

A man and a woman are sitting on a light blue sofa in a living room, enjoying breakfast. The man, on the left, is wearing a dark green shirt and glasses, and is smiling while looking at the woman. The woman, on the right, is wearing a bright orange cardigan and is holding a small piece of food, possibly a donut, and looking at it with a smile. In front of them is a round, dark wooden coffee table with a reflective surface. On the table are several items: a white mug of coffee, a plate of scrambled eggs, a plate of sliced oranges and cucumbers, a bowl of cereal, a glass of juice, and a small plate with a donut. The background features a large window with a view of a city street with trees and buildings. A large green plant is visible on the right side of the frame. The overall atmosphere is warm and cozy, with soft lighting from the window.

# HALF-YEAR REPORT

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JANUARY-JUNE 2023

# STRONG QUARTER WITH HIGH ACTIVITY AND POSITIVE OUTLOOK

## APRIL 1 – JUNE 30, 2023

- Net sales rose by 7.9 percent to 5,693 million SEK (5,276).
- Average occupancy rate was 63.0 percent (63.2).
- Average revenue per available room (RevPAR) went up to 828 SEK (749).
- Operating profit totaled 833 million SEK (1,016).
- Adjusted EBITDA<sup>1)</sup> was 772 million SEK (1,083).
- Excluding IFRS 16, earnings per share equaled 1.55 SEK (2.44).
- Free cash flow was 664 million SEK (1,300).
- Interest-bearing net debt/adjusted EBITDA amounted to 1.1x (0.5x excluding the convertible loan).

## JANUARY 1 – JUNE 30, 2023

- Net sales rose by 27.6 percent to 10,218 million SEK (8,009).
- Average occupancy rate increased to 58.3 percent (51.3).
- Average revenue per available room (RevPAR) went up to 728 SEK (574).
- Operating profit totaled 1,032 million SEK (737).
- Adjusted EBITDA<sup>1)</sup> was 942 million SEK (846).
- Excluding IFRS 16, earnings per share equaled 1.18 SEK (0.09).
- Free cash flow was 306 million SEK (304).
- Interest-bearing net debt/adjusted EBITDA amounted to 1.1x (0.5x excluding the convertible loan).

## EVENTS AFTER THE REPORTING DATE

- On July 3, Scandic announced an agreement to open a new Scandic Go hotel on Fridhemsplan in central Stockholm. The hotel will have 221 rooms and space-efficient facilities. It is expected to open in the late summer 2024 following a renovation and technical upgrade of the building.

## KEY RATIOS

million SEK	Apr-Jun 2023	Apr-Jun 2022	Δ%	Jan-Jun 2023	Jan-Jun 2022	Δ%	Jan-Dec 2022	Jul-Jun 22/23
<b>Financial key ratios, reported</b>								
Net sales	5,693	5,276	7.9%	10,218	8,009	27.6%	19,230	21,439
Operating profit/loss	833	1,016		1,032	737		2,457	2,752
Net profit/loss for the period	271	432		-31	-207		428	603
Earnings per share, SEK	0.98	1.93		-0.26	-1.15		2.21	1.90
<b>Alternative performance measures</b>								
Adjusted EBITDA	772	1,083		942	846		2,536	2,631
Adjusted EBITDA margin, %	13.6	20.5		9.2	10.6		13.2	12.3
Net profit/loss for the period excl. IFRS 16	403	551		244	30		866	1,080
Earnings per share, SEK, excl. IFRS 16	1.55	2.44		1.18	0.09		4.10	3.62
Net debt	2,821	4,722		2,821	4,722		2,909	-
Net debt/adjusted EBITDA, LTM	1.1	2.4		1.1	2.4		1.1	-
<b>Hotel-related key ratios</b>								
RevPAR (revenue per available room), SEK	828	749	10.7%	728	574	26.8%	683	757
ARR (average room rate), SEK	1,315	1,185	11.0%	1,249	1,119	11.5%	1,183	1,240
OCC (occupancy), %	63.0	63.2		58.3	51.3		57.7	61.1
Total number of rooms on reporting date	55,930	55,572	0.6%	55,930	55,572	0.6%	55,831	55,930

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

## CEO'S COMMENTS

**“BACKED BY OUR STRONG FINANCIAL POSITION, DURING THE FIRST HALF OF 2023, WE GRADUALLY RAMPED UP ACTIVITY IN THE COMPANY WITH A COMMERCIAL AND DATA-DRIVEN FOCUS AND CONTINUED DEVELOPING SCANDIC GO.”**

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Scandic delivered a strong second quarter with positive price development and RevPAR that reached a record 828 SEK compared with 749 SEK last year. Occupancy was in line with 2022 at 63 percent. With just over 3 percent more available rooms, this means that guests are booking more rooms than before. Net sales also rose by 8 percent to 5,693 million SEK compared with the previous year.

Backed by our strong financial position, during the first half of 2023, we gradually ramped up activity in the company with a commercial and data-driven focus and continued developing Scandic Go. These investments are part of building an even better and stronger Scandic by strengthening our offering and improving efficiency to enable faster growth. We expect to increase the pace of renovations at our hotels toward year-end, giving us an even more competitive hotel portfolio.

Scandic's adjusted operating profit amounted to 772 million SEK (1,083), with the difference mainly attributable to non-recurring items during 2022 and investments during the year. Excluding non-recurring items, the adjusted operating margin was 13.3 percent, a substantial improvement compared with 2019. After pandemic restrictions were gradually eased in 2022, we have been recruiting and training new team members to meet the increasing demand. With a continued focus on our operating margin and with trained team members and additional investments to increase efficiency, we see conditions for continued positive development.

We are working to establish Scandic Go, attracting the interest of partners and property owners as we maintain a high tempo in our markets to assume a leading role and develop the fast-growing economy segment. At the beginning of July, we announced that Scandic had signed an agreement with our landlord Pandox to open another Scandic Go with 221 rooms in central Stockholm.

There was strong development in the hotel market during the quarter, with high demand and positive price trends driven by a great interest in leisure travel and demand for meetings and conferences. Domestic and intra-Nordic travel is at a high level, and intercontinental travel continues to recover. During the spring and early summer, entertainment offerings such as concerts, sports events and other activities contributed positively to demand and price development. I am proud of our commercial efforts to meet demand during the quarter as

well as the way we operated our hotels with high efficiency and good guest satisfaction.

We foresee a strong third quarter driven by continued high levels of leisure travel during the summer. We also expect business travel to pick up toward the end of the quarter. Based on current bookings, we anticipate occupancy rates aligned with the corresponding period last year at higher average room rates.

With the strong momentum I see across the company, we're looking forward to an eventful summer. I'd like to extend my thanks to all of our team members for their fantastic commitment and, of course, our guests for their confidence in Scandic.



**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.

## STABLE OCCUPANCY RATES

Demand in the Nordic hotel market continued to be good, and occupancy during the second quarter was at par with 2022.

In April, the average occupancy rate in the Nordic markets was between 48 and 66 percent. The occupancy rate in May was between 57 and 71 percent and in June, between 61 and 78 percent. During April, May and June, occupancy continued to be highest in Denmark. Demand was lowest in Norway in April and May, and in Finland in June. For the quarter as a whole, the average occupancy rate was between 56 and 72 percent in the Nordic countries, with the lowest occupancy in Finland and the highest in Denmark. In comparison, during the second quarter 2022, occupancy was between 55 and 72 percent.

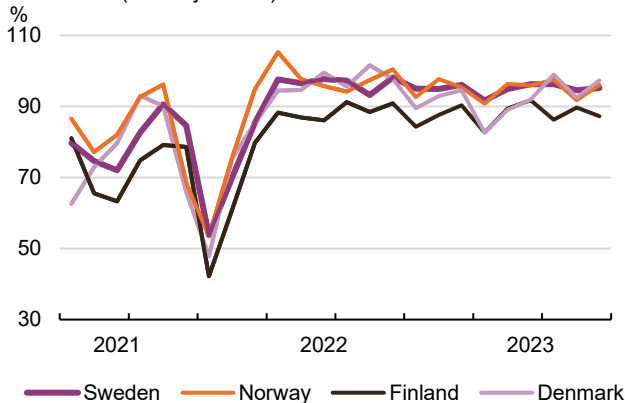
## INCREASING PRICE LEVELS

Compared with the second quarter 2022, average room rates went up between 3 and 9 percent in the Nordic countries. The greatest increase was in Norway and Denmark, where room rates rose 9 percent followed by Sweden, where rates were 8 percent higher. In Finland, room rates grew 3 percent.

Compared with the second quarter 2019, average room rates went up between 9 and 33 percent. The greatest increase was in Norway, where room rates rose 33 percent followed by Sweden, where rates were 17 percent higher. In Denmark and Finland, room rates rose 14 and 9 percent respectively.

### MARKET OCCUPANCY

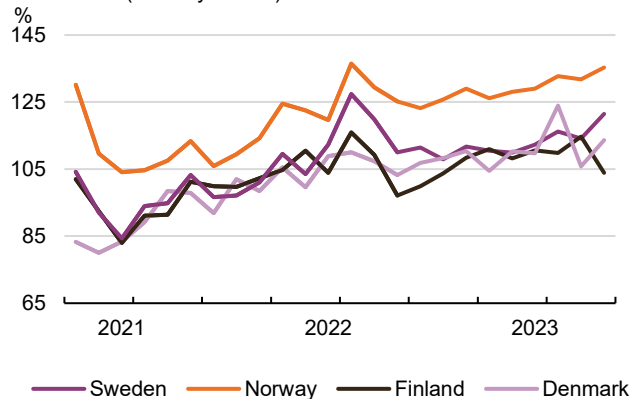
Index 2019 (monthly values)



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.

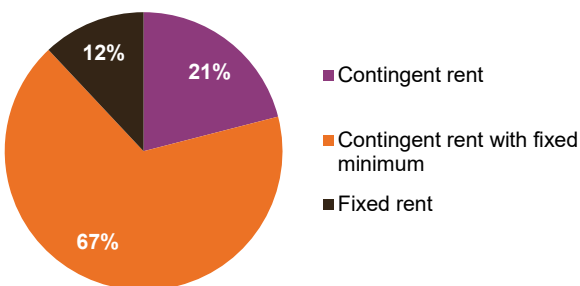
The leasing model helps Scandic ensure that its hotel offering is in line with what it markets while it can benefit from economies of scale in operations and distribution. Additionally, the team members who meet Scandic's guests are employed by Scandic.

## HOTEL PORTFOLIO

Scandic operates hotels with long-term leases that are usually variable based on hotel revenues. This creates a shared interest for both parties since increasing sales means higher rents and greater property value for landlords. Variable rents ensure a relatively flexible cost structure, which helps stabilize margins. Scandic aims to increase the share of variable lease agreements and achieve more balanced conditions over time. 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.

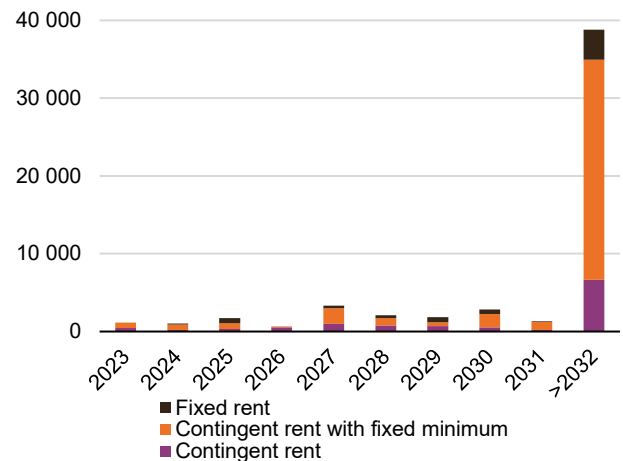
## SHARE OF LEASE AGREEMENTS

NUMBER OF ROOMS



## REMAINING LEASE TERMS

NUMBER OF ROOMS



At the end of the period, Scandic had 55,930 hotel rooms in operation at 269 hotels, of which 248 had lease agreements. During the first half of the year, the number of rooms in operation increased by 99 after Scandic Frankfurt Hafenpark opened, Scandic Kajanus and Scandic Bygholm Park were exited and Scandic Upplandsgatan was closed. Scandic Upplandsgatan will reopen in September 2023 under the Scandic Go brand.

	Apr-Jun 2023	Jan-Jun 2023
<b>Portfolio changes</b>		
<b>Opening balance</b>		
Lease agreements	53,220	52,992
Franchise, management & other	2,839	2,839
<b>Total</b>	<b>56,059</b>	<b>55,831</b>
<b>Closing balance</b>		
Total change lease agreements	-126	102
Change in other operating models	-3	-3
<b>Total change</b>	<b>-129</b>	<b>99</b>
<b>Closing balance</b>		
Lease agreements	53,094	53,094
Franchise, management & other	2,836	2,836
<b>Total</b>	<b>55,930</b>	<b>55,930</b>



## NUMBER OF HOTELS & ROOMS IN OPERATION

	In operation as of 30 Jun, 2023			
	Hotels	of which lease agreements	Rooms	of which lease agreements
Sweden	86	80	18 260	17 468
Norway	84	70	16 342	14 508
Finland	61	61	12 835	12 835
Denmark	30	29	6 036	5 826
Other Europe	8	8	2 457	2 457
<b>Total</b>	<b>269</b>	<b>248</b>	<b>55 930</b>	<b>53 094</b>
<i>Change during the quarter</i>	<i>-1</i>	<i>-1</i>	<i>-129</i>	<i>-126</i>

## SCANDIC'S 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. Developing and managing the hotel portfolio is central for Scandic to grow in and outside of the Nordic region. Scandic's pipeline includes only hotels with signed lease agreements.

At the end of the first half year, Scandic had six new hotels with 1,648 rooms planned and five hotels that are expected

to be completed with a total of 731 rooms. This corresponds to a net increase of approximately 1.6 percent of the current portfolio. In July 2023, Scandic announced an agreement for a new Scandic Go hotel in central Stockholm. The hotel, which will have 221 rooms, is expected to open in 2024.

Investments in the pipeline are expected to total approximately 373 million SEK. To date, investments of 26 million SEK have been made.

## NUMBER OF HOTELS IN OPERATION & PIPELINE

	In pipeline as of 30 Jun, 2023					
	New hotels	Planned exits	Total	New rooms	Planned exits	Total
Sweden	3	-2	1	781	-328	453
Norway	2	-2	-	525	-274	251
Finland	-	-	-	-	-	-
Denmark	1	-1	-	342	-129	213
Other Europe	-	-	-	-	-	-
<b>Total</b>	<b>6</b>	<b>-5</b>	<b>1</b>	<b>1,648</b>	<b>-731</b>	<b>917</b>
<i>Change during the quarter</i>	<i>1</i>	<i>-</i>	<i>1</i>	<i>124</i>	<i>-</i>	<i>124</i>

# 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 all investors gain a good understanding of the company's position, Scandic has chosen to present 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 2023

Net sales rose by 7.9 percent to 5,693 million SEK (5,276). Exchange rate effects impacted net sales positively by 105 million SEK or 2.0 percent. The number of available rooms at the end of the quarter increased by 0.6 percent compared with the previous year.

Organic growth excluding exchange rate effects and acquisitions was 5.9 percent, and sales for comparable units grew by 3.0 percent.

Average revenue per available room (RevPAR) rose by 10.7 percent to 828 SEK compared with 749 SEK during the previous year. RevPAR improved in all markets compared with the corresponding period in 2022. The average room rate continued to rise and amounted to SEK 1,315, an increase of 11.0 percent compared with the second quarter 2022.

Revenue from restaurant and conference operations grew by 5.8 percent due to the high demand for meetings and conferences in all markets. The share of net sales amounted to 27.4 percent (27.9).

## REPORTED RESULTS

The operating profit was 833 million SEK (1,016) including pre-opening costs for new hotels of -2 million SEK (-75). Depreciation and amortization totaled -943 million SEK (-825). This increase was impacted by additional depreciation and amortization of 123 million SEK due to IFRS 16.

The Group's net financial expense amounted to -503 million SEK (-479).

The loss before tax was -329 million SEK (536) and reported tax amounted to -59 million SEK (-104). Net profit was 271 million SEK (432).

Costs for central functions grew and amounted to -114 million SEK (-68), partly due to a high level of activity within digital development, increased marketing costs and measures to strengthen the organization within IT and marketing.

Earnings per share after dilution totaled 0.98 SEK per share (1.93). The calculation of earnings per share includes the full dilutive effect, as the profit for the period attributable to the Parent Company's shareholders was positive.

## EXCLUDING EFFECTS OF IFRS 16

Rental costs rose to 1,604 million SEK (1,373). Rental costs relative to net sales increased and amounted to 28.2 percent (26.0). During the quarter, negotiated rent concessions of approximately 8 million SEK (28) were received, reducing fixed and guaranteed rents. Depreciation and amortization totaled -204 million SEK (-209).

Adjusted EBITDA was 772 million SEK (1,083). All markets reported positive adjusted EBITDA during the quarter. The new hotels that opened in 2022 and that are being ramped up continued to develop well, contributing positively to the Group's results.

Excluding direct state aid and non-recurring items, the adjusted EBITDA margin was 13.3 percent (16.1). During the quarter, non-recurring items affecting adjusted EBITDA amounted to 20 million SEK (166) and is related to compensation for operations related to housing for refugees in hotel rooms that were not used, of 20 million SEK (107). The corresponding period last year, also included

compensation received in connection with opening new hotels of 59 million SEK. Adjusted EBITDA does not include any direct state aid for fixed costs (94).

The Group's net financial expense amounted to -72 million SEK (-115). Interest expenses totaled -66 million SEK (-92); these expenses were impacted positively by lower indebtedness. The profit before tax was 494 million SEK (684) and the net profit was 403 million SEK (551). Earnings per share after dilution totaled 1.55 SEK (2.44) per share.

## **JANUARY – JUNE 2023**

Net sales rose by 27.6 percent to 10,218 million SEK (8,009). Exchange rate effects impacted net sales positively by 177 million SEK or 2.2 percent. The number of available rooms at the end of the quarter increased by 0.6 percent compared with the previous year.

Organic growth excluding exchange rate effects and acquisitions was 25.4 percent, and sales for comparable units grew by 20.5 percent.

Average revenue per available room (RevPAR) rose by 26.9 percent to 728 SEK compared with 574 SEK during the previous year. RevPAR improved in all markets compared with the corresponding period in 2022. The average room rate continued to rise and amounted to 1,249 SEK, an increase of 11.5 percent compared with the corresponding period last year.

Revenue from restaurant and conference operations grew by 30.6 percent due to the high demand for meetings and conferences in all markets. The share of net sales amounted to 29.3 percent (28.6). The first quarter of 2022 was negatively affected by continued pandemic restrictions during parts of the period.

## **REPORTED RESULTS**

The operating profit was 1,032 million SEK (737) including pre-opening costs for new hotels of -16 million SEK (-102). Items affecting comparability amounted to -3 million SEK (0) related to costs associated with organizational changes. Depreciation and amortization totaled -1,881 million SEK (-1,645). This increase was impacted by additional depreciation and amortization of 243 million SEK due to IFRS 16.

The Group's net financial expense amounted to -1,025 million SEK (-933).

The profit before tax was 7 million SEK (-196) and reported tax amounted to -38 million SEK (-10). The net loss totaled -31 million SEK (-207).

Costs for central functions increased and amounted to -218 million SEK (-136), partly due to higher marketing costs and measures to strengthen the organization within IT and marketing.

Earnings per share after dilution totaled -0.26 SEK per share (-1.15). 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 rose to 2,975 million SEK (2,366). Rental costs relative to net sales fell as a result of higher sales and amounted to 29.1 percent (29.5). During the first half year, negotiated rent concessions of approximately 20 million SEK (64) were received, reducing fixed and guaranteed rents. Depreciation and amortization totaled -412 million SEK (-419).

Adjusted EBITDA amounted to 942 million SEK (846), driven by higher net sales and efficient cost control. All markets reported positive adjusted EBITDA during the first half year. The new hotels that opened in 2022 and are being ramped up continued to develop well, contributing positively to the Group's results.

Excluding direct state aid and non-recurring items, the adjusted EBITDA margin was 8.7 percent (6.2). During the first half year, non-recurring items affecting adjusted EBITDA amounted to 61 million SEK (202), split between housing for refugees in hotel rooms that were not used, of 38 million SEK (138) and compensation received in connection with opening new hotels of 23 million SEK (64). Adjusted EBITDA does not include any direct state aid for fixed costs (157).

The Group's net financial expense amounted to -163 million SEK (-225). Interest expenses totaled -131 million SEK (-189); these expenses were impacted positively by lower indebtedness. The profit before tax was 349 million SEK (101) and the net profit was 244 million SEK (30). Earnings per share after dilution totaled 1.18 SEK (0.09) per share.

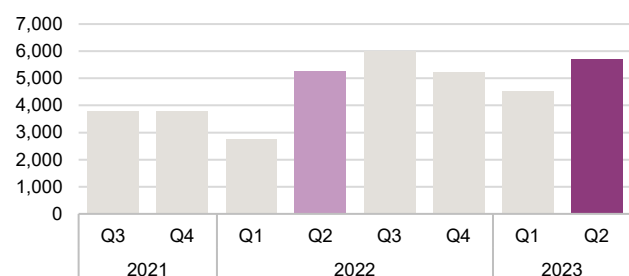
## **SEASONAL VARIATIONS**

Scandic operates in a sector affected by seasonal variations. The first quarter and other periods with low levels of business travel such as the summer months, 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.



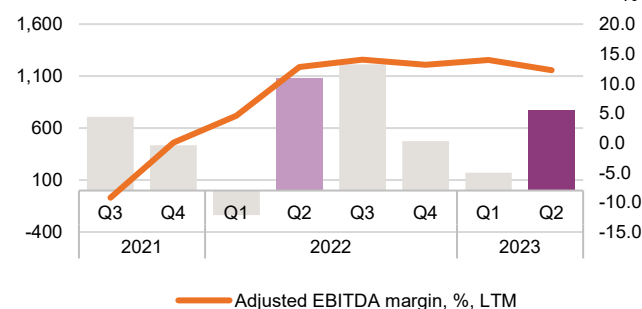
## NET SALES

million SEK



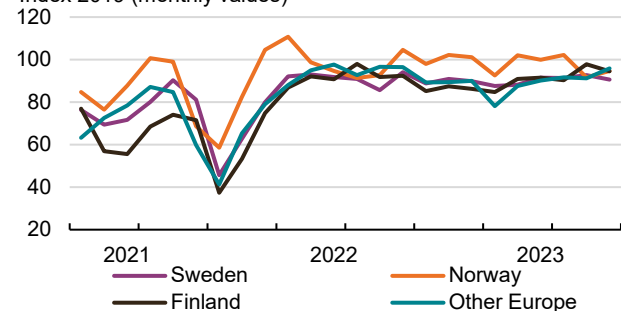
## ADJUSTED EBITDA

million SEK



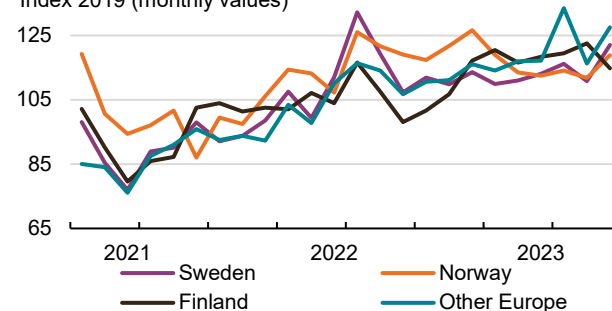
## OCCUPANCY, SCANDIC

Index 2019 (monthly values)



## AVERAGE ROOM RATES, SCANDIC

Index 2019 (monthly values)



## NET SALES, OPERATING PROFIT & ADJUSTED EBITDA

	Apr-Jun 2023	Apr-Jun 2022	Δ%	Jan-Jun 2023	Jan-Jun 2022	Δ%
<b>Net sales (million SEK)</b>	<b>5,693</b>	<b>5,276</b>	<b>7,9%</b>	<b>10,218</b>	<b>8,009</b>	<b>27,6%</b>
Currency effects	105		2,0%	177		2,2%
Organic growth	311		5,9%	2,033		25,4%
<i>New hotels</i>	<i>308</i>		<i>5,8%</i>	<i>585</i>		<i>7,3%</i>
<i>Exits</i>	<i>-156</i>		<i>-3,0%</i>	<i>-196</i>		<i>-2,4%</i>
<i>LFL</i>	<i>160</i>		<i>3,0%</i>	<i>1,643</i>		<i>20,5%</i>
<b>Operating profit/loss</b>	<b>833</b>	<b>1,016</b>		<b>1,032</b>	<b>737</b>	
margin, %	14,6%	19,2%		10,1%	9,2%	
<b>Adjusted EBITDA</b>	<b>772</b>	<b>1,083</b>		<b>942</b>	<b>846</b>	
margin, %	13,6%	20,5%		9,2%	10,6%	
<b>RevPAR (SEK)</b>	<b>828</b>	<b>749</b>	<b>10,6%</b>	<b>728</b>	<b>574</b>	<b>26,9%</b>
Currency effects	16		2,1%	13		2,2%
New hotels/exits	12		1,7%	6		1,0%
LFL	51		6,8%	136		23,6%
ARR (SEK)	1,315	1,185	11,0%	1,249	1,119	11,5%
OCC %	63,0%	63,2%		58,3%	51,3%	

Quarter Apr-Jun million SEK	Net sales		Adjusted EBITDA		Adjusted EBITDA margin, %	
	2023	2022	2023	2022	2023	2022
Sweden	1,751	1,686	270	333	15.4%	19.7%
Norway	1,548	1,699	285	417	18.4%	24.5%
Finland	1,264	1,074	145	186	11.5%	17.4%
Other Europe	1,130	817	186	215	16.4%	26.3%
Central functions	-	-	-114	-68	-	-
<b>Total Group</b>	<b>5,693</b>	<b>5,276</b>	<b>772</b>	<b>1,083</b>	<b>13.6%</b>	<b>20.5%</b>

Period, Jan-Jun million SEK	Net sales		Adjusted EBITDA		Adjusted EBITDA margin, %	
	2023	2022	2023	2022	2023	2022
Sweden	3,139	2,512	365	254	11.6%	10.0%
Norway	2,860	2,660	437	552	15.3%	20.7%
Finland	2,318	1,636	165	26	7.1%	1.6%
Other Europe	1,901	1,200	193	151	10.2%	12.6%
Central functions	-	-	-218	-136	-	-
<b>Total Group</b>	<b>10,218</b>	<b>8,009</b>	<b>942</b>	<b>846</b>	<b>9.2%</b>	<b>10.6%</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. Cash flow excluding IFRS 16 for the period January to June amounted to 515 million SEK (711).

During the first half year, the cash flow contribution from the change in working capital amounted to -347 million SEK (109). Working capital was negatively impacted by the previously communicated repayment of variable rent debts for 2022 of SEK 700 million. An additional approximately 40 million SEK is expected to be repaid during 2023. Excluding the effect of repaying these rent debts, the development of working capital was positive, driven by increased operating liabilities.

Taxes paid amounted to -79 million SEK (-35) and referred to payment of taxes for previous years primarily in Sweden and Norway.

Net investments paid amounted to -209 million SEK (-407). Of these, -169 million SEK (-134) relates to ongoing hotel renovations at hotels in Stockholm, Umeå, Falun and Oslo among others and -22 million SEK (-8) to IT. Investments in new hotels and increased room capacity amounted to -18 million SEK (-265) and mainly relate to the completion of Scandic Frankfurt Hafepark in Germany.

In total, the free cash flow improved and amounted to 306 million SEK (304).

## OPERATING CASH FLOW

million SEK	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022	Jul-Jun 22/23
Adjusted EBITDA	772	1,083	942	846	2,536	2,631
Pre-opening costs	-2	-75	-16	-102	-131	-45
Items affecting comparability	-	-	-3	-0	-16	-19
Adjustments for non-cash items	40	21	55	21	28	62
Paid tax	-29	-1	-79	-35	-39	-83
Change in working capital	23	549	-347	109	614	158
Interest paid	-23	-74	-37	-129	-155	-63
<b>Cash flow from operations</b>	<b>781</b>	<b>1,503</b>	<b>515</b>	<b>711</b>	<b>2,837</b>	<b>2,642</b>
Paid investments in hotel renovations	-102	-80	-169	-134	-277	-312
Paid investments in IT	-14	-4	-22	-8	-14	-28
<b>Free cash flow before investments in expansions</b>	<b>665</b>	<b>1,419</b>	<b>324</b>	<b>569</b>	<b>2,546</b>	<b>2,302</b>
Paid investments in new capacity	-1	-120	-18	-265	-344	-97
<b>Free cash flow</b>	<b>664</b>	<b>1,300</b>	<b>306</b>	<b>304</b>	<b>2,202</b>	<b>2,205</b>
Accrued interest, convertible loan	-42	-37	-82	-74	-153	-161
Change in other interest bearing liability	-	-508	-	-508	-493	15
Other items in financing activities	-10	-24	-85	5	3	-87
Financing costs	-4	-4	4	-8	-12	0
Exchange difference in net debt	-39	-41	-55	-56	-73	-72
<b>Change in net debt</b>	<b>569</b>	<b>685</b>	<b>88</b>	<b>-338</b>	<b>1,475</b>	<b>1,901</b>

## FINANCIAL POSITION

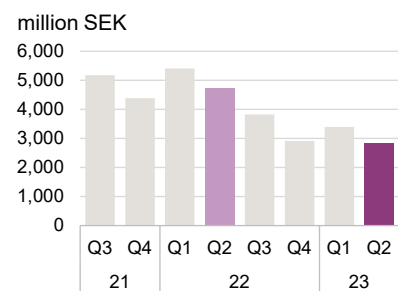
The balance sheet total on June 30, 2023 was 56,683 million SEK compared with 50,948 million SEK on December 31, 2022. The greatest change relates to an increase in lease debts and right-of-use assets according to IFRS 16, mainly attributable to index calculations in lease agreements and new contracts. Excluding IFRS 16, the balance sheet total amounted to 15,622 million SEK.

On June 30, 2023, interest-bearing net liabilities totaled 2,821 million SEK, a decrease of 88 million SEK compared with December 31, 2022. Debts to credit institutions totaled 974 million SEK, other interest-bearing liabilities amounted to 841 million SEK and cash and cash equivalents totaled 560 million SEK. The convertible loan was 1,566 million SEK at the end of the period. Interest-bearing net debt in relation to adjusted EBITDA for the most recent 12 months amounted to 1.1x (0.5x excluding the convertible loan) in line with indebtedness at the end of 2022 (1.1) and less than at year-end 2019 (1.7).

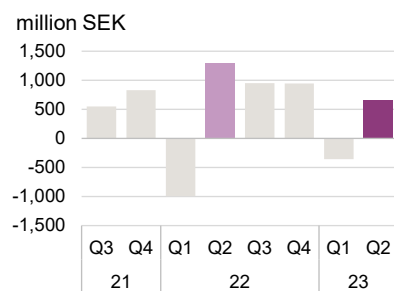
Total available credit facilities amounted to 3,250 million SEK at the end of the period. On February 15, 2023, Scandic signed an agreement for external financing with total credit facilities of 3,450 million SEK until December 31, 2025. In connection with the extension, interest terms and covenants were also adjusted. Under certain conditions, the external financing gives Scandic the opportunity to finance all or part of the convertible loan that is due on October 8, 2024. Total available liquidity at the end of 2022 amounted to approximately 2,700 million SEK.

Other interest-bearing liabilities of 841 million SEK include debt relating to deferred VAT payments and social security contributions in Sweden. The debt increased by a net of 206 million SEK during the first half year as new deferrals were granted. Repayments are expected to be made until April 2027.

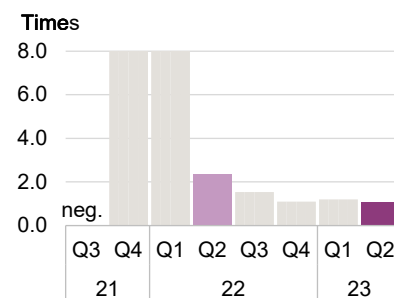
### INTEREST-BEARING NET LIABILITIES



### FREE CASH FLOW



### INTEREST-BEARING NET DEBT/ 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 3.9 percent to 1,751 million SEK (1,686). For comparable units, net sales increased by 2.2 percent.

Changes in the hotel portfolio contributed 28 million SEK to net sales. Scandic Göteborg Central had the greatest positive impact. Exited hotels included Scandic Ariadne and Scandic Norra Bantorget, which is closed for renovations and will reopen next year.

Average revenue per available room (RevPAR) grew by 8.8 percent to 823 SEK compared with the corresponding quarter in 2022.

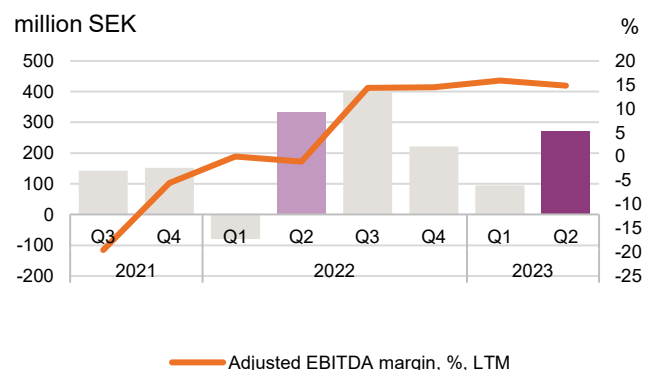
Adjusted EBITDA amounted to 270 million SEK (333). During 2022, 45 million SEK was received in connection with the opening of new hotels. Rental costs increased by 39 million SEK to 502 million SEK as a result of greater turnover and consequently, higher variable rents.

## JANUARY – JUNE

Net sales rose by 25.0 percent to 3,139 million SEK (2,512). For comparable units, net sales increased by 21.4 percent.

Changes in the hotel portfolio contributed 91 million SEK to net sales. Scandic Göteborg Central and Scandic Kiruna had the greatest positive impact. Exited hotels refer to Scandic Ferrum, which was closed in connection with the opening of

## ADJUSTED EBITDA



the new Scandic Kiruna, Scandic Ariadne and Scandic Norra Bantorget, which is closed for renovation and will reopen next year.

Average Revenue Per Available Room (RevPAR) increased by 26.1 percent to 720 SEK compared with the previous year.

Adjusted EBITDA increased to 365 million SEK (254). No direct state aid was received during the period (10). During 2022, 45 million SEK was received in connection with the opening of new hotels. Rental costs increased by 180 million SEK to 923 million SEK as a result of greater turnover and consequently, higher variable rents.

## SEGMENT DISCLOSURES

	Apr-Jun 2023	Apr-Jun 2022	Δ%	Jan-Jun 2023	Jan-Jun 2022	Δ%
<b>Net sales (million SEK)</b>	<b>1,751</b>	<b>1,686</b>	<b>3.9%</b>	<b>3,139</b>	<b>2,512</b>	<b>25.0%</b>
Organic growth	65		3.9%	627		25.0%
New hotels	68		4.0%	163		6.5%
Exits	-40		-2.4%	-72		-2.9%
LFL	36		2.2%	536		21.4%
<b>Adjusted EBITDA</b>	<b>270</b>	<b>333</b>		<b>365</b>	<b>254</b>	
margin, %	15.4%	19.7%		11.6%	10.1%	
<b>RevPAR (SEK)</b>	<b>823</b>	<b>756</b>	<b>8.8%</b>	<b>720</b>	<b>571</b>	<b>26.1%</b>
New hotels/exits	8		1.1%	4		0.7%
LFL	58		7.7%	145		25.4%
ARR (SEK)	1,277	1,164	9.8%	1,205	1,090	10.6%
OCC %	64.4%	65.0%		59.7%	52.4%	

# NORWAY

With a nationwide network of 84 hotels offering more than 16,000 rooms,

Scandic is Norway's second largest hotel company.

## APRIL – JUNE

Net sales declined by -8.9 percent to 1,548 million SEK (1,699) as a result of lower revenue related to operations related to housing for refugees. Net sales for comparable units decreased by 0.9 percent.

Changes in the hotel portfolio contributed -43 million SEK to net sales.

Average revenue per available room (RevPAR) decreased by -0.4 percent to 779 SEK compared with the corresponding quarter in 2022.

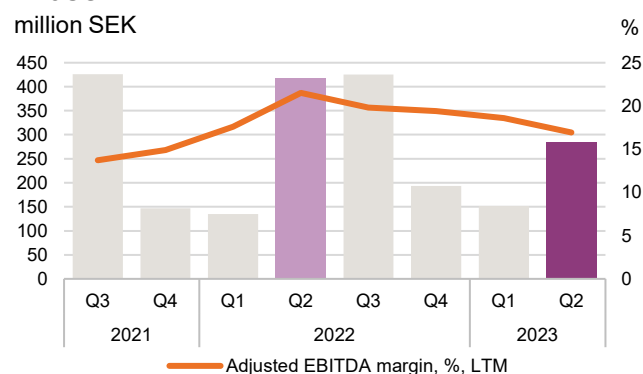
Adjusted EBITDA amounted to 285 million SEK (417). No direct state aid was received during the period (10). Approximately 20 million SEK of adjusted EBITDA (107) is estimated to be attributable to operations related to housing for refugees in hotel rooms that were not used. Rental costs decreased by 13 million SEK to 420 million SEK as a result of lower turnover and consequently, lower variable rents.

## JANUARY – JUNE

Net sales rose by 7.5 percent to 2,860 million SEK (2,660), and net sales for comparable units grew by 11.8 percent.

Changes in the hotel portfolio contributed 23 million SEK to net sales. The most significant positive impact was from

## ADJUSTED EBITDA



Scandic Holmenkollen Park, which reopened in June 2022 following an extensive renovation.

Average Revenue Per Available Room (RevPAR) increased by 11.6 percent to 708 SEK compared with the previous year.

Adjusted EBITDA amounted to 437 million SEK (552). No direct state aid was received during the period (18). Approximately 38 million SEK of adjusted EBITDA (138) is estimated to be attributable to operations related to housing for refugees in hotel rooms that were not used. Rental costs increased by 60 million SEK to 782 million SEK as a result of greater turnover and consequently, higher variable rents.

## SEGMENT DISCLOSURES

	Apr-Jun 2023	Apr-Jun 2022	Δ%	Jan-Jun 2023	Jan-Jun 2022	Δ%
<b>Net sales (million SEK)</b>	<b>1,548</b>	<b>1,699</b>	<b>-8.9%</b>	<b>2,860</b>	<b>2,660</b>	<b>7.5%</b>
Currency effects	-93		-5.5%	-137		-5.1%
Organic growth	-59		-3.5%	337		12.7%
New hotels	44		2.6%	97		3.6%
Exits	-87		-5.1%	-74		-2.8%
LFL	-16		-0.9%	315		11.8%
<b>Adjusted EBITDA</b>	<b>285</b>	<b>417</b>		<b>437</b>	<b>552</b>	
margin, %	18.4%	24.5%		15.3%	20.7%	
<b>RevPAR (SEK)</b>	<b>779</b>	<b>783</b>	<b>-0.4%</b>	<b>708</b>	<b>635</b>	<b>11.6%</b>
Currency effects	-46		-5.9%	-34		-5.4%
New hotels/exits	24		3.0%	12		1.9%
LFL	19		2.4%	96		15.0%
ARR (SEK)	1,283	1,230	4.3%	1,244	1,165	6.7%
OCC %	60.7%	63.6%		57.0%	54.5%	

# FINLAND

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

## APRIL – JUNE

Net sales rose by 17.7 percent to 1,264 million SEK (1,074) and net sales for comparable units grew by 5.3 percent. Occupancy increased gradually during the quarter, driven by higher demand in Helsinki.

Changes in the hotel portfolio contributed 28 million SEK to net sales. The positive effect is mainly attributable to Scandic Helsinki Hub. Scandic Kajanus, which was exited during the first quarter, had the greatest negative impact. Average revenue per available room (RevPAR) grew by 19.3 percent to 749 SEK compared with the corresponding quarter in 2022.

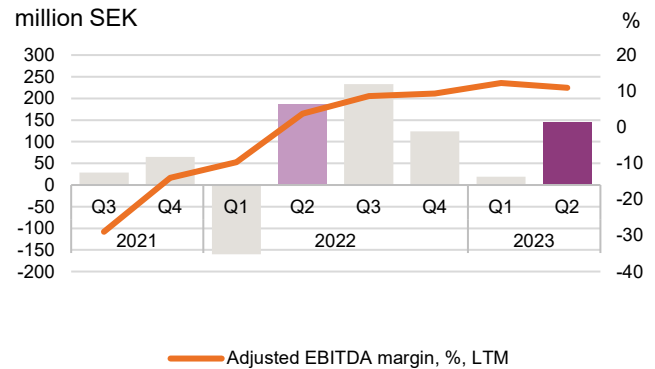
Adjusted EBITDA amounted to 145 million SEK (186). No direct state aid was received during the period (37).

Rental costs increased by 102 million SEK to 397 million SEK as a result of greater turnover and consequently, higher variable rents. No rent concessions were received during the quarter (17).

## JANUARY – JUNE

Net sales rose by 41.6 percent to 2,318 million SEK (1,636) and net sales for comparable units grew by 28.4 percent. Occupancy increased gradually during the first half year, driven by higher demand in Helsinki.

## ADJUSTED EBITDA



Changes in the hotel portfolio contributed 44 million SEK to net sales. The positive effect is mainly attributable to Scandic Helsinki Hub. Scandic Kajanus, which was exited during the first quarter, had the greatest negative impact. Average Revenue Per Available Room (RevPAR) increased by 41.4 percent to 675 SEK compared with the previous year.

Adjusted EBITDA increased to 165 million SEK (26). No direct state aid was received during the first half year (43).

Rental costs increased by 179 million SEK to 758 million SEK as a result of greater turnover and consequently, higher variable rents and lower rent concessions.

	Apr-Jun 2023	Apr-Jun 2022	Δ%	Jan-Jun 2023	Jan-Jun 2022	Δ%
<b>Net sales (million SEK)</b>	<b>1,264</b>	<b>1,074</b>	<b>17.7%</b>	<b>2,318</b>	<b>1,636</b>	<b>41.6%</b>
Currency effects	106		9.8%	173		10.6%
Organic growth	85		7.9%	508		31.1%
New hotels	37		3.4%	61		3.7%
Exits	-9		-0.8%	-17		-1.1%
LFL	57		5.3%	464		28.4%
<b>Adjusted EBITDA</b>	<b>145</b>	<b>186</b>		<b>165</b>	<b>26</b>	
margin, %	11.5%	17.4%		7.1%	1.6%	
<b>RevPAR (SEK)</b>	<b>749</b>	<b>628</b>	<b>19.3%</b>	<b>675</b>	<b>477</b>	<b>41.4%</b>
Currency effects	62		9.9%	50		10.5%
New hotels/exits	10		1.6%	6		1.4%
LFL	49		7.7%	141		29.5%
ARR (SEK)	1,297	1,141	13.7%	1,242	1,099	13.1%
OCC %	57.8%	55.1%		54.3%	43.4%	

# 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 30 hotels and more than 6,000 hotel rooms. Outside of the Nordic region, the company operates eight hotels with close to 2,500 hotel rooms.

## APRIL – JUNE

Net sales rose by 38.2 percent to 1,130 million SEK (817) and net sales for comparable units grew by 10.1 percent. Performance improved in all countries and changes in the hotel portfolio contributed 138 million SEK to net sales. The positive effect is mainly attributable to Scandic Spectrum in Copenhagen and Scandic Frankfurt Hafenpark. Scandic Bygholm Park in Horsens, which was exited during the period, had a negative impact.

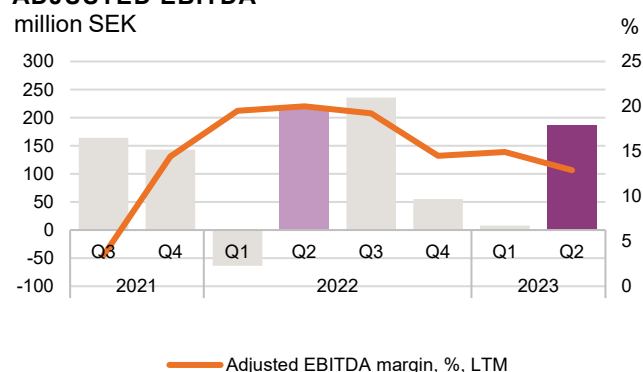
Average revenue per available room (RevPAR) grew by 18.8 percent to 1,046 SEK compared with the corresponding quarter in 2022.

Adjusted EBITDA amounted to 186 million SEK (215). No direct state aid was received during the period (47). No compensation was received in connection with opening new hotels (14). Rental costs rose by 103 million SEK to 290 million SEK.

## JANUARY – JUNE

Net sales rose by 58.4 percent to 1,901 million SEK (1,200) and net sales for comparable units grew by 27.3 percent. Performance improved in all countries and changes in the hotel portfolio contributed 232 million SEK to net sales. The positive effect is mainly attributable to Scandic Spectrum in Copenhagen and Scandic Frankfurt Hafenpark. Scandic

## ADJUSTED EBITDA



Bygholm Park in Horsens, which was exited during the period, had a negative impact.

Average Revenue Per Available Room (RevPAR) increased by 35.5 percent to 864 SEK compared with the previous year.

Adjusted EBITDA increased to 193 million SEK (151). No direct state aid was received during the period (87). Compensation was received in connection with opening new hotels of 23 million SEK (19). Rental costs increased by 193 million SEK to 524 million SEK as a result of greater turnover and consequently, higher variable rents and lower rent concessions.

	Apr-Jun 2023	Apr-Jun 2022	Δ%	Jan-Jun 2023	Jan-Jun 2022	Δ%
<b>Net sales (million SEK)</b>	<b>1,130</b>	<b>817</b>	<b>38.2%</b>	<b>1,901</b>	<b>1,200</b>	<b>58.4%</b>
Currency effects	92		11.3%	141		11.7%
Organic growth	220		27.0%	560		46.7%
New hotels	159		19.4%	264		22.0%
Exits	-21		-2.5%	-32		-2.6%
LFL	82		10.1%	328		27.3%
<b>Adjusted EBITDA</b>	<b>186</b>	<b>215</b>		<b>193</b>	<b>151</b>	
margin, %	16.4%	26.3%		10.2%	12.6%	
<b>RevPAR (SEK)</b>	<b>1,046</b>	<b>881</b>	<b>18.8%</b>	<b>864</b>	<b>637</b>	<b>35.5%</b>
Currency effects	85		9.6%	-		10.1%
New hotels/exits	-16		-1.8%	8		-2.2%
LFL	97		11.0%	367		27.7%
ARR (SEK)	1,458	1,214	20.1%	1,353	1,130	19.7%
OCC %	71.8%	72.5%		63.9%	56.4%	



# OTHER INFORMATION

## EVENTS DURING THE PERIOD

In April, Scandic announced that the first Scandic Go hotel will open at the beginning of September 2023, enabling Scandic to enter the economy segment. The new hotel will be located in central Stockholm in an existing Scandic hotel that will be renovated.

## EVENTS AFTER THE REPORTING DATE

In July, Scandic announced that it had signed an agreement for another Scandic Go hotel on Fridhemsplan in central Stockholm with 221 rooms. The hotel is expected to open in 2024.

## OUTLOOK

Based on current bookings, Scandic anticipates occupancy rates aligned with the corresponding period last year at higher average room rates.

## THE SCANDIC SHARE

The number of shareholders totaled 66,647 on June 30, 2023. The Scandic share is listed on Nasdaq Stockholm's Nordic Mid Cap list. The total number of shares was 191,304,116 and the closing price on June 30, 2023 was 43.71 SEK.

## SHAREHOLDERS AS AT JUNE 30, 2023

	Number of Shareholding, shares	Votes, %	%
Stena Sessan	37,974,365	19.85	19.85
AMF Pension & Fonder	24,000,000	12.55	12.55
Eiendomsspar	8,528,000	4.46	4.46
Handelsbanken Fonder	5,215,440	2.73	2.73
Periscopos AS	5,138,955	2.69	2.69
Svenska Handelsbanken AB for PB	4,734,236	2.47	2.47
Vanguard	4,678,279	2.45	2.45
Dimensional Fund Advisors	3,560,779	1.86	1.86
Handelsbanken Liv Försäkring AB	3,224,245	1.69	1.69
Norges Bank	3,182,205	1.66	1.66
Total 10 largest shareholders	<b>100,236,504</b>	<b>52.40</b>	<b>52.40</b>
Others	<b>91,067,612</b>	<b>47.60</b>	<b>47.60</b>
<b>Total</b>	<b>191,304,116</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 17 million SEK (12) for the quarter and 32 million SEK (23) for the half year. The operating profit amounted to 0 million SEK (-1) for the quarter and 0 million SEK (-1) for the half year.

Net financial items totaled -16 million SEK (-20) for the quarter and -30 million SEK (-39) for the half year. Profit before tax amounted to -16 million SEK (-21) for the quarter and -30 million SEK (-40) for the half year.

## PRESS RELEASES DURING FIRST HALF YEAR (SELECTION)

July 3, 2023	Scandic Go expanding – opening another hotel in downtown Stockholm
June 8, 2023	A sneak peek of new Scandic Go
May 8, 2023	Laura Tarkka new Head of Scandic Hotels in Finland
April 27, 2023	Scandic enters economy segment – first Scandic Go hotel to open after summer
March 1, 2023	Scandic Frankfurt Hafenpark opens in premier location

## PRESENTATION OF THE REPORT

A live streamed presentation of Scandic's half-year report will take place on July 14, 2023 at 9:00 CEST. Scandic's President & CEO Jens Mathiesen will present the report together with CFO Åsa Wirén 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.

**October 26, 2023** Interim report Q3 2023

**February 14, 2024** Year-end report 2023

## 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 14, 2023 at 07.30 CEST.

# FINANCIAL REPORTS

## CONSOLIDATED INCOME STATEMENT

million SEK	Note	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022	Jul-Jun 22/23
<b>Net sales</b>		<b>5,693</b>	<b>5,276</b>	<b>10,218</b>	<b>8,009</b>	<b>19,230</b>	<b>21,439</b>
Other revenue		-	3	-	3	3	-
<b>TOTAL OPERATING INCOME</b>	<b>2, 3</b>	<b>5,693</b>	<b>5,279</b>	<b>10,218</b>	<b>8,012</b>	<b>19,233</b>	<b>21,440</b>
Raw materials and consumables		-426	-392	-788	-605	-1,495	-1,678
Other external expenses		-1,120	-854	-2,161	-1,560	-3,854	-4,454
Employee benefits expenses	4	-1,770	-1,577	-3,352	-2,634	-5,957	-6,675
Rental charges	5	-598	-541	-986	-729	-1,951	-2,208
Pre-opening costs		-2	-75	-16	-102	-131	-45
Items affecting comparability		-	-	-3	-0	-16	-19
Depreciation, amortization and impairment losses		-943	-825	-1,881	-1,645	-3,372	-3,608
<b>TOTAL OPERATING COSTS</b>		<b>-4,860</b>	<b>-4,264</b>	<b>-9,187</b>	<b>-7,275</b>	<b>-16,776</b>	<b>-18,688</b>
<b>Operating profit/loss</b>		<b>833</b>	<b>1,016</b>	<b>1,032</b>	<b>737</b>	<b>2,457</b>	<b>2,752</b>
Net financial items	6	-503	-479	-1,025	-933	-1,808	-1,900
<b>Profit/loss before taxes</b>		<b>329</b>	<b>536</b>	<b>7</b>	<b>-196</b>	<b>649</b>	<b>852</b>
Taxes		-59	-104	-38	-10	-221	-248
<b>Net profit/loss for the period</b>		<b>271</b>	<b>432</b>	<b>-31</b>	<b>-207</b>	<b>428</b>	<b>603</b>
Profit/loss for period relating to:							
Parent Company shareholders		262	421	-49	-220	394	563
Non-controlling interest		8	11	18	13	34	40
<b>Net profit/loss for the period</b>		<b>271</b>	<b>432</b>	<b>-31</b>	<b>-207</b>	<b>428</b>	<b>603</b>
Average number of outstanding shares before dilution		191,304,116	191,257,993	191,304,116	191,257,993	191,277,074	191,299,946
Average number of outstanding shares after dilution		232,768,903	232,786,903	191,304,116	191,257,993	232,768,903	232,768,903
<b>Earnings per share before dilution, SEK</b>		<b>1.37</b>	<b>2.20</b>	<b>-0.26</b>	<b>-1.15</b>	<b>2.69</b>	<b>2.94</b>
<b>Earnings per share after dilution, SEK</b>		<b>0.98</b>	<b>1.93</b>	<b>-0.26</b>	<b>-1.15</b>	<b>2.21</b>	<b>1.90</b>

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

million SEK	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022	Jul-Jun 22/23
Net profit/loss for the period	271	432	-31	-207	428	603
Items that may be reclassified to the income statement	46	178	-255	414	421	-248
Items that may not be reclassified to the income statement	10	95	60	104	246	202
Other comprehensive income	55	273	-196	518	667	-47
<b>Total comprehensive income for period</b>	<b>326</b>	<b>706</b>	<b>-227</b>	<b>311</b>	<b>1,095</b>	<b>557</b>
Relating to:						
Parent Company shareholders	318	720	-245	324	1,130	561
Non-controlling interest	8	-14	18	-13	-35	-4

## CONSOLIDATED BALANCE SHEET, SUMMARY

million SEK	Note	30 Jun 2023	30 Jun 2022	31 Dec 2022
<b>Assets</b>				
Intangible assets		7,276	7,021	7,189
Buildings and land		77	81	82
Right of use assets		41,138	35,547	36,777
Equipment, fixtures and fittings		4,154	4,391	4,272
Financial assets		796	707	640
<b>Total non-current assets</b>	<b>7</b>	<b>53,442</b>	<b>47,747</b>	<b>48,960</b>
Current assets	<b>10</b>	2,574	1,599	1,287
Derivative instruments		107	526	384
Cash and cash equivalents	<b>9</b>	560	101	317
<b>Total current assets</b>		<b>3,242</b>	<b>2,226</b>	<b>1,988</b>
<b>Total assets</b>		<b>56,683</b>	<b>49,973</b>	<b>50,948</b>
<b>Equity and liabilities</b>				
Equity attributable to the Parent Company shareholders		1,913	1,432	2,197
Non-controlling interest		91	54	77
<b>Total equity</b>		<b>2,003</b>	<b>1,486</b>	<b>2,274</b>
Liabilities to credit institutions	<b>9</b>	974	2,729	1,107
Convertible loan	<b>8</b>	1,566	1,406	1,484
Lease liabilities		42,599	36,589	38,062
Other long-term liabilities	<b>9</b>	1,208	1,560	1,308
<b>Total non-current liabilities</b>		<b>46,347</b>	<b>42,284</b>	<b>41,961</b>
Current liabilities for leases		2,522	2,174	2,268
Other current liabilities	<b>10</b>	5,811	4,029	4,445
<b>Total current liabilities</b>		<b>8,333</b>	<b>6,203</b>	<b>6,713</b>
<b>Total equity and liabilities</b>		<b>56,683</b>	<b>49,973</b>	<b>50,948</b>
Equity per share, SEK		10.0	7.5	11.5
Total number of shares outstanding, end of period		191,304,116	191,257,993	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 2022-01-01</b>	<b>48</b>	<b>9,890</b>	<b>182</b>	<b>-9,005</b>	<b>1,115</b>	<b>40</b>	<b>1,155</b>
Net profit/loss for the period	-	-	-	-220	-220	13	-207
Total other comprehensive income, net after tax	-	-	414	104	518	-	518
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>414</b>	<b>-116</b>	<b>298</b>	<b>13</b>	<b>311</b>
Other adjustments	-	-	56	-	56	-	56
Total transactions with shareholders	-	-	-	-36	-36	-	-36
<b>CLOSING BALANCE 2022-06-30</b>	<b>48</b>	<b>9,890</b>	<b>651</b>	<b>-9,157</b>	<b>1,432</b>	<b>54</b>	<b>1,486</b>
Net profit/loss for the period	-	-	-	614	614	21	635
Total other comprehensive income, net after tax	-	-	4	142	146	3	149
<b>Total comprehensive income for the year</b>	<b>-</b>	<b>-</b>	<b>4</b>	<b>756</b>	<b>760</b>	<b>24</b>	<b>784</b>
Other adjustments	-	-	-	-	-	0	0
Total transactions with shareholders	-	2	-	2	4	-	4
<b>CLOSING BALANCE 2022-12-31</b>	<b>48</b>	<b>9,892</b>	<b>655</b>	<b>-8,399</b>	<b>2,197</b>	<b>77</b>	<b>2,274</b>
<b>OPENING BALANCE 2023-01-01</b>	<b>48</b>	<b>9,892</b>	<b>655</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>

## CONSOLIDATED CASH FLOW STATEMENT

million SEK	Note	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022	Jul-Jun 22/23
<b>OPERATING ACTIVITIES</b>							
Operating profit/loss		833	1,016	1,032	737	2,457	2,752
Depreciation, amortization and impairment losses		943	825	1,881	1,645	3,372	3,608
Adjustments for non-cash items		40	21	55	21	28	62
Paid tax		-29	-1	-79	-35	-39	-83
Change in working capital		23	549	-347	109	614	158
<b>Cash flow from operating activities</b>		<b>1,810</b>	<b>2,410</b>	<b>2,541</b>	<b>2,477</b>	<b>6,432</b>	<b>6,497</b>
<b>INVESTING ACTIVITIES</b>							
Paid net investments		-119	-204	-210	-407	-635	-438
<b>Cash flow from investing activities</b>		<b>-119</b>	<b>-204</b>	<b>-210</b>	<b>-407</b>	<b>-635</b>	<b>-438</b>
<b>FINANCING ACTIVITIES</b>	<b>6</b>						
Interest paid		-23	-74	-37	-129	-155	-63
Paid interest, leases		-431	-364	-862	-708	-1,464	-1,617
Financing costs		-1	-	-34	-	-	-34
Dividend, share swap agreement		-7	-10	-7	-10	-10	-7
Net borrowing/amortization		-340	-1,189	34	-395	-2,067	-1,638
Amortization, leases		-575	-467	-1,127	-929	-1,976	-2,174
<b>Cash flow from financing activities</b>		<b>-1,377</b>	<b>-2,104</b>	<b>-2,033</b>	<b>-2,171</b>	<b>-5,672</b>	<b>-5,534</b>
<b>CASH FLOW FOR THE PERIOD</b>		<b>314</b>	<b>102</b>	<b>298</b>	<b>-101</b>	<b>125</b>	<b>525</b>
Cash and cash equivalents at the beginning of the period		285	23	317	216	216	101
Translation difference in cash and cash equivalents		-38	-25	-54	-15	-24	-63
Cash and cash equivalents at the end of the period		560	101	560	101	317	560

## PARENT COMPANY INCOME STATEMENT, SUMMARY

million SEK	Note	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022	Jul-Jun 22/23
Net sales		17	12	32	23	55	64
Expenses		-17	-13	-31	-24	-56	-63
<b>Operating profit/loss</b>		<b>0</b>	<b>-1</b>	<b>0</b>	<b>-1</b>	<b>-1</b>	<b>1</b>
Financial income		31	36	57	36	65	85
Financial expenses		-47	-55	-87	-75	-156	-167
<b>Net financial items</b>		<b>-16</b>	<b>-20</b>	<b>-30</b>	<b>-39</b>	<b>-91</b>	<b>-82</b>
Appropriations		-	-	-	-	17	17
<b>Profit/loss before taxes</b>		<b>-16</b>	<b>-21</b>	<b>-30</b>	<b>-40</b>	<b>-75</b>	<b>-65</b>
Taxes		2	0	2	-	-4	-2
<b>Net profit/loss for the period</b>		<b>-14</b>	<b>-21</b>	<b>-28</b>	<b>-40</b>	<b>-79</b>	<b>-67</b>

## PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

million SEK	Note	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022	Jul-Jun 22/23
<b>Net profit/loss for the period</b>		<b>-14</b>	<b>-21</b>	<b>-28</b>	<b>-40</b>	<b>-79</b>	<b>-67</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>-14</b>	<b>-21</b>	<b>-28</b>	<b>-40</b>	<b>-79</b>	<b>-67</b>

## PARENT COMPANY BALANCE SHEET, SUMMARY

million SEK	Note	30 Jun 2023	30 Jun 2022	31 Dec 2022
<b>Assets</b>				
Investments in subsidiaries		8,415	8,415	8,415
Group company receivables		1,555	1,378	1,406
Other receivables		10	17	11
<b>Total non-current assets</b>		<b>9,980</b>	<b>9,809</b>	<b>9,832</b>
Group company receivables		8	5	35
Current receivables		16	10	15
Cash and cash equivalents		0	0	0
<b>Total current assets</b>		<b>24</b>	<b>15</b>	<b>50</b>
<b>Total assets</b>		<b>10,004</b>	<b>9,825</b>	<b>9,882</b>
<b>Equity and liabilities</b>				
<b>Equity</b>		<b>8,191</b>	<b>8,275</b>	<b>8,239</b>
Convertible loan		1,566	1,406	1,484
Other liabilities		26	35	30
<b>Total non-current liabilities</b>		<b>1,592</b>	<b>1,442</b>	<b>1,514</b>
Liabilities to Group companies		34	22	12
Other liabilities		164	69	86
Accrued expenses and prepaid income		24	17	31
<b>Total current liabilities</b>		<b>222</b>	<b>108</b>	<b>129</b>
<b>Total equity and liabilities</b>		<b>10,004</b>	<b>9,825</b>	<b>9,882</b>

## CHANGES IN PARENT COMPANY'S EQUITY

million SEK	Share premium			Total equity
	Share capital	reserve	Retained earnings	
<b>OPENING BALANCE 2022-01-01</b>	<b>48</b>	<b>3,559</b>	<b>4,743</b>	<b>8,350</b>
Net profit/loss for the period	-	-	-40	-40
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	-40	-40
Total transactions with shareholders	-	-	-35	-35
<b>CLOSING BALANCE 2022-06-30</b>	<b>48</b>	<b>3,559</b>	<b>4,668</b>	<b>8,275</b>
Net profit/loss for the period	-	-	-39	-39
Other comprehensive income	-	-	-	-
Total comprehensive income for the year	-	-	-39	-39
Total transactions with shareholders	-	2	1	3
<b>CLOSING BALANCE 2022-12-31</b>	<b>48</b>	<b>3,561</b>	<b>4,630</b>	<b>8,239</b>
<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>



# 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 2022 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 38 is an integral part of these financial statements.

### SIGNIFICANT RISKS AND 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, 2023, Scandic's goodwill and intangible assets amounted to 7,276 million SEK.

This value 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.

After the hotel market began to improve from the summer of 2021, there was a slowdown at the end of the year due to the increased spread of infection and re-introduction of pandemic restrictions. The hotel market improved substantially during 2022 and the first half year 2023.

### 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 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022	Jul-Jun 22/23
Room revenue	3,980	3,468	6,938	5,250	12,858	14,546
Restaurant and conference revenue	1,559	1,474	2,996	2,294	5,533	6,234
Franchise and management fees	5	8	11	16	35	32
Other hotel-related revenue	148	326	273	449	804	627
<b>Total</b>	<b>5,693</b>	<b>5,276</b>	<b>10,218</b>	<b>8,009</b>	<b>19,230</b>	<b>21,439</b>

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

### NET SALES BY COUNTRY

million SEK	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022	Jul-Jun 22/23
Sweden	1,751	1,686	3,139	2,512	6,053	6,680
Norway	1,548	1,699	2,860	2,660	6,039	6,240
Finland	1,264	1,074	2,318	1,636	4,089	4,770
Denmark	795	624	1,355	941	2,357	2,771
Germany	309	176	504	232	624	895
Poland	26	18	42	27	68	83
<b>Total countries</b>	<b>5,693</b>	<b>5,276</b>	<b>10,218</b>	<b>8,009</b>	<b>19,230</b>	<b>21,440</b>
Other	17	12	32	23	35	44
Group adjustments	-17	-12	-32	-23	-35	-44
<b>Group</b>	<b>5,693</b>	<b>5,276</b>	<b>10,218</b>	<b>8,009</b>	<b>19,230</b>	<b>21,440</b>



## NET SALES BY TYPE OF AGREEMENT

million SEK	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022	Jul-Jun 22/23
Lease agreements	5,658	5,236	10,145	7,949	19,084	21,281
Management agreements	2	3	3	5	12	10
Franchise and partner agreements	5	5	11	11	22	22
Owned	27	33	59	44	111	127
<b>Total</b>	<b>5,693</b>	<b>5,276</b>	<b>10,218</b>	<b>8,009</b>	<b>19,230</b>	<b>21,440</b>
Other	17	12	32	23	35	44
Group adjustments	-17	-12	-32	-23	-35	-44
<b>Group</b>	<b>5,693</b>	<b>5,276</b>	<b>10,218</b>	<b>8,009</b>	<b>19,230</b>	<b>21,440</b>

## NOTE 03. Segment disclosures

Apr-Jun million SEK	Sweden		Norway		Finland		Other Europe		Central functions*		Group	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Room revenue	1,301	1,198	1,019	998	866	718	794	555	-	-	3,980	3,468
Restaurant and conference revenue	425	412	450	485	364	326	320	251	-	-	1,559	1,474
Franchise and management fees	2	3	3	3	-	-	-	2	-	-	5	8
Other hotel-related revenue	22	73	75	213	35	30	16	10	-	-	148	326
<b>Net sales</b>	<b>1,751</b>	<b>1,686</b>	<b>1,548</b>	<b>1,699</b>	<b>1,264</b>	<b>1,074</b>	<b>1,130</b>	<b>817</b>	-	-	<b>5,693</b>	<b>5,276</b>
Other revenue	-	3	-	-	-	-	-	-	-	-	-	3
Internal transactions	-	-	-	-	-	-	-	-	17	12	17	12
Group adjustments	-	-	-	-	-	-	-	-	-17	-12	-17	-12
<b>TOTAL OPERATING INCOME</b>	<b>1,751</b>	<b>1,689</b>	<b>1,548</b>	<b>1,699</b>	<b>1,264</b>	<b>1,074</b>	<b>1,130</b>	<b>817</b>	-	-	<b>5,693</b>	<b>5,279</b>
Raw materials and consumables	-111	-101	-137	-137	-106	-100	-72	-54	0	-1	-426	-392
Other external expenses	-400	-341	-299	-287	-317	-229	-269	-135	164	137	-1,120	-854
Employee benefits expenses	-548	-506	-464	-472	-343	-296	-360	-258	-55	-45	-1,770	-1,577
Rental costs	-499	-460	-420	-433	-397	-295	-288	-185	1,006	832	-598	-541
Pre-opening costs	-	-22	-	-8	0	-1	-2	-44	-	-	-2	-75
Items affecting comparability	-	-	-	-	-	-	-	-	-	-	-	-
Depreciation, amortization and impairment losses	-70	-74	-68	-76	-56	-52	-25	-24	-724	-600	-943	-825
<b>TOTAL OPERATING COSTS</b>	<b>-1,628</b>	<b>-1,504</b>	<b>-1,389</b>	<b>-1,411</b>	<b>-1,218</b>	<b>-973</b>	<b>-1,017</b>	<b>-700</b>	<b>392</b>	<b>324</b>	<b>-4,860</b>	<b>-4,264</b>
<b>Operating profit/loss</b>	<b>123</b>	<b>185</b>	<b>159</b>	<b>288</b>	<b>46</b>	<b>101</b>	<b>113</b>	<b>117</b>	<b>392</b>	<b>324</b>	<b>833</b>	<b>1,016</b>
Net financial items	6	-6	7	-1	-19	-17	-4	-6	-493	-450	-503	-479
<b>Profit/loss before taxes</b>	<b>129</b>	<b>179</b>	<b>165</b>	<b>287</b>	<b>27</b>	<b>84</b>	<b>109</b>	<b>111</b>	<b>-101</b>	<b>-126</b>	<b>329</b>	<b>536</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	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Room revenue	2,263	1,777	1,824	1,589	1,554	1,090	1,296	793	-	-	6,938	5,250
Restaurant and conference revenue	830	642	904	777	691	491	572	385	-	-	2,996	2,294
Franchise and management fees	4	5	7	8	-	-	-	3	-	-	11	16
Other hotel-related revenue	43	89	125	287	73	56	32	18	-	-	273	449
<b>Net sales</b>	<b>3,139</b>	<b>2,512</b>	<b>2,860</b>	<b>2,660</b>	<b>2,318</b>	<b>1,636</b>	<b>1,901</b>	<b>1,200</b>	-	-	<b>10,218</b>	<b>8,009</b>
Other revenue	-	3	-	-	-	-	-	-	-	-	-	3
Internal transactions	-	-	-	-	-	-	-	-	32	23	32	23
Group adjustments	-	-	-	-	-	-	-	-	-32	-23	-32	-23
<b>TOTAL OPERATING INCOME</b>	<b>3,139</b>	<b>2,515</b>	<b>2,860</b>	<b>2,660</b>	<b>2,318</b>	<b>1,636</b>	<b>1,901</b>	<b>1,200</b>	-	-	<b>10,218</b>	<b>8,012</b>
Raw materials and consumables	-211	-164	-249	-209	-203	-150	-125	-80	0	-2	-788	-605
Other external expenses	-751	-569	-646	-530	-621	-432	-474	-236	330	206	-2,161	-1,560
Employee benefits expenses	-1,037	-871	-892	-727	-652	-499	-667	-449	-103	-87	-3,352	-2,634
Rental costs	-917	-737	-782	-722	-758	-579	-518	-326	1,989	1,635	-986	-729
Pre-opening costs	-	-32	-	-16	0	-2	-16	-52	-	-	-16	-102
Items affecting comparability	-	-83	-	-	-	-	-	-	-3	83	-3	-0
Depreciation, amortization and impairment losses	-144	-139	-140	-158	-110	-105	-50	-49	-1,437	-1,193	-1,881	-1,645
<b>TOTAL OPERATING COSTS</b>	<b>-3,059</b>	<b>-2,596</b>	<b>-2,709</b>	<b>-2,361</b>	<b>-2,344</b>	<b>-1,767</b>	<b>-1,850</b>	<b>-1,192</b>	<b>776</b>	<b>641</b>	<b>-9,187</b>	<b>-7,275</b>
<b>Operating profit/loss</b>	<b>80</b>	<b>-83</b>	<b>151</b>	<b>299</b>	<b>-27</b>	<b>-131</b>	<b>51</b>	<b>8</b>	<b>776</b>	<b>641</b>	<b>1,032</b>	<b>737</b>
Net financial items	10	-6	13	-2	-36	-34	-9	-14	-1,004	-877	-1,025	-933
<b>Profit/loss before taxes</b>	<b>90</b>	<b>-89</b>	<b>165</b>	<b>297</b>	<b>-62</b>	<b>-165</b>	<b>42</b>	<b>-5</b>	<b>-228</b>	<b>-236</b>	<b>7</b>	<b>-196</b>

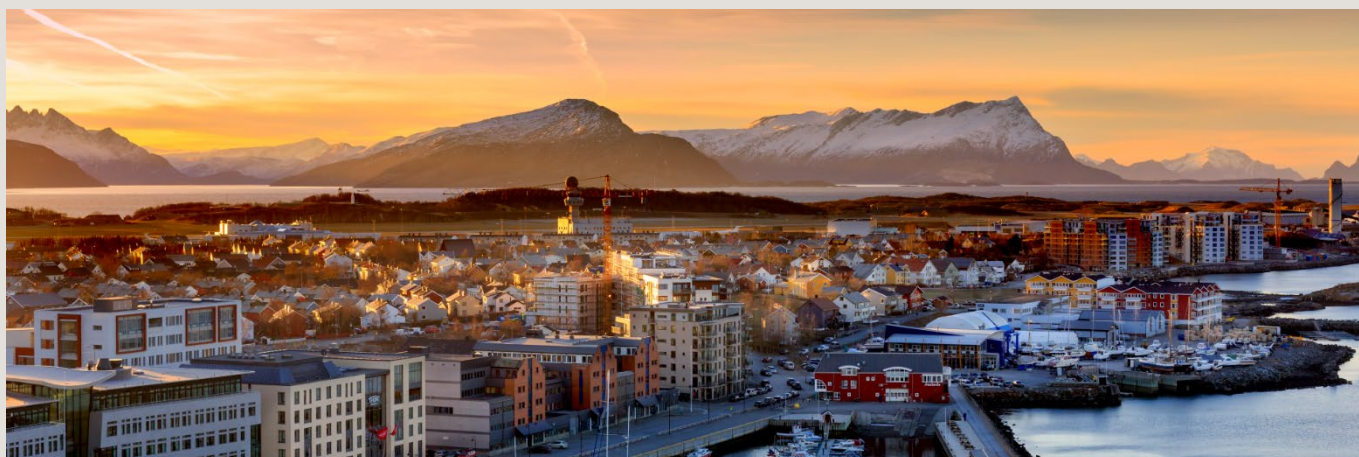
\*Central functions here include all effects from group eliminations and IFRS adjustments.

## NOTE 04. Number of employees

The average number of employees was 10,736 on June 30, 2023 compared with 10,468 on December 31, 2022.

## NOTE 05. Rental costs

Rental costs	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022	Jul-Jun 22/23
Fixed and guaranteed rental costs*	-58	-35	-119	-49	-159	-229
Variable rental costs	-540	-506	-868	-680	-1,792	-1,979
<b>Total rental costs</b>	<b>-598</b>	<b>-541</b>	<b>-986</b>	<b>-729</b>	<b>-1,951</b>	<b>-2,208</b>
*Of which received state aid and negotiated discounts	8	45	20	110	231	141



## NOTE 06. Net financial items

	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022	Jul-Jun 22/23
<b>Financial items</b>						
Financial income	6	3	11	1	22	31
Financial expenses	-510	-482	-1,036	-934	-1,830	-1,931
<b>Net financial items</b>	<b>-503</b>	<b>-479</b>	<b>-1,025</b>	<b>-933</b>	<b>-1,808</b>	<b>-1,900</b>
	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022	Jul-Jun 22/23
<b>Financial expenses</b>						
Interest expenses, credit institutions	-7	-47	-19	-102	-131	-47
Interest expenses, convertible bond	-42	-37	-82	-74	-153	-161
Other interest expenses, net	-17	-7	-30	-13	-27	-44
Other items	-12	-24	-42	-35	-55	-62
Interest expenses, IFRS 16	-432	-365	-862	-708	-1,464	-1,617
<b>Total</b>	<b>-510</b>	<b>-482</b>	<b>-1,036</b>	<b>-934</b>	<b>-1,830</b>	<b>-1,931</b>

## NOTE 07. Assets and investments by segment

30 Jun million SEK	Sweden		Norway		Finland		Other Europe		Central functions		Group	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Fixed assets	12,375	11,818	7,946	8,332	20,592	17,360	10,312	8,035	2,216	2,202	53,442	47,747
Investments in fixed assets, excl. IFRS 16	77	154	70	85	16	45	18	86	22	8	203	378
Investments in fixed assets, incl. IFRS 16	82	1,734	70	147	16	335	1,026	1,678	22	8	1,216	3,903

## 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 approximately 11 percent and is calculated for the part that has been allocated to the loan. No interest payments are being made during the life of the loan (due October 8, 2024). Instead, the interest expense is accumulated on an ongoing basis to the convertible debt,

which will be 1,800 million SEK when it is due. The conversion rate is 43.36 SEK. When fully converted, the convertibles will result in dilution of approximately 17.83 percent and will increase the number of shares by 41,510,920. In August 2022, 46,123 shares were converted and the full dilutive effect now amounts to 41,464,787 shares. 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 2023	30 Jun 2022	31 Dec 2022
<b>Interest-bearing net liabilities</b>			
Liabilities to credit institutions	974	2,729	1,107
Other interest-bearing liabilities	841	688	635
Cash and cash equivalents	-560	-101	-317
<b>Interest-bearing net liabilities, excl. convertible loan</b>	<b>1,255</b>	<b>3,316</b>	<b>1,425</b>
Convertible loan	1,566	1,406	1,484
<b>Net debt</b>	<b>2,821</b>	<b>4,722</b>	<b>2,909</b>

## NOTE 10. Working capital

	30 Jun 2023	30 Jun 2022	31 Dec 2022
<b>Working capital</b>			
Current assets, excl. cash and bank balances	2,729	1,729	1,429
Current liabilities	-5,257	-3,824	-4,197
<b>Working capital</b>	<b>-2,528</b>	<b>-2,095</b>	<b>-2,769</b>

## NOTE 11. Quarterly data

	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
<b>Financial key ratios, reported</b>						
Net sales	5,693	4,526	5,228	5,994	5,276	2,733
Operating profit/loss	833	199	488	1,232	1,016	-279
Net profit/loss for the period	271	-302	2	633	432	-639
Earnings per share, SEK	0.98	-1.63	-0.05	2.80	1.93	-3.35
<b>Alternative performance measures</b>						
Adjusted EBITDA	772	170	476	1,213	1,083	-237
Adjusted EBITDA margin, %	13.6	3.8	9.1	20.2	20.5	-8.7
Net profit/loss for the period excl. IFRS 16	403	-159	104	732	551	-520
Earnings per share, SEK, excl. IFRS 16	1.55	-0.88	0.49	3.23	2.44	-2.73
Net debt excl. convertible loan/adjusted EBITDA, LTM	0.5	0.6	0.6	1.0	1.7	7.4
Net debt /adjusted EBITDA, LTM	1.1	1.2	1.1	1.5	2.4	10.0
<b>Hotel-related key ratios</b>						
RevPAR (revenue per available room), SEK	828	626	695	875	749	395
ARR (average room rate), SEK	1,315	1,169	1,219	1,242	1,185	1,011
OCC (occupancy), %	63.0	53.5	57.0	70.5	63.2	39.1

## QUARTERLY DATA PER SEGMENT

	Q2 2023	Q1 2023	Q4 2022	Q3 2022	Q2 2022	Q1 2022
<b>Net sales</b>						
Sweden	1,751	1,388	1,658	1,882	1,685	827
Norway	1,548	1,313	1,503	1,876	1,699	961
Finland	1,264	1,053	1,196	1,257	1,074	562
Other Europe	1,130	771	871	979	817	383
<b>Total net sales</b>	<b>5,693</b>	<b>4,526</b>	<b>5,228</b>	<b>5,994</b>	<b>5,276</b>	<b>2,733</b>
<b>Adjusted EBITDA</b>						
Sweden	270	95	221	401	333	-80
Norway	285	152	194	425	417	135
Finland	145	19	124	233	186	-160
Other Europe	186	8	55	236	215	-64
Central costs and Group adjustments	-114	-104	-117	-82	-68	-68
<b>Total adjusted EBITDA</b>	<b>772</b>	<b>170</b>	<b>476</b>	<b>1,213</b>	<b>1,083</b>	<b>-237</b>
Adjusted EBITDA margin, %	13.6%	3.8%	9.1%	20.2%	20.5%	-8.7%

## NOTE 12. Transactions between related parties

The Braganza AB group is treated as a related party based on its ownership and representation on the Board during the period. 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

	Apr-Jun 2023	Apr-Jun 2022	31 dec 2022
<b>SEK / EUR</b>			
Income statement (average)	11.3235	10.4787	10.6317
Balance sheet (at end of period)	11.7917	10.6801	11.1283
<b>SEK / NOK</b>			
Income statement (average)	1.0024	1.0504	1.0523
Balance sheet (at end of period)	1.0096	1.0314	1.0572
<b>SEK / DKK</b>			
Income statement (average)	1.5207	1.4083	1.4290
Balance sheet (at end of period)	1.5834	1.4356	1.4965



# RECONCILIATIONS

## RESULTS INCLUDING & EXCLUDING IFRS 16

### EFFECTS OF IFRS 16

Since January 1, 2019, the Group has applied IFRS 16 Leases. The accounting principle means that lease agreements with fixed or minimum rent are recognized in the balance sheet as a right-of-use asset and a lease liability. 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 all investors gain a good understanding of the company's position, Scandic has chosen to present 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 2023, net profit after tax for 2023 is expected to be negatively impacted by approximately -495 million SEK (-438). 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 EFFECTS OF IFRS 16

	Apr-Jun 2023			Apr-Jun 2022		
	Reported	Effect IFRS 16	Excl. effect IFRS 16	Reported	Effect IFRS 16	Excl. effect IFRS 16
<b>Operating income</b>	<b>5,693</b>	-	<b>5,693</b>	<b>5,279</b>	-	<b>5,279</b>
Raw materials and consumables	-426	-	-426	-392	-	-392
Other external expenses	-1,120	-	-1,120	-854	-	-854
Employee benefits expenses	-1,770	-	-1,770	-1,577	-	-1,577
Rental costs	-598	-1,006	-1,604	-541	-832	-1,373
Pre-opening costs	-2	-	-2	-75	-	-75
Items affecting comparability	-	-	-	-	-	-
Depreciation, amortization and impairment losses	-943	739	-204	-825	616	-209
<b>TOTAL OPERATING COSTS</b>	<b>-4,860</b>	<b>-267</b>	<b>-5,127</b>	<b>-4,264</b>	<b>-216</b>	<b>-4,480</b>
<b>Operating profit/loss</b>	<b>833</b>	<b>-267</b>	<b>566</b>	<b>1,016</b>	<b>-216</b>	<b>799</b>
Net financial items	-503	432	-72	-479	365	-115
<b>Profit/loss before taxes</b>	<b>329</b>	<b>165</b>	<b>494</b>	<b>536</b>	<b>149</b>	<b>684</b>
Taxes	-59	-32	-91	-104	-30	-134
<b>Net profit/loss for the period</b>	<b>271</b>	<b>133</b>	<b>403</b>	<b>432</b>	<b>119</b>	<b>551</b>

	Jan-Jun 2023			Jan-Jun 2022		
	Reported	Effect IFRS 16	Excl. effect IFRS 16	Reported	Effect IFRS 16	Excl. effect IFRS 16
<b>Operating income</b>	<b>10,218</b>	-	<b>10,218</b>	<b>8,012</b>	-	<b>8,012</b>
Raw materials and consumables	-788	-	-788	-605	-	-605
Other external expenses	-2,161	-	-2,161	-1,560	-	-1,560
Employee benefits expenses	-3,352	-	-3,352	-2,634	-	-2,634
Rental costs	-986	-1,989	-2,975	-729	-1,637	-2,366
Pre-opening costs	-16	-	-16	-102	-	-102
Items affecting comparability	-3	-	-3	-0	-	-0
Depreciation, amortization and impairment losses	-1,881	1,469	-412	-1,645	1,226	-419
<b>TOTAL OPERATING COSTS</b>	<b>-9,187</b>	<b>-520</b>	<b>-9,707</b>	<b>-7,275</b>	<b>-411</b>	<b>-7,687</b>
<b>Operating profit/loss</b>	<b>1,032</b>	<b>-520</b>	<b>512</b>	<b>737</b>	<b>-411</b>	<b>325</b>
Net financial items	-1,025	862	-163	-933	708	-225
Profit/loss before taxes	7	342	349	-196	297	101
Taxes	-38	-67	-105	-10	-60	-71
<b>Net profit/loss for the period</b>	<b>-31</b>	<b>275</b>	<b>244</b>	<b>-207</b>	<b>237</b>	<b>30</b>

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

	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022	Jul-Jun 22/23
<b>Rental costs</b>						
Rental costs, reported	-598	-541	-986	-729	-1,951	-2,208
Effect IFRS 16	-1,006	-832	-1,989	-1,637	-3,440	-3,792
<b>Rental costs excl. IFRS 16</b>	<b>-1,604</b>	<b>-1,373</b>	<b>-2,975</b>	<b>-2,366</b>	<b>-5,391</b>	<b>-6,000</b>
- of which fixed rental costs	-1,064	-867	-2,107	-1,686	-3,599	-4,021
- of which variable rental costs	-540	-506	-868	-680	-1,792	-1,979
Fixed and guaranteed rental costs of Net sales	-18.7%	-16.4%	-20.6%	-21.1%	-18.7%	-18.8%
Variable rental costs of Net sales	-9.5%	-9.6%	-8.5%	-8.5%	-9.3%	-9.2%
<b>Total rental costs of Net sales</b>	<b>-28.2%</b>	<b>-26.0%</b>	<b>-29.1%</b>	<b>-29.5%</b>	<b>-28.0%</b>	<b>-28.0%</b>

## SUMMARY OF OPERATING PROFIT/LOSS & ADJUSTED EBITDA

	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022	Jul-Jun 22/23
<b>Operating profit/loss</b>	<b>833</b>	<b>1,016</b>	<b>1,032</b>	<b>737</b>	<b>2,457</b>	<b>2,752</b>
Pre-opening costs	2	75	16	102	131	45
Items affecting comparability	-	-	3	0	16	19
Depreciation, amortization and impairment losses	943	825	1,881	1,645	3,372	3,608
Effect IFRS 16	-1,006	-832	-1,989	-1,637	-3,440	-3,792
<b>Adjusted EBITDA</b>	<b>772</b>	<b>1,083</b>	<b>942</b>	<b>846</b>	<b>2,536</b>	<b>2,631</b>

## FINANCIAL ITEMS, REPORTED VS. CASH FLOW

	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022	Jul-Jun 22/23
<b>Paid financial items</b>						
Financial items, reported	-503	-479	-1,025	-933	-1,808	-1,900
of which interest expenses, IFRS 16	-432	-365	-862	-708	-1,464	-1,617
<b>Financial net, excl. IFRS 16</b>	<b>-72</b>	<b>-115</b>	<b>-163</b>	<b>-225</b>	<b>-344</b>	<b>-283</b>
Adjustments to paid financial items						
Interest expenses, convertible bond (non-cash)	42	37	82	74	153	161
Change accrued interest expenses, bank loans	-6	-18	4	4	5	5
Other	7	11	3	8	22	17
<b>Total adjustments</b>	<b>43</b>	<b>31</b>	<b>89</b>	<b>86</b>	<b>180</b>	<b>183</b>
<b>Paid financial items, net</b>	<b>-29</b>	<b>-84</b>	<b>-74</b>	<b>-139</b>	<b>-164</b>	<b>-100</b>

## BALANCE SHEET, INCLUDING AND EXCLUDING EFFECTS OF IFRS 16

million SEK	30 Jun 2023			30 Jun 2022		
	Reported	Effect IFRS 16	Excl. effect IFRS 16	Reported	Effect IFRS 16	Excl. effect IFRS 16
<b>Assets</b>						
Intangible assets	7,276	-	7,276	7,021	-	7,021
Buildings and land	77	-	77	81	-	81
Right-of-use assets	41,138	-41,138	-	35,547	-35,547	-
Equipment, fixtures and fittings	4,154	-	4,154	4,391	-	4,391
Financial assets	796	-78	718	707	146	853
<b>Total non-current assets</b>	<b>53,442</b>	<b>-41,216</b>	<b>12,225</b>	<b>47,747</b>	<b>-35,401</b>	<b>12,346</b>
Current assets	2,574	155	2,729	1,599	130	1,729
Derivative instruments	107	-	107	526	-	526
Cash and cash equivalents	560	-	560	101	-	101
<b>Total current assets</b>	<b>3,242</b>	<b>155</b>	<b>3,396</b>	<b>2,226</b>	<b>130</b>	<b>2,356</b>
<b>Total assets</b>	<b>56,683</b>	<b>-41,061</b>	<b>15,622</b>	<b>49,973</b>	<b>-35,271</b>	<b>14,702</b>
Equity attributable to Parent Company shareholders	1,913	3,405	5,318	1,432	2,749	4,181
Non-controlling interest	91	-	91	54	-	54
<b>Total equity</b>	<b>2,003</b>	<b>3,405</b>	<b>5,409</b>	<b>1,486</b>	<b>2,749</b>	<b>4,235</b>
Liabilities to credit institutions	974	-	974	2,729	-	2,729
Convertible loan	1,566	-	1,566	1,406	-	1,406
Lease liabilities	42,599	-42,599	-	36,589	-36,589	-
Other long-term liabilities	1,208	797	2,005	1,560	861	2,421
<b>Total non-current liabilities</b>	<b>46,347</b>	<b>-41,802</b>	<b>4,545</b>	<b>42,284</b>	<b>-35,728</b>	<b>6,557</b>
Current liabilities for leases	2,522	-2,522	0	2,174	-2,174	-
Other current liabilities	5,811	-143	5,668	4,029	-119	3,910
<b>Total current liabilities</b>	<b>8,333</b>	<b>-2,665</b>	<b>5,668</b>	<b>6,203</b>	<b>-2,292</b>	<b>3,910</b>
<b>Total equity and liabilities</b>	<b>56,683</b>	<b>-41,061</b>	<b>15,622</b>	<b>49,973</b>	<b>-35,271</b>	<b>14,702</b>



## CASH FLOW ANALYSIS INCLUDING & EXCLUDING EFFECTS OF IFRS 16

	Apr-Jun 2023			Apr-Jun 2022		
	Reported	Effect IFRS 16	Excl. effect IFRS 16	Reported	Effect IFRS 16	Excl. effect IFRS 16
<b>OPERATING ACTIVITIES</b>						
Operating profit/loss	833	-267	566	1,016	-216	799
Depreciation, amortization and impairment losses	943	-739	204	825	-616	209
Adjustments for non-cash items	40	-	40	21	-	21
Paid tax	-29	-	-29	-1	-	-1
Change in working capital	23	-	23	549	-	549
<b>Cash flow from operating activities</b>	<b>1,810</b>	<b>-1,006</b>	<b>804</b>	<b>2,410</b>	<b>-832</b>	<b>1,577</b>
<b>INVESTING ACTIVITIES</b>						
Paid net investments	-119	-	-119	-204	-	-204
<b>Cash flow from investing activities</b>	<b>-119</b>	<b>-</b>	<b>-119</b>	<b>-204</b>	<b>-</b>	<b>-204</b>
<b>FINANCING ACTIVITIES</b>						
Interest paid	-23	-	-23	-74	-	-74
Paid interest, leases	-431	431	-	-364	364	-
Financing costs	-1	-	-1	-	-	-
Dividend, share swap agreement	-7	-	-7	-10	-	-10
Net borrowing/amortization	-340	-	-340	-1,189	-	-1,189
Amortization, leases	-575	575	-	-467	467	-
<b>Cash flow from financing activities</b>	<b>-1,377</b>	<b>1,006</b>	<b>-371</b>	<b>-2,104</b>	<b>832</b>	<b>-1,273</b>
<b>CASH FLOW FOR THE PERIOD</b>	<b>314</b>	<b>-</b>	<b>314</b>	<b>102</b>	<b>-</b>	<b>102</b>
Cash and cash equivalents at the beginning of the period	285	-	285	23	-	23
Translation difference in cash and cash equivalents	-38	-	-38	-25	-	-25
<b>Cash and cash equivalents at the end of the period</b>	<b>560</b>	<b>-</b>	<b>560</b>	<b>101</b>	<b>-</b>	<b>101</b>

	Jan-Jun 2023			Jan-Jun 2022		
	Reported	Effect IFRS 16	Excl. effect IFRS 16	Reported	Effect IFRS 16	Excl. effect IFRS 16
<b>OPERATING ACTIVITIES</b>						
Operating profit/loss	1,032	-520	512	737	-411	325
Depreciation, amortization and impairment losses	1,881	-1,469	412	1,645	-1,226	419
Adjustments for non-cash items	55	-	55	21	-	21
Paid tax	-79	-	-79	-35	-	-35
Change in working capital	-347	-	-347	109	-	109
<b>Cash flow from operating activities</b>	<b>2,541</b>	<b>-1,989</b>	<b>552</b>	<b>2,477</b>	<b>-1,637</b>	<b>839</b>
<b>INVESTING ACTIVITIES</b>						
Paid net investments	-210	-	-210	-407	-	-407
<b>Cash flow from investing activities</b>	<b>-210</b>	<b>-</b>	<b>-210</b>	<b>-407</b>	<b>-</b>	<b>-407</b>
<b>FINANCING ACTIVITIES</b>						
Interest paid	-37	-	-37	-129	-	-129
Paid interest, leases	-862	862	-	-708	708	-
Financing costs	-34	-	-34	-	-	-
Dividend, share swap agreement	-7	-	-7	-10	-	-10
Net borrowing/amortization	34	-	34	-395	-	-395
Amortization, leases	-1,127	1,127	-	-929	929	-
<b>Cash flow from financing activities</b>	<b>-2,034</b>	<b>1,989</b>	<b>-44</b>	<b>-2,171</b>	<b>1,637</b>	<b>-534</b>
<b>CASH FLOW FOR THE PERIOD</b>	<b>297</b>	<b>-0</b>	<b>297</b>	<b>-101</b>	<b>-</b>	<b>-101</b>
Cash and cash equivalents at the beginning of the period	317	-	317	216	-	216
Translation difference in cash and cash equivalents	-54	-	-54	-15	-	-15
<b>Cash and cash equivalents at the end of the period</b>	<b>560</b>	<b>-</b>	<b>560</b>	<b>101</b>	<b>-</b>	<b>101</b>

## EARNINGS PER SHARE

	Apr-Jun 2023	Apr-Jun 2022	Jan-Jun 2023	Jan-Jun 2022	Jan-Dec 2022	Jul-Jun 22/23
<b>Earnings per share, SEK</b>	<b>0.98</b>	<b>1.93</b>	<b>-0.26</b>	<b>-1.15</b>	<b>2.21</b>	<b>1.90</b>
Effect IFRS 16	0.57	0.51	1.44	1.24	1.89	1.72
<b>Earnings per share, SEK, excl. IFRS 16</b>	<b>1.55</b>	<b>2.44</b>	<b>1.18</b>	<b>0.09</b>	<b>4.10</b>	<b>3.62</b>
<b>Average number of outstanding shares after dilution</b>	<b>232,768,903</b>	<b>232,786,903</b>	<b>191,304,116</b>	<b>191,257,993</b>	<b>232,768,903</b>	<b>232,768,903</b>

# ADOPTION

The Board of Directors and the CEO affirms 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 14, 2023

**Per G. Braathen**  
Chairman of the Board

**Gunilla Rudebjer**  
Board member

**Grant Hearn**  
Board member

**Kristina Patek**  
Board member

**Martin Svalstedt**  
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 rate is the average room revenue per sold room.

### LFL (LIKE-FOR-LIKE)

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

### OCC (OCCUPANCY)

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

### REVPAR (REVENUE PER AVAILABLE ROOM)

Refers to the average room revenue per available room.

### PRE-OPENING COSTS

Refers to 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 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 MARKET AS WELL AS A UNIQUE OFFERING IN THE MID-MARKET SEGMENT FOR LEISURE AND BUSINESS TRAVELERS.

**269**

**HOTELS**

**130**

**DESTINATIONS**

**55,930**

**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 leading hotel company in the Nordics with 11 million sold room nights per year, the company has the power to drive 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 worked to ensure its hotels are environmentally certified and to maintain a global approach to sustainability. Today, four out of five Scandic hotels are certified by the Nordic Swan Ecolabel, the official environmental certification in the Nordic countries. Scandic aims for all hotels to be certified.

# Scandic

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