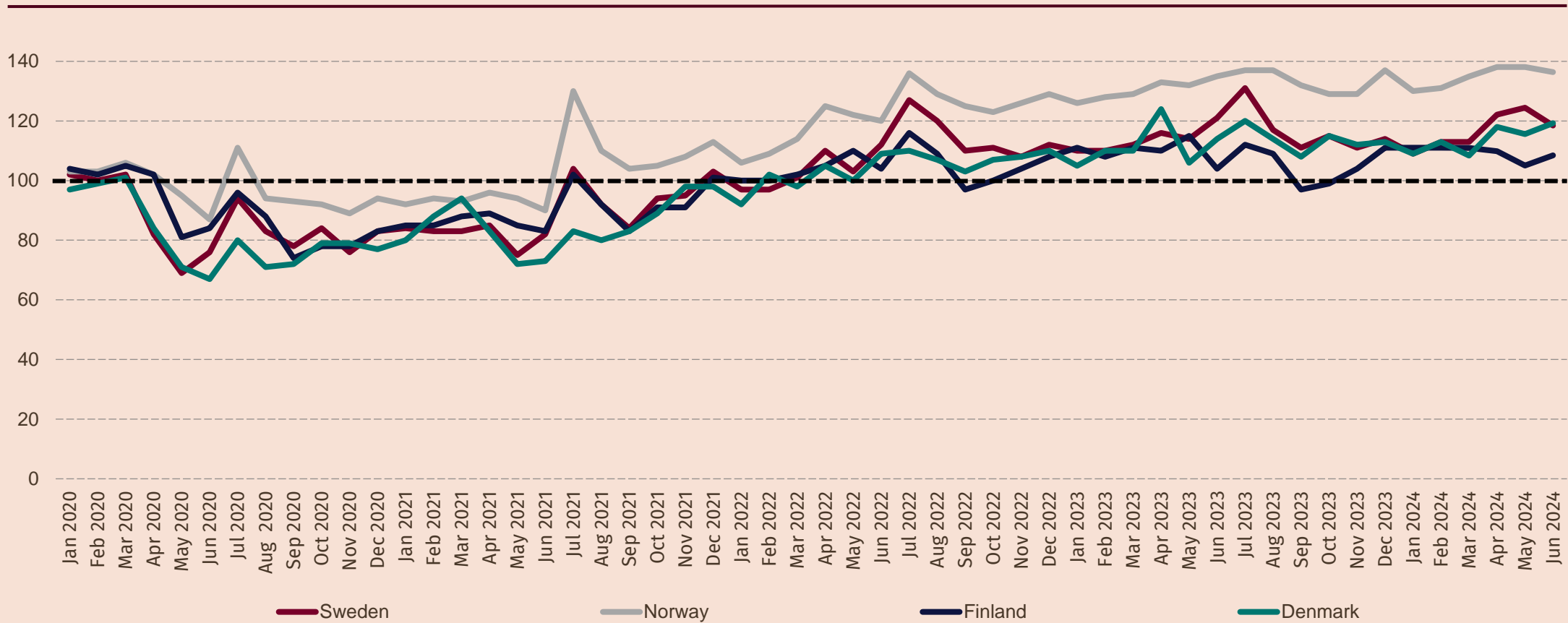


DENMARK



INCREASING AVERAGE ROOM RATES

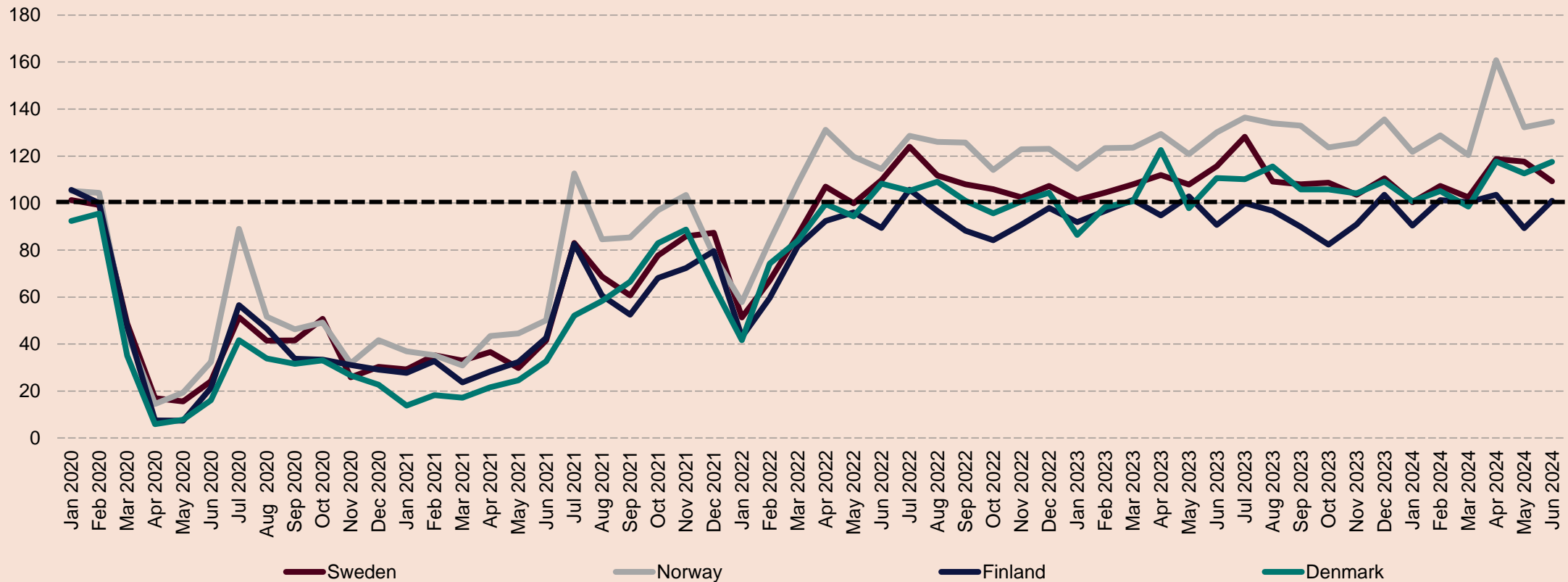
**MARKET AVERAGE ROOM RATES
INDEXED TO CORRESPONDING MONTH 2019**



Source: Benchmarking Alliance.

REVPAR ABOVE 2019 LEVELS ON ALL MARKETS

MARKET REVPAR INDEXED TO CORRESPONDING MONTH 2019



FOCUS ON GROWING THE PIPELINE

Pipeline as of June 30, 2024

Year	Hotel	Destination		No. of rooms
Q4 2024	Scandic Go, Sankt Eriksgatan 20	Stockholm, Sweden	New	234
Q3 2025	The Dock 69°39 by Scandic	Tromsø, Norway	New	305
Q3 2025	Scandic Go, Oulu	Oulu, Finland	New	144
Q2 2026	Scandic, Ski	Oslo, Norway	New	220
Q4 2026	Signature Collection, Aarhus	Aarhus, Denmark	New	342
Q1 2028	Scandic, Garden Helsinki	Helsinki, Finland	New	227
Q1 2028	Scandic Go, Garden Helsinki	Helsinki, Finland	New	232
				1,704
	Ongoing extensions			266
	Closed for renovation ¹			230
	Exits			0
	Total net pipeline			2,200

1) Refers to Scandic Norra Bantorget that is closed for renovation.



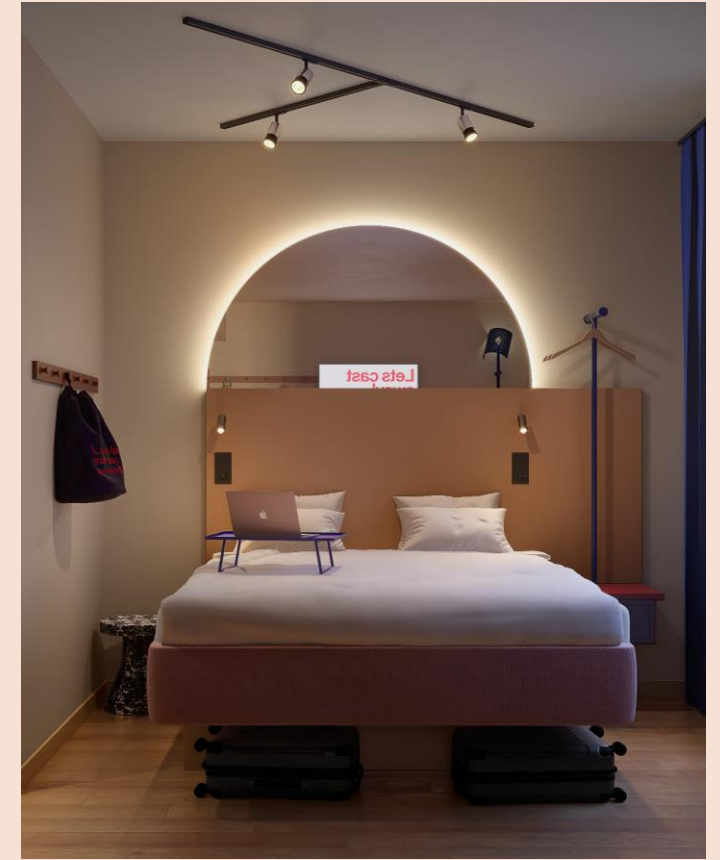
SCANDIC GO EXPANDING TO GOTHENBURG & UMEÅ



Lilla Bommen, Gothenburg



Scandic Go, facade



Scandic Go, double room

FINANCIAL UPDATE



STRONG RESULTS

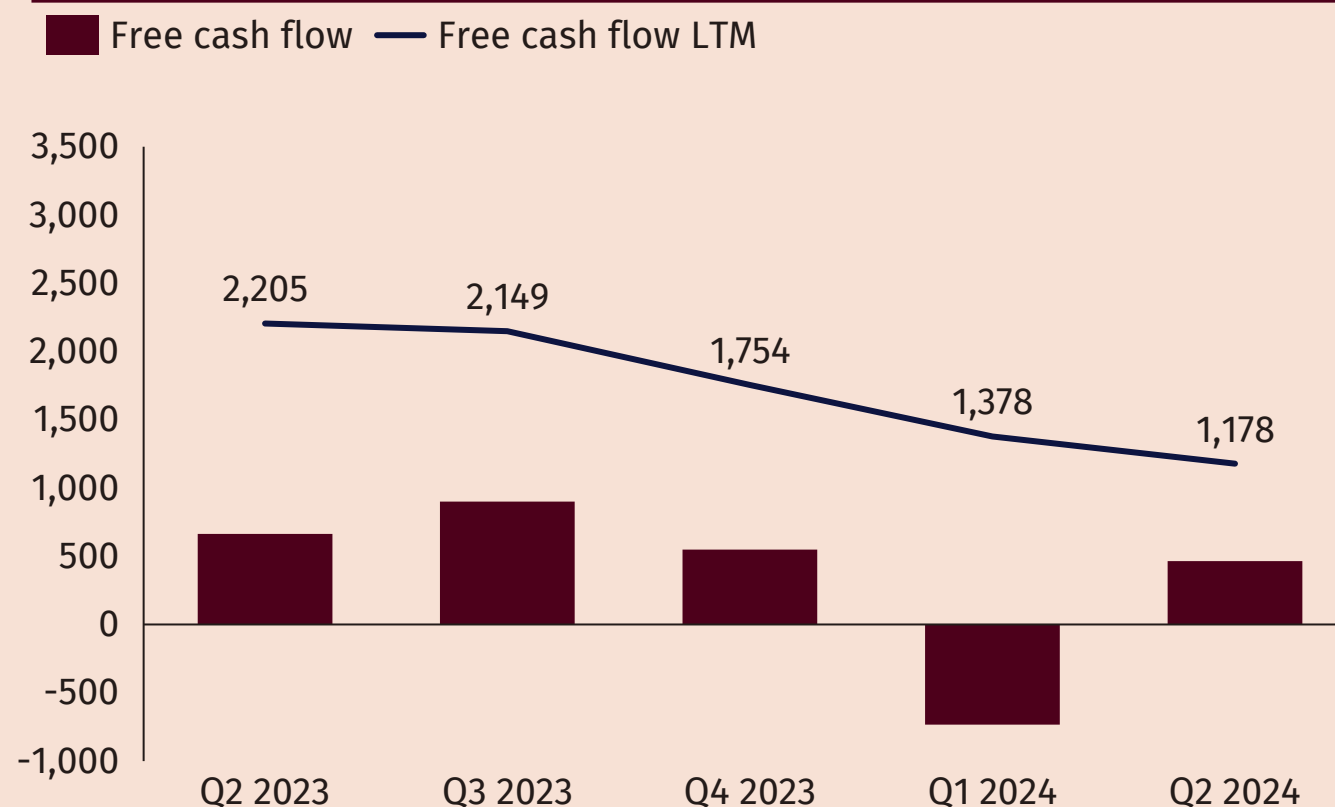
- Net sales rose 3% to 5,871 MSEK (5,693)
- Adjusted EBITDA increased to 841 MSEK (772), with a margin of 14.3% (13.6)
- Solid but mixed market situation in Sweden
- Good demand in Norway
- Improved profitability in Finland

MSEK	Net sales		Adjusted EBITDA		Adjusted EBITDA margin	
	Q2 2024	Q2 2023	Q2 2024	Q2 2023	Q2 2024	Q2 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 costs and group adj.	-	-	-136	-114	-	-
Group	5,871	5,693	841	772	14.3%	13.6%
Adj. for one-offs			810	752	13.9%	13.3%

GOOD CASH FLOW

- Free cash flow of 463 MSEK (664) in Q2
- Working capital in Q2 affected by 210 MSEK in variable rent repayments for 2023
- Increased investments in maintenance and expansion in line with plan

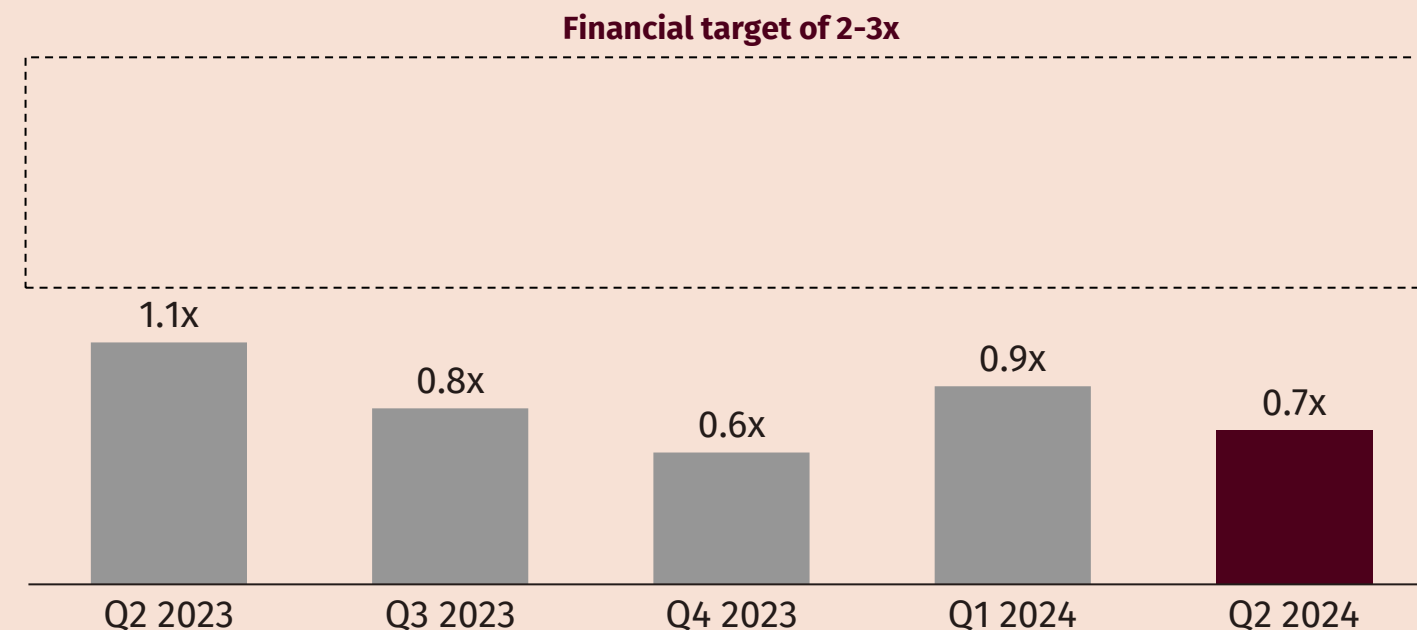
Free cash flow per quarter and LTM, MSEK



STRONG FINANCIAL POSITION

- Net debt of 1,658 MSEK¹
- Net debt/adjusted EBITDA of 0.7x (0.3 excluding the convertible bond)

Net debt to adjusted EBITDA LTM



¹) Includes the convertible bond of 962 MSEK and 675 MSEK in other interest-bearing liabilities related to deferred VAT payments and social security contributions in Sweden.

NEW SUSTAINABILITY-LINKED FINANCING

- Robust and flexible long-term financing secured
- Improved terms – reflecting our strategic agenda and strong financial position
- Facility of 3,250 MSEK, possibility to increase to 3,750 MSEK
- Tenor of 3 years with the possibility to extend for 2 years
- Full flexibility to handle the convertible bond

A photograph of a plant with a sign that reads "I ONLY DRINK LEFTOVER WATER". The sign is white with a black background and white text. Below the main text, it says "Instead of throwing away leftover drinking water, we save it for our plants." and "Scandic".

**I ONLY DRINK
LEFTOVER
WATER**

Instead of throwing away leftover drinking water, we save it for our plants.

Scandic



UPDATE ON THE CONVERTIBLE BOND

- Maturity on October 8, 2024
- Conversion price of 43.36 SEK
- Buy-back for 590.2 MSEK in November 2023
- Total pre-conversions of 532.1 MSEK¹
- Outstanding convertible loan of 677.7 MSEK¹

1) As of reporting date July 17, 2024

CONCLUDING REMARKS



POSITIVE OUTLOOK

- We expect a continued solid market situation
- For the third quarter, we anticipate occupancy levels in line with last year at somewhat higher room rates
- High pace to grow the portfolio and to deliver on our commercial agenda
- Continued focus on cost control and efficiency

A man with a beard, wearing a brown jacket, sits on the left, looking towards the right. A woman with blonde hair, wearing a green shirt, sits on the right, holding a white egg and a fork. They are at a table with plates of food, including dumplings and a salad, and a blue mug. The background shows a bright, modern restaurant with large windows and other diners.

Scandic

Your friend in town