

Interim report
January – September 2024

High business tempo and good growth

Q3

The quarter in brief

July-September 2024

Revenues for Leases amounted to MSEK 1,069 (1,040). For comparable units in fixed currency, the increase was 2 percent

Revenues for Own Operations amounted to MSEK 804 (844) MSEK. For comparable units in fixed currency, the increase was 9 percent

Net operating income for Leases amounted to MSEK 933 (920). For comparable units in fixed currency, the increase was 1 percent

Net operating income for Own Operations amounted to MSEK 226 (222). For comparable units in fixed currency, the increase was 15 percent

EBITDA amounted to MSEK 1,123 (1,102), an increase of 2 percent

Cash earnings amounted to MSEK 582 (558), equivalent to SEK 3.14 (3.04) per share

Unrealised changes in value Investment Properties amounted to MSEK 12 (-93). Unrealised changes in value Operating Properties, reported for disclosure purposes only, amounted to MSEK 190. Unrealised changes in value of derivatives amounted to MSEK -489 (43)

Profit for the period amounted to MSEK -39 (460), equivalent to SEK -0.24 (2.48) per share

On 28 August, three central London aparthotels were acquired and accessed for approximately MGBP 230

On 4 September, Pandox entered an agreement to acquire DoubleTree by Hilton Edinburgh City Centre for MGBP 49, which was gained access to on 1 October

On 18 September, a directed share issue of approximately 10.75 million B shares was completed, raising approximately MSEK 2,000

Key figures, Q3 2024

TOTAL NET OPERATING INCOME

+1% (+3%)*

*For comparable units in fixed currency

CASH EARNINGS PER SHARE

+4%

LOAN TO VALUE, NET

45.1%

INTEREST COVER RATIO, R12M

2.6x

Financial summary

MSEK	Jul-Sep			Jan-Sep			Oct 2023	Full-year
	2024	2023	Δ%	2024	2023	Δ%	Sep 2024 R12m	2023
Total revenue	1,873	1,884	-1	5,240	5,011	5	7,078	6,849
- Of which Leases	1,069	1,040	3	2,923	2,762	6	3,851	3,690
- Of which Own Operations	804	844	-5	2,317	2,249	3	3,227	3,159
Total net operating income	1,159	1,142	1	3,069	2,881	7	4,058	3,870
- Of which Leases	933	920	1	2,496	2,388	5	3,265	3,157
- Of which Own Operations	226	222	2	573	493	16	793	713
EBITDA	1,123	1,102	2	2,945	2,754	7	3,887	3,696
Profit for the period	-39	460	n.a	1,125	545	106	0	-580
Earnings per share, SEK	-0.24	2.48	n.a	6.02	2.87	110	-0.03	-3.18
Cash earnings	582	558	4	1,414	1,327	7	1,829	1,742
Cash earnings per share, SEK	3.14	3.04	4	7.67	7.22	6	9.93	9.48
Market value properties	-	-	-	74,234	71,177	4	74,234	69,039
Investments	237	246	-4	752	728	3	946	922
Net interest-bearing debt	-	-	-	33,515	33,333	1	33,515	32,190
Loan to value net, %	-	-	-	45.1	46.8	n.a	45.1	46.6
Net interest-bearing debt/EBITDA, times	-	-	-	8.6	9.3	n.a	8.6	8.7
Average interest rate, end of period, %	-	-	-	4.1	4.2	n.a	4.1	4.2
Interest cover ratio, times	3.0	2.8	n.a	2.6	2.7	n.a	2.6	2.7
EPRA NRV per share, SEK	-	-	-	209.36	207.53	1	209.36	201.12

January-September 2024

- Revenue for Leases amounted to MSEK 2,923 (2,762)
- Revenue from Own Operations amounted to MSEK 2,317 (2,249)
- Net operating income for Leases amounted to MSEK 2,496 (2,388)
- Net operating income Own Operations amounted to MSEK 573 (493)
- EBITDA amounted to MSEK 2,945 (2,754)
- Cash earnings amounted to MSEK 1,414 (1,327), corresponding to SEK 7.67 (7.22) per share
- Changes in property values amounted to MSEK 437 (-768) and unrealised changes in the value of derivatives amounted to MSEK -199 (31)
- Profit for the period amounted to MSEK 1,125 (545), corresponding to SEK 6.02 (2.87) per share
- The loan-to-value ratio was 45.1 percent and the interest coverage ratio, rolling twelve months, was 2.6x

CEO comment

We are delivering on our strategy

- A positive hotel market
- Profitable acquisitions in the UK
- New share issue provides additional scope for acquisitions

Good hotel market sustained

The hotel market developed in a positive direction in the third quarter, supported by a strong event calendar and an active leisure travel segment. Larger cities in the Nordics, including Helsinki, saw positive development at the same time as Germany benefitted from demand relating to the UEFA European Championship. Development in the UK remained positive.

Both of our business segments saw good growth during the quarter. Total revenue and net operating income increased by 5 and 3 percent respectively for comparable portfolios in fixed currency. Cash earnings per share increased by 4 percent and EPRA NRV growth was 4 percent, measured on an annualised basis, and adjusted for dividends paid out in April and new share issue proceeds in September.

Profitable acquisitions

The main highlight of the quarter was the acquisition of three modern and highly profitable “aparthotels” (Residence Inn by Marriott) in central London for around MGBP 230. The acquisition gives us increased exposure in an attractive hotel segment. The hotels are initially expected to contribute around MGBP 34 in revenue and MGBP 17 in net operating income, measured on an annualised basis, equivalent to a yield of more than 7 percent. We are predicting additional yield potential over time. Thanks to the properties’ attractive energy classification we were also able to obtain a green secured bank loan at a significantly lower credit margin than in the portfolio as a whole.

At the beginning of the fourth quarter we also concluded an acquisition of a profitable hotel in the attractive Edinburgh hotel market (DoubleTree by

Hilton) for around MGBP 49 with an initial yield of just over 7.5 percent. Both of these acquisitions were within our Own Operations segment. At the same time we intensified our good collaboration with the hotel operator Axiom Hospitality, which now includes nine hotels in the UK.

Value-adding investments

Net unrealised changes in value for the entire property portfolio amounted to MSEK 202 during the quarter and is proof of our ability to add value through investments and development of hotel properties in both our business segments, with examples including Citybox Brussels, Scandic Go and Hilton Belfast. The hotel property portfolio’s weighted average valuation yield increased marginally to 6.28 percent.

Our average interest on debt remained unchanged during the quarter and our yield spread therefore remained significantly greater than 200 basis points. The main positive effect of an improved interest and credit market will in the short term come from lower credit margins. Both new financing and refinancing during the quarter took place with significantly lower credit margins than previously, and we are expecting this trend to continue in the coming quarters.

Significant scope for acquisitions

I would like to thank the shareholders who participated in the new share issue which raised around MSEK 2,000 during the quarter. This will strengthen our financial position. It will also allow us to accelerate the pace of our acquisitions and to maintain a fast business pace within our existing portfolio.

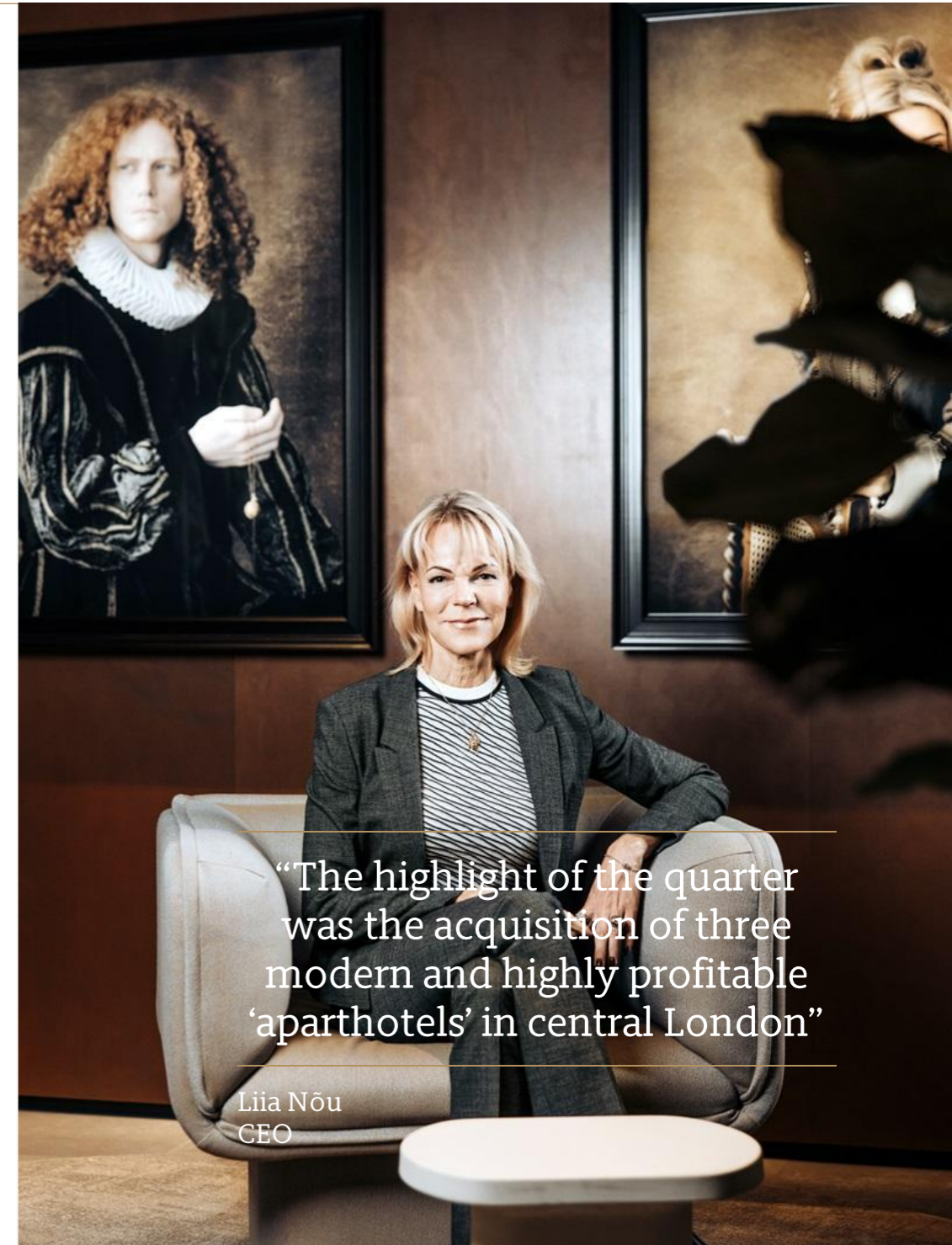
At the end of the quarter our loan-to-value ratio was 45.1 percent. Following the acquisition of DoubleTree by Hilton Edinburgh, which Pandox took over on 1

October, our loan-to-value ratio amounted to around 46.5 percent.

Good opportunities for growth

We are expecting stable demand in the hotel market in the fourth quarter and a normal seasonal pattern, with demand decreasing as usual during the second half of December before picking up again from mid-January. The new opening of Citybox Brussels and Scandic Go Sankt Eriksgatan 20, as well as the acquisition of Residence Inn by Marriott and DoubleTree by Hilton Edinburgh will provide a clearly positive contribution to net operating income in the four quarter.

We are expecting RevPAR growth in the hotel market in 2025. Completed acquisitions and investments in the existing portfolio will also make a positive contribution.



“The highlight of the quarter was the acquisition of three modern and highly profitable ‘aparthotels’ in central London”

Liia Nõu
CEO

Group results analysis July-September 2024

Revenues

The Group's total revenues amounted to MSEK 1,873 (1,884), a decrease of 1 percent, mainly due to previous divestment of DoubleTree by Hilton Montreal in April.

Net operating income

Total net operating income amounted to MSEK 1,159 (1,142), an increase of 1 percent. Both business segments contributed to the increase.

Administration costs

Central administration costs amounted to MSEK -42 (-46).

Depreciation

Depreciation within Own Operations amounted to MSEK -70 (-72). Depreciation of MSEK -6 (-5) are included in administration costs.

Net financial items

Net financial items amounted to MSEK -424 (-448). The decrease is mainly explained by lower interest costs and lower other financial costs.

Tax

Current tax amounted to MSEK -115 (-95). Deferred tax amounted to MSEK -49 (26), explained by changes in value Investment Properties. See also Note 6 on page 23.

Cash earnings

Cash earnings amounted to MSEK 582 (558). Cash earnings per share amounted to SEK 3.14 (3.04), an increase of 4 percent.

Changes in value

Changes in property values amounted to MSEK -10 (-90), of which unrealised changes in value Investment Properties of MSEK 12 (-93). Changes in property values also include realised changes in value Investment Properties of MSEK 3 and impairment Operating Properties of MSEK -25. Unrealised changes in value Operating Properties, reported for disclosure purposes only, amounted to MSEK 190.

Unrealised changes in value of derivatives amounted to MSEK -489 (43).

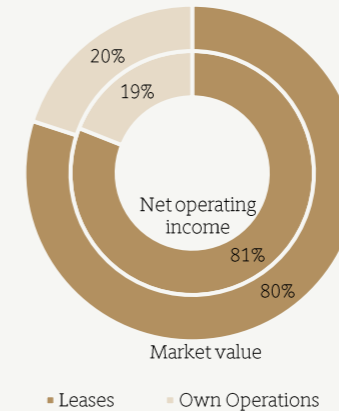
Profit for the period

Profit for the period amounted to MSEK -39 (460). Profit for the period attributable to the shareholders of the parent company amounted to MSEK -41 (456), equivalent to SEK -0.24 (2.48) per share.

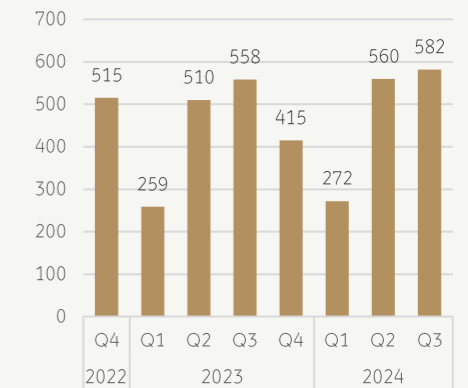
MSEK	Jul-Sep				Jan-Sep				Oct 2023	Full-year
	2024	2023	Δ%	LFL%*	2024	2023	Δ%	LFL%*	Sep 2024	2023
Revenue Leases	1,069	1,040	3	2	2,923	2,762	6	2	3,851	3,690
Revenue Own Operations	804	844	-5	9	2,317	2,249	3	8	3,227	3,159
Total revenue	1,873	1,884	-1	5	5,240	5,011	5	5	7,078	6,849
Net operating income Leases	933	920	1	1	2,496	2,388	5	2	3,265	3,157
Net operating income Own Operations	226	222	2	15	573	493	16	18	793	713
Total net operating income	1,159	1,142	1	3	3,069	2,881	7	5	4,058	3,870
Central administration costs	-42	-46	-9		-141	-144	-2		-194	-197
Depreciation	-70	-72	-3		-207	-213	-3		-280	-286
Net financial items	-424	-448	-5		-1,252	-1,171	7		-1,656	-1,575
Unrealised changes in value properties	-12	-93	n.a		453	-971	n.a		117	-1,307
Current tax	-115	-95	21		-264	-238	11		-401	-375
Cash earnings	582	558	4		1,414	1,327	7		1,829	1,742
Cash earnings per share	3.14	3.04	4		7.67	7.22	6		9.93	9.48

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

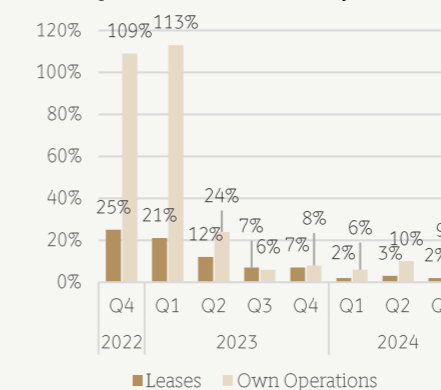
MARKET VALUE AND NET OPERATING INCOME
Per segment, %



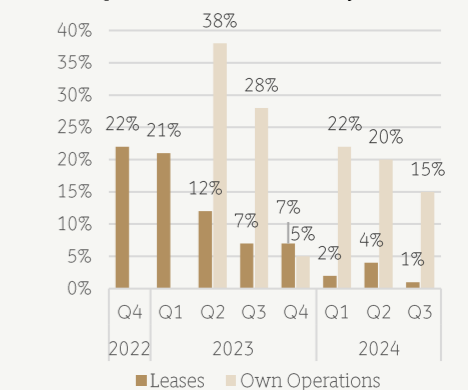
CASH EARNINGS, MSEK



REVENUE GROWTH, %
For comparable units in fixed currency



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



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

Segment Leases July-September 2024

- Well-filled event summer
- Stable start to the autumn
- Opening of newly renovated Citybox Brussels and Scandic Go Sankt Eriksgatan 20

Revenues

Rental income and Other property income amounted to MSEK 1,069 (1,040), an increase of 3 percent. For comparable units in fixed currency, revenues increased by 2 percent.

The occupancy rate for comparable hotels amounted to approximately 74 (73) percent. Norway, Denmark and Germany were particularly strong submarkets in the quarter.

Bodø, Copenhagen and Hamburg were individual destinations with a particularly good development. Gothenburg continued to be negatively affected by new capacity and a weaker event calendar.

Costs

Costs, including property administration, amounted to MSEK -136 (-120).

Net operating income

Net operating income amounted to MSEK 933 (920), an increase of 1 percent. For comparable units in fixed currency, net operating income increased by 2 percent.

The net operating margin was approximately 87 percent.

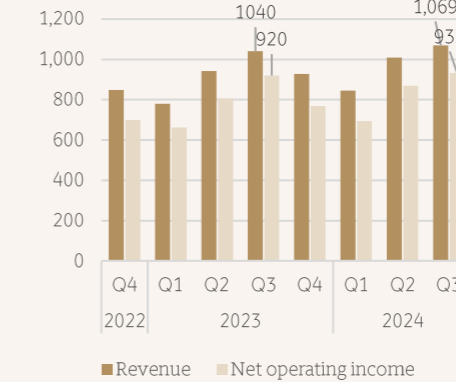
Important events

Citybox Brussels opened on 14 July.

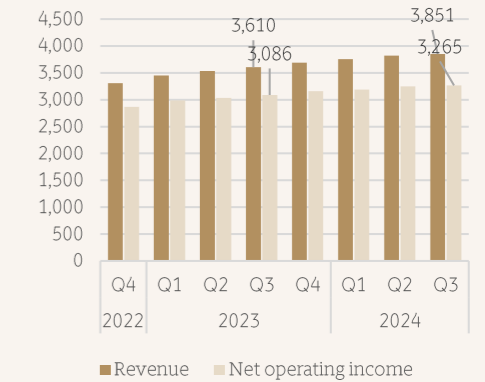
Scandic Go Sankt Eriksgatan 20 opened on 8 October.

MSEK	Jul-Sep			Jan-Sep			Full-year
	2024	2023	Δ%	2024	2023	Δ%	2023
Rental income	1,033	1,002	3	2,825	2,653	6	3,548
Other property income	36	38	-5	98	109	-10	142
Costs, excl. property admin	-75	-69	9	-221	-215	3	-290
Net operating income, before property admin	994	971	2	2,702	2,547	6	3,400
Property administration	-61	-51	20	-206	-159	30	-243
Gross profit	933	920	1	2,496	2,388	5	3,157
Net operating income, after property admin	933	920	1	2,496	2,388	5	3,157
<i>Net operating income margin, %</i>	<i>87%</i>	<i>88%</i>	<i>-1</i>	<i>85%</i>	<i>86%</i>	<i>-1</i>	<i>86%</i>
Revenues comparable units	1,043	1,022	2	2,809	2,744	2	
<i>Of which currency effect</i>		-17			-3		
Net operating income comparable units, before property admin	967	956	1	2,594	2,534	2	
<i>Of which currency effect</i>		-5			-2		

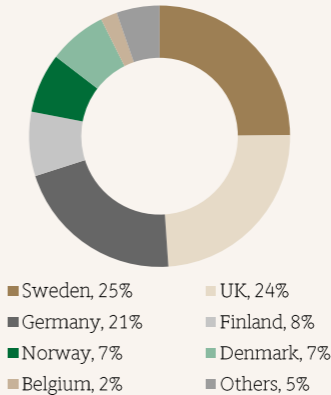
REVENUE AND NOI, MSEK
Per quarter



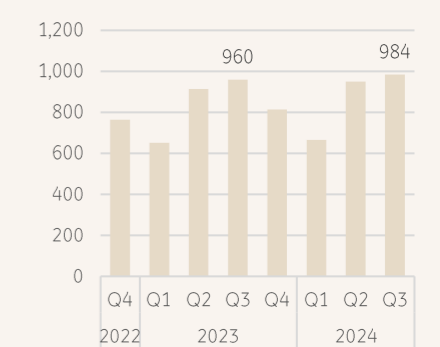
REVENUE AND NOI, MSEK
R12m



REVENUE PER COUNTRY, Q3



REVPAR, SEK



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

Segment Own Operations July-September 2024

- Good underlying growth and strengthened NOI margin
- Portfolio acquisition of three 'aparthotels' in central London
- Agreement of acquisition of a city hotel in Edinburgh

Revenues

Revenues from Own Operations amounted to MSEK 804 (844), a decrease of 5 percent, explained by the divestment of DoubleTree by Hilton Montreal. For comparable units at fixed currency, revenues and RevPAR increased by 9 and 8 percent respectively.

Hotel demand was good and average prices rose. The occupancy ratio for comparable hotels amounted to approximately 74 (69) percent.

Some of the best performing hotels in the quarter were Crowne Plaza Antwerpen, Hotel Berlin, Berlin and Radisson Blu Dortmund. Radisson Blu Glasgow also developed well after completed renovation.

Costs

Costs amounted to MSEK -647 (-694). The decrease is mainly explained by the divestment of DoubleTree by Hilton Montreal in April.

Net operating income (EBITDA)

Net operating income (EBITDA) amounted to MSEK 226 (222), equivalent to a margin of 28 (26) percent. The margin increase is explained by higher business volumes, positive mix and improved productivity. For comparable units at fixed currency, net operating income increased by a solid 15 percent.

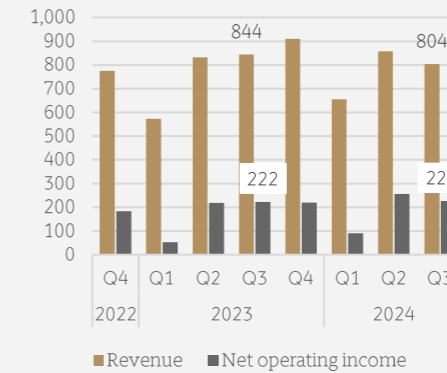
Important events

On 28 August, three 'aparthotels' (Residence Inn by Marriott) in central London were acquired and accessed for approximately MGBP 230.

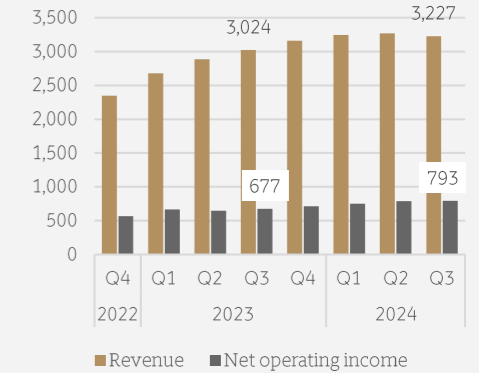
On 4 September, Pandox entered an agreement to acquire DoubleTree by Hilton Edinburgh City Centre for MGBP 49, which was gained access to on 1 October.

MSEK	Jul-Sep			Jan-Sep			Full-year
	2024	2023	Δ%	2024	2023	Δ%	2023
Revenues	804	844	-5	2,317	2,249	3	3,159
Costs	-647	-694	-7	-1,949	-1,967	-1	-2,729
Gross profit	157	150	5	368	282	n.a	430
Plus depreciation included in costs	69	72	-4	205	211	-3	283
Net operating income/EBITDA	226	222	2	573	493	16	713
<i>Net operating income/EBITDA margin</i>	<i>28%</i>	<i>26%</i>	<i>7</i>	<i>25%</i>	<i>22%</i>	<i>13</i>	<i>23%</i>
Revenues comparable units	680	624	9	1,929	1,780	8	
<i>Of which currency effect</i>		-20			-7		
Net operating income comparable units, before property admin	186	162	15	475	401	18	
<i>Of which currency effect</i>		-5			-2		

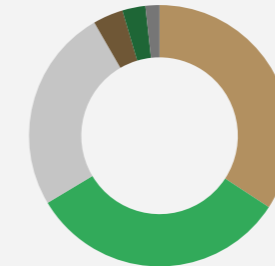
REVENUE AND NOI, MSEK
Per quarter



REVENUE AND NOI, MSEK
R12m

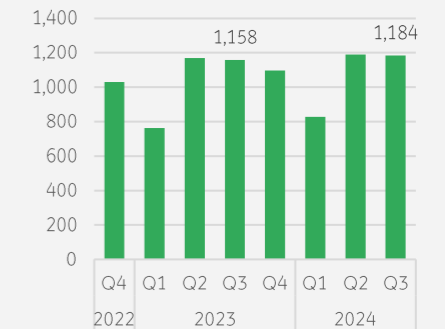


REVENUE PER COUNTRY, Q3



- Belgium, 34%
- UK, 32%
- Germany, 25%
- Denmark, 4%
- Netherlands, 3%
- Finland, 2%

REVPAR, SEK



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

Hotel market development July-September 2024

Sustained good hotel and travel demand

The European travel and hotel industry developed well during the third quarter. Leisure travel in particular was strong during the summer, supported by strong intra-European travel combined with a sustained increase in international travel from north America and Asia. Major events were also an important driver during the quarter, with the UEFA European Championship in Germany, the Olympics in Paris and Taylor Swift's The Eras Tour. Business travel increased after the holiday period at the same time as there was a clear improvement in group travel. Group travel is a segment in which trips take longer to plan and book. This segment is considered to have good potential for growth in the years ahead and will therefore help to lay a stable foundation for growth in both average price development and occupancy.

- Occupancy in Europe for the quarter increased by around 1 percent to 76 percent.
- Average prices increased by around 6 percent, amounting to EUR 167.
- Overall, RevPAR in Europe amounted to EUR 128 for the quarter, an increase of just over 7 percent.

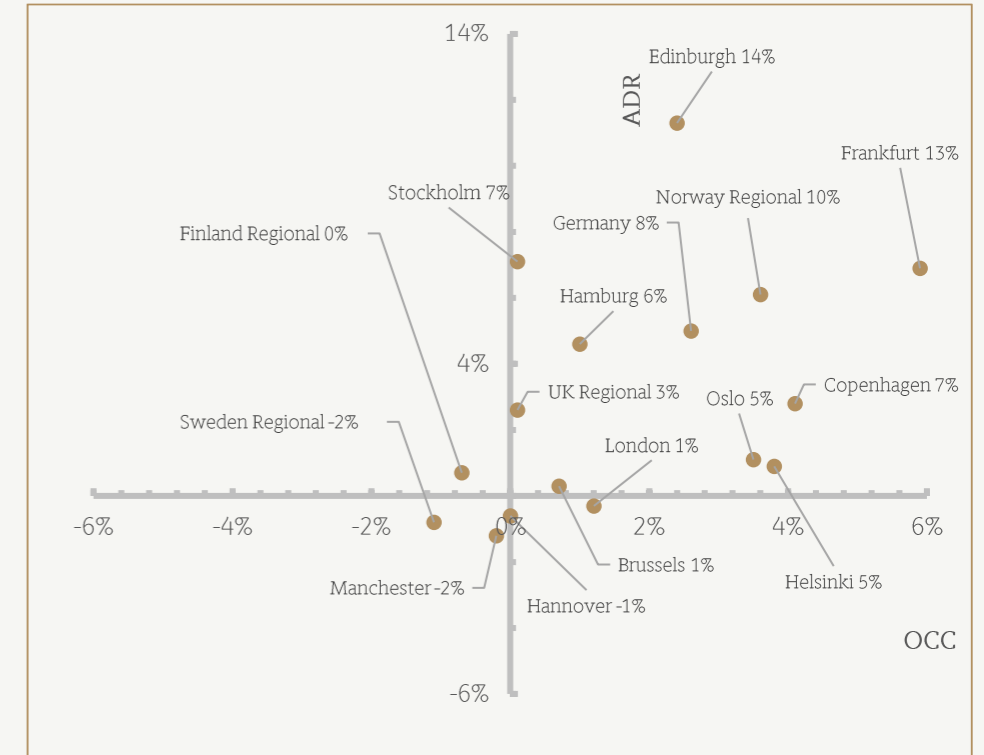
RevPAR development in Pandox's markets

- Occupancy in the Nordic region amounted to 71 percent, which was just over 2 percent higher than the previous year, at the same time as average prices increased by 3 percent. Overall, RevPAR increased by just over 5 percent.
- RevPAR in the Nordics remains strongest in Norway (+9 percent), while Finland's growth rate was weaker at around +1 percent in RevPAR, mainly due to a more challenging market situation in regional cities. Sweden's result (+3 percent) was impacted to some extent by Gothenburg, where the combination of new capacity and a weaker event calendar resulted in a strong decrease in RevPAR.

- In Germany RevPAR increased by 9 percent, mainly driven by increased average prices. The UEFA European Championship supported growth in July and a packed trade fair calendar had a good impact on September.
- UK Regional, which started from higher levels, had a stable performance with a RevPAR increase of around 1 percent. Average price drove growth, while occupancy decreased somewhat. London developed well during the quarter with a RevPAR increase of around 2 percent.
- In Ireland RevPAR increased by 2 percent, driven by improved average prices in August and September.
- RevPAR decreased in Brussels by 2 percent during the quarter, mainly explained by new capacity entering the market.

Countries	Q3 2024		Jan-Sep 2024	
	RevPAR local currency	RevPAR Growth y/y	RevPAR local currency	RevPAR Growth y/y
Europe (EUR fixed currency)	128	7%	107	6%
Sweden	929	3%	786	2%
Norway	1,015	9%	862	8%
Denmark	837	6%	678	5%
Finland	71	1%	64	2%
Germany	89	9%	80	8%
UK	109	2%	94	3%
Ireland	169	2%	140	0%
Destinations				
London	177	2%	154	1%
UK Regional	85	1%	73	3%
Frankfurt	74	16%	73	13%
Berlin	110	14%	95	9%
Brussels	98	-2%	100	1%
Stockholm	1,031	8%	915	7%
Oslo	1,084	4%	954	5%
Copenhagen	1,048	7%	831	7%
Helsinki	73	4%	65	5%

REVPAR ANALYSIS Y/Y (YTD 2024)



Important events during and after the period

12 July 2024

Interim report January-June 2024

15 August 2024

Pandox is evaluating the possibilities for acquisition of a hotel portfolio in London

28 August 2024

Pandox has acquired three aparthotels in central London for MGBP 230

4 September 2024

Pandox enters an agreement to acquire DoubleTree by Hilton Edinburgh for MGBP 49

5 September 2024

Pandox Aktiebolag (publ) nomination committee for the AGM 2025

17 September 2024

Pandox evaluates the conditions to carry out a directed share issue

18 September 2024

Pandox completes a directed share issue of approximately 10.75 million B-shares, raising proceeds of SEK 2 billion

30 September 2024

Increase in number of shares and votes in Pandox

1 October 2024

Pandox has completed previously announced acquisition of DoubleTree by Hilton Edinburgh

Group results analysis January-September 2024

Net sales

The Group's net sales amounted to MSEK 5,240 (5,011), an increase of 5 percent driven by good demand in the hotel market. For comparable units, net sales increased by 5 percent, adjusted for currency effects. Income from Leases amounted to MSEK 2,923 (2,762), an increase of 6 percent supported by increased turnover-based rents. For comparable units, revenues increased by 2 percent, adjusted for exchange rate effects. Revenue from Own Operations amounted to MSEK 2,317 (2,249), an increase of 3 percent due to good demand in all submarkets. For comparable units, revenues increased by 8 percent, adjusted for exchange rate effects.

Changes in value

Changes in the value of properties net amounted to MSEK 437 (-768), of which unrealised changes in value Investment Properties amounted to MSEK 548 and MSEK -25 refers to impairment Operating Properties. In addition, realised changes in value Investment Properties of MSEK 2 and realised changes in value Operating Properties of MSEK -17 are included, adjusted for MSEK -71 relating to previous divestment. Increased yield requirements had a negative impact of MSEK -204. Increased cash flows had a positive contribution of MSEK 829. Realised changes in value amounted to MSEK -15. Unrealised changes in the value of derivatives amounted to MSEK -199 (31).

Result

Net operating income Leases amounted to MSEK 2,496 (2,388), an increase of 5 percent. For comparable units, net operating income increased by 2 percent, adjusted for exchange rate effects. Net operating income Own Operations amounted to MSEK 573 (493), an increase of 16 percent. For comparable units, net operating income increased by 18 percent, adjusted for currency effects. Total net operating income amounted to MSEK 3,069 (2,881), an increase of 7 percent. For comparable units, total net operating income increased by 5 percent, adjusted for exchange rate effects.

Cash earnings amounted to MSEK 1,414 (1,327). Cash earnings per share amounted to SEK 7.67 (7.22), an increase of 6 percent.

Profit for the period amounted to MSEK 1,125 (545) and profit for the period attributable to parent company shareholders amounted to MSEK 1,110 (527), corresponding to SEK 6.02 (2.87) per share.

Tax

Current tax amounted to MSEK -264 (-238). Deferred tax amounted to MSEK -320 (165), explained by changes in the value of Investment Properties. See also note 6 on page 23.

Employees

At the end of the period, Pandox had the equivalent of 1,412 (1,383) full-time employees, based on the number of hours worked, converted to full-time employees. Of the total number of employees, 1,366 (1,333) were employed in the Own Operations segment and 47 (50) in the Leases segment and central administration.

Property valuation

Market value properties

At the end of the period, Pandox's property portfolio had a total market value of MSEK 74,234 (69,039), of which Investment Properties accounted for MSEK 59,281 (57,226) and Operating Properties for MSEK 14,953 (11,813). Over the past twelve months, external valuations were performed for around 100 percent of the hotel properties and are in total in line with the internal valuations, measured in value. External valuations were performed in the third quarter for around 25 percent of Pandox's hotel property portfolio, measured in value.

In the period net unrealised changes in value of Investment Properties amounted to MSEK 548, of which MSEK 12 in the third quarter. The increased valuation yield of 0.04 percentage points (of which 0.01 in Q3) had a negative impact of MSEK -397 (of which MSEK -59 in Q3), while increased cash flows had a positive impact of MSEK 945 (of which MSEK 72 in Q3) in the period. The recently opened Citybox Brussels and Scandic Go Sankt Eriksgatan 20 contributed positively in the quarter.

In the period net unrealised changes in the value of Operating Properties amounted to MSEK 77 (reported for disclosure purposes only), of which MSEK 190 in the third quarter.

In the third quarter, three hotel properties in London were acquired and accessed.

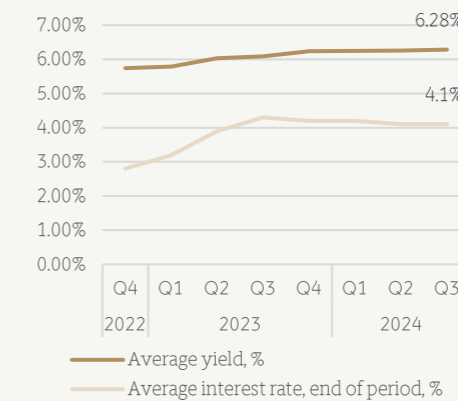
Value changes properties (period)

MSEK	Investment properties	Operating properties ¹	Total market value
Market value beginning of the period 1 January	57,226	11,813	69,039
Acquisitions	0	3,177	3,177
Divestments	-69	-635	-704
Investments	546	206	752
Unrealised changes in value	548	77	625
Change in currency exchange rates	1,030	315	1,345
Market value end of period 30 Sep	59,281	14,953	74,234
Influencing factors			
Yield	-397	193	-204
Cash flow	945	-116	829
Sum unrealised changes in value			
Average valuation yield % Q3 2024	6.14	6.87	6.28
Average valuation yield % Q2 2024	6.13	6.90	6.26
Average valuation yield % Q1 2024	6.10	6.98	6.25

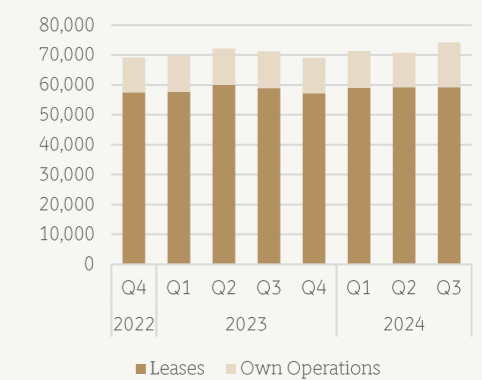
Acquisitions, divestments, and reclassifications

Action	Hotel property	Date
Acquisition Own Operations	DoubleTree by Hilton Edinburgh City Centre	Q3 2024
Acquisition Own Operations	Three 'aparthotels', Residence Inn by Marriott	Q3 2024
Divestment Own Operations	DoubleTree by Hilton Montreal	Q2 2024
Acquisition Own Operations	Hilton Belfast	Q3 2023

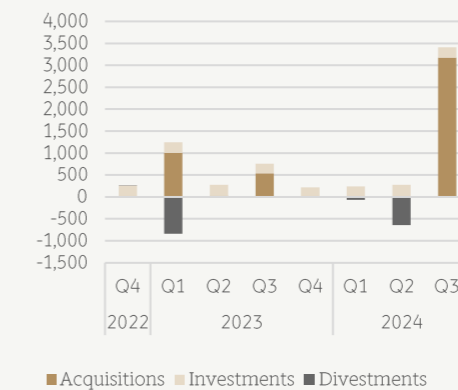
YIELD AND AVERAGE INTEREST RATE, %



MARKET VALUE PROPERTIES, MSEK



ACQUISITIONS, INVESTMENTS, AND DIVESTMENTS



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

Effect on fair value	Δ%	ΔMSEK
Yield	+/- 0,5	-4,466/ +5,258
Change in currency exchange rates	+/- 1	+/- 434
Net operating income	+/- 1	+/- 564

¹⁾ The value of Operating Properties is reported for disclosure purposes and is included in EPRA NRV, EPRA NDV and EPRA NTA calculations. The Operating Properties' carrying amounts recognised in the condensed consolidated statement of financial position are equivalent to cost minus depreciation and any impairment losses and amounted to MSEK 11,690 (8,842) at the end of the period.

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

Portfolio overview

At the end of the period Pandox's property portfolio consisted of 160 (159) hotel properties with 35,534 (35,851) hotel rooms in eleven countries.

DoubleTree by Hilton Edinburgh City Centre with 138 rooms, which was gained access to on 1 October, is not included in the portfolio overview.

Pandox's main geographical focus is Northern Europe. The UK (23 percent) is Pandox's single largest geographical market, measured as a percentage of the property portfolio's total market value, followed by Germany (22 percent), Sweden (21 percent), Belgium (8 percent) and Finland (6 percent).

Approximately 80 percent of the total portfolio market value is covered by external leases. Pandox's tenant base consists of highly reputable hotel operators with strong hotel brands.

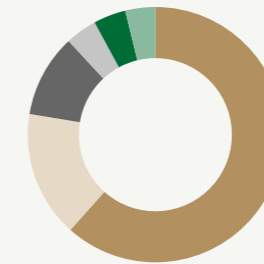
On 30 September 2024 Investment Properties had a weighted average unexpired lease term (WAULT) of 14.4 years (15.0).

Leases	Number		Market value (MSEK)		
	Hotels	Rooms	Per country	In % of total	Per room
Sweden	42	9,120	15,895	21	1.7
Germany	32	6,633	12,908	17	1.9
UK	20	4,821	11,402	15	2.4
Finland	12	2,742	4,455	6	1.6
Norway	14	2,573	3,391	5	1.3
Denmark	8	1,843	4,230	6	2.3
Austria	2	639	1,610	2	2.5
Belgium	3	765	1,523	2	2.0
Ireland	3	445	1,662	2	3.7
Switzerland	1	206	926	1	4.5
The Netherlands	1	189	1,278	2	6.8
Sum Leases	138	29,976	59,281	80	2.0
Own Operations					
Belgium	7	1,968	4,456	6	2.3
Germany	5	1,490	3,817	5	2.6
UK	8	1,724	6,238	8	3.6
The Netherlands	1	216	413	1	1.9
Finland	1	160	30	-	0.2
Sum Own Operations	22	5,558	14,953	20	2.7
Sum total	160	35,534	74,234	100	2.1

Brand	Number		
	Hotels	Rooms	In % of total
Scandic	50	11,222	32
Leonardo	38	7,957	22
Hilton	9	2,447	7
Independent	11	2,855	8
Radisson Blu	8	2,033	6
Strawberry	11	1,949	5
NH	7	1,681	5
Dorint	4	847	2
Mercure	3	610	2
Marriott	3	503	1
Elite Hotels	2	493	1
Holiday Inn	2	469	1
Novotel	2	421	1
Others	10	2,047	6
Total	160	35,534	100.0

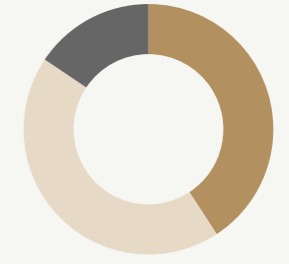
For more information about Pandox's portfolio, visit www.pandox.se

NUMBER OF ROOMS
Per location category



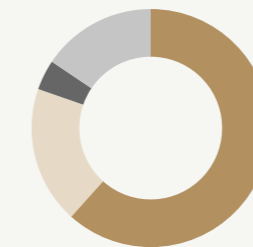
- City center, 62%
- Ringroad, 16%
- Airport, 11%
- Resort, 4%
- Exhibition center, 4%
- Business park, 4%

NUMBER OF ROOMS
Per demand category



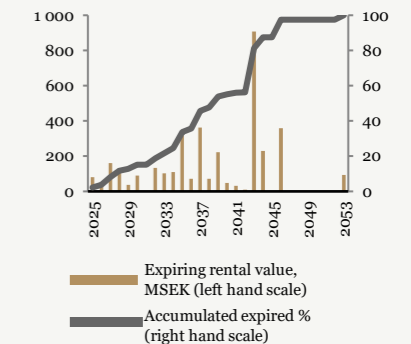
- Domestic, 41%
- Regional, 44%
- International, 16%

NUMBER OF ROOMS
Per agreement category



- Revenue-based with minimum guarantee, 62%
- Revenue-based without minimum guarantee, 19%
- Fixed, 4%
- Own Operations, 16%

LEASE MATURITY PROFILE
Per 30 September 2024



Property investments

A central part of the value creation

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

Investments in the period

In the period January–September 2024, investments in property, plant and equipment, excluding acquisitions, amounted to MSEK 752 (728), of which MSEK 546 (377) was for Investment Properties and MSEK 206 (351) for Operating Properties.

At the end of the third quarter 2024, approved investments for ongoing and future projects amounted to around MSEK 1,290, of which around MSEK 256 is for projects that are expected to be completed in 2024.

The cost of maintenance in the period January–September 2024 was MSEK 51 (47).

Larger ongoing investment projects

	Number of rooms	City, country	Segment	Type of investment	Investment size	Status	Invested	Completed
DoubleTree by Hilton Brussels	354	Brussels, Belgium	○	○, E, P, T, H	XL	Open	50%	H1 2026
Radisson Blu Glasgow	247	Glasgow, UK	○	P, T, H	Medium	Open	70%	Q3 2025
Hotel Mayfair	203	Copenhagen, Denmark	○ (L)	○, E, P, T, H	Medium	Open	40%	H2 2025
The Hotel Brussels	421	Brussels, Belgium	○	○, P, T, H	Smaller	Open	20%	Q1 2025
Leonardo Royal Frankfurt	449	Frankfurt, Germany	L	P, T, H	Smaller	Open	95%	Q3 2024
Leonardo Royal Baden-Baden	121	Baden-Baden, Germany	L	P, T, H	Smaller	Open	80%	Q3 2024
Vildmarkshotellet	213	Norrköping Sweden	L	P, H	Smaller	Open	80%	2025
Scandic Malmen	332	Stockholm, Sweden	L	○, P, T, H	Smaller	Open	55%	H1 2025
Leonardo Christchurch	182	Dublin, Ireland	L	P, T, H	Smaller	Open	0%	H1 2025

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



Citybox Brussels

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



Scandic Go Sankt Eriksgatan 20

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



Vienna House Easy by Wyndam Frankfurt Airport

Full renovation including change of brand.

Financing

Financial position and net asset value

At the end of the period the loan-to-value net was 45.1 (46.6) percent. Equity attributable to the Parent Company's shareholders amounted to MSEK 32,473 (29,573). EPRA NRV amounted to MSEK 40,742 (36,976), equivalent to SEK 209.36 (201.12) per share. Cash and cash equivalents plus unutilised credit facilities amounted to MSEK 3,774 (3,146) and there are unpledged properties with a value of approximately MSEK 2,118 in total. In addition, there are additional unutilised credit facilities that, at any given time, fully cover the issued volume under the Pandox commercial paper programme.

Interest-bearing liabilities

At the end of the period the loan portfolio amounted to MSEK 34,991 (32,960), excluding loan arrangement fees. Unutilised credit facilities, after deduction of commercial paper, amounted to MSEK 2,298 (2,378) and the volume issued under the commercial paper programme amounted to MSEK 1,133 (816). Commercial paper is only used

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

Commercial paper aside, all Pandox's debt financing is bank financing only with loans secured by a combination of mortgage collateral and pledged shares. Pandox has a geographically diversified lender base consisting of 15 Nordic and international banks, and AMF Tjänstepension AB.

Per 30 September 2024, the average repayment period was 2.4 (2.3) years, the average fixed interest rate period was 2.9 (3.9) years, and the average interest rate level, including effects from interest-rate derivatives, but excluding accrued arrangement fees, was 4.1 (4.2) percent, which also is a reasonable approximation for the expected level at the end of the fourth quarter 2024, given unchanged market rates. At the end of the period the interest cover ratio (measured on rolling twelve months) was 2.6 times.

Short-term interest-bearing debt amounted to MSEK 6,150 (5,509). Short-term credit facilities,

including unutilised credits, maturing in less than twelve months amount to MSEK 6,360, of which MSEK 4,379 matures in the fourth quarter 2024. The difference is explained by unutilised credit facilities and expected amortisations.

During the first nine months of 2024, Pandox has carried out refinancing of previous short-term debt corresponding to a total of approximately MSEK 14,412, of which MSEK 8,069 in the third quarter.

Sustainability-linked financing

During the third quarter, Pandox has entered into a new green loan of MSEK 1,555 in connection with the acquisition of three 'aparthotels' in central London. In addition, we have during the quarter sustainability-linked additional bank loans. As of 30 September 2024, the total sustainability-linked loan volume amounts to MSEK 11,381. The credit margin of the bank loans is linked to the annual outcome of three well-defined environmental, social and governance (ESG) sustainability targets, which will also be reported in the annual sustainability report.

Key ratios, financing

MSEK	Jan-Sep		Full-year
	2024	2023	2023
Net interest-bearing debt	33,515	33,334	32,191
Cash and cash equivalents and unutilised credit facilities	3,774	2,988	3,146
Average fixed interest period, years	2.9	4.1	3.9
Average repayment period, years	2.4	2.4	2.3
Average interest rate end of period, %	4.1	4.2	4.2
Interest cover ratio, times	2.6	2.7	2.7
Loan to value net, %	45.1	46.8	46.6
Net interest-bearing debt/EBITDA, times	8.6	9.3	8.7

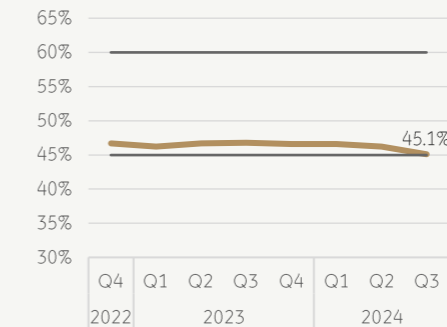
MATURITY STRUCTURE CREDIT FACILITIES

Year due (MSEK)	Credit facilities ¹
< 1 year	6,360
1–2 year	5,142
2–3 year	14,467
3–4 year	10,048
4–5 year	866
> 5 year	406
Total	37,289

¹ Excluding contractual amortisation.

LOAN TO VALUE, NET, %

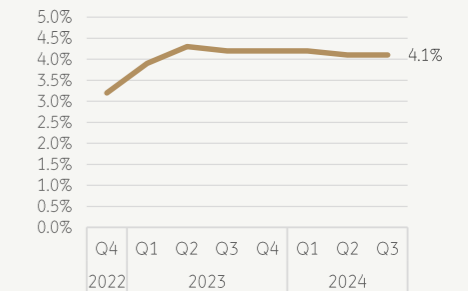
Policy range 45–60%



— Loan to value, net — Policy range

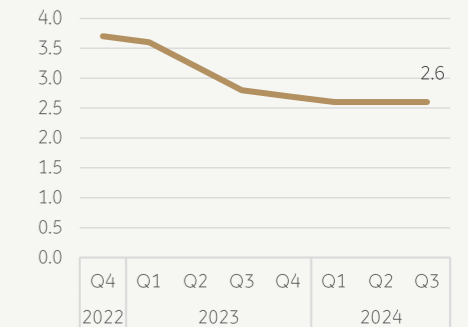
AVERAGE INTEREST RATE

End of period, %



INTEREST COVER RATIO

R12m, times



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

Net financial items

MSEK	Jul-Sep		Jan-Sep		Full-year
	2024	2023	2024	2023	2023
Financial income	6	7	18	26	31
Interest costs	-372	-384	-1,099	-1,014	-1,366
Average interest rate, end of period, %	4.1	4.2	4.1	4.2	4.2
Other financial costs	-28	-43	-84	-103	-131
Total debt costs, %	4.4	4.5	4.4	4.5	4.6
Financial costs right of use assets	-30	-28	-87	-80	-108
Sum net financial items	-424	-448	-1,252	-1,171	-1,574

The decrease in costs compared to the corresponding quarter last year is mainly explained by lower interest costs on bank loans due to lower average interest rates going into the quarter and lower other financial costs.

Loans by currency 30 September, 2024

	SEK	DKK	EUR ³	CHF	CAD	NOK	GBP	Total
Sum credit facilities, MSEK¹	9,113	2,362	15,468	539	-	1,833	7,974	37,289
Sum interest bearing debt, MSEK¹	7,523	2,362	15,677	539	-	916	7,974	34,991
Share of debt in currency, %	21.5	6.7	44.8	1.5	-	2.6	22.8	100
Average interest rate, % ²	3.3	3.5	3.5	4.0	-	4.8	6.2	4.1
Average interest rate period, years	3.0	0.9	3.1	0.2	-	3.7	3.3	2.9
Market value Properties, MSEK ¹	15,895	4,230	32,152	926	-	3,391	17,639	74,234

¹⁾ Converted to MSEK

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

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

Currency and interest rate risk

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

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

Per 30 September 2024, the gross nominal volume of interest rate derivatives amounted to MSEK 32,381, including forward starting swaps. At the same time, the net nominal volume of interest rate derivatives amounted to MSEK 25,573. The net volume is the portion of Pandox's loan portfolio for which interest rates are hedged.

Approximately 69 percent of Pandox's net debt was thereby hedged against interest rate movements for periods longer than one year and the average fixed rate period was 2.9 (3.9) years.

Interest maturity profile 30 September 2024

Tenor (MSEK)	Total interest maturity		Interest maturity derivatives		
	Amount ¹	Share, %	Volume	Share, %	Average interest rate derivatives, %
< 1 year	11,936	34	2,518	10	0.5
1-2 year	3,298	9	3,298	13	0.8
2-3 year	2,904	8	2,904	11	0.3
3-4 year	6,635	19	6,635	26	1.5
4-5 year	4,221	12	4,221	17	0.8
> 5 year	5,998	17	5,998	23	2.3
Sum	34,991	100	25,573	100	1.3

¹⁾ Share of loans with an interest rate reset during the period.

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

At the end of the period, the net market value of Pandox's financial derivatives amounted to MSEK 856 (1,055).

Currency exchange rates

	Average rate			Rate at end-of-period		
	2024	2023	Change %	2024	2023	Change %
Euro (EUR)	11.412	11.476	-1	11.300	11.492	-2
British pound (GBP)	13.405	13.184	2	13.526	13.275	2
Danish krone (DKK)	1.530	1.541	-1	1.516	1.541	-2
Norwegian krone (NOK)	0.985	1.012	-3	0.961	1.020	-6
Canadian dollar (CAD)	7.718	7.872	-2	7.467	8.059	-7
Swiss franc (CHF)	11.914	11.748	1	11.972	11.912	1

Financial sensitivity analysis 30 September 2024

Effect on earnings before changes in value	MSEK	Δ
Current fixed interest hedging, change in interest rates, with derivatives	-/+ 83	+/- 1%
Current fixed interest hedging, change in interest rates, without derivatives	-/+ 339	+/- 1%
Remeasurements of interest-rate derivatives following shift of yield-curves	+/- 854	+/- 1%

Sustainability

Development in the third quarter 2024

Pandox Science Based Targets:

1. Final stages before the tendering process will begin for the first properties in the Scope 1 and 2 investment programme.
2. Properties and project types have been identified and prioritised in the planning for investment programmes Scope 3 UK.
3. Project planning for the German energy mapping has been started.

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

Focus areas

Pandox's sustainability work will contribute to sustainable properties, sustainable operations and create new business opportunities.

The Company's overall sustainability goal is to offer its tenants resource-efficient hotel properties that contribute to the UN Sustainable Development Goals, reduce climate impact and enable good management of climate risks.

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

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

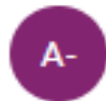
Science Based Targets initiative (SBTi)

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

Larger investments

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

Acknowledgements



Sustainability overview Own Operations	2023	2022	Δ%	2021
<i>Resource efficiency</i>				
Total energy consumption, kWh/sqm	204	230	-11	214
Total energy consumption, kWh/gn	36	44	-18	99
Total water consumption, l/gn	174	219	-21	304
Waste per hotel guest, kg	1.2	n.a	n.a	n.a
<i>Renewable energy</i>				
Total of renewable energy, %	42	49	n.a	48
<i>Emission reduction</i>				
Total emissions, CO2e/sqm	27	23	17	23
<i>Sustainability certification</i>				
Total number of BREEAM In Use-certified properties on level Very Good	13	12	8	5
Green key certification of operations, number	14	16	-13	14
Total, Pandox group	2023	2022	Δ%	2021
<i>Key social indicators</i>				
Employee satisfaction, %	77	77	n.a	78
<i>Supplier key figures</i>				
Number of suppliers audited	37	48	-23	82
Sustainability overview Leases	2023	2022	Δ%	2021
<i>Resource efficiency</i>				
Total energy consumption, kWh/sqm	218	210	4	189
Total energy consumption, kWh/gn	37	42	-12	62
Total water consumption, l/gn	183	184	-1	311
<i>Renewable energy</i>				
Total of renewable energy, %	40	39	n.a	39
<i>Emission reduction</i>				
Total emissions, CO2e/sq m	31	35	-11	35
Larger ongoing investment projects	Total amount	Invested		Completed
Climate transition project	MEUR 29	10%		2027

Change in the table above has 2021 as base year.

Summary of financial reports

Condensed consolidated statement of income

MSEK	Jul-Sep		Jan-Sep		Full-year
	2024	2023	2024	2023	2023
Revenues Leases					
Rental income	1,033	1,002	2,825	2,653	3,548
Other property income	36	38	98	109	142
Revenue Own Operations	804	844	2,317	2,249	3,159
Total revenues	1,873	1,884	5,240	5,011	6,849
Costs Leases	-136	-120	-427	-374	-533
Costs Own Operations	-647	-694	-1,949	-1,967	-2,729
Gross profit	1,090	1,070	2,864	2,670	3,587
- whereof gross profit Leases	933	920	2,496	2,388	3,157
- whereof gross profit Own Operations	157	150	368	282	430
Central administration	-42	-46	-141	-144	-197
Financial income	6	7	18	26	31
Financial expenses	-400	-427	-1,183	-1,117	-1,498
Financial cost right of use assets	-30	-28	-87	-80	-108
Profit before changes in value	624	576	1,471	1,355	1,815
Changes in value					
Changes in value properties	-10	-90	437	-768	-1,107
Changes in value derivatives	-489	43	-199	31	-1,205
Profit before tax	125	529	1,709	618	-497
Current tax	-115	-95	-264	-238	-375
Deferred tax	-49	26	-320	165	292
Profit for the period	-39	460	1,125	545	-580

Condensed consolidated statement of other comprehensive income

MSEK	Jul-Sep		Jan-Sep		Full-year
	2024	2023	2024	2023	2023
<i>Items that may not be classified to profit or loss, net after tax</i>					
This year's revaluation of tangible non-current assets	-	1	-	39	39
Translation differencens relaisation of foreign operations	-28	-	-28	-	-
<i>Items that may be classified to profit or loss, net after tax</i>					
Net investment hedge of foreign operations	-28	152	-145	-148	26
Translation differences of foreign operations	-31	-736	728	842	-177
Other comprehensive income for the period	-87	-583	555	733	-112
Total comprehensive income for the period	-126	-123	1,680	1,278	-692
Profit for the period attributable to the shareholders of the parent company	-41	456	1,110	527	-585
Profit for the period attributable to non-controlling interests	2	3	15	18	5
Total comprehensive income for the period attributable to the shareholders of the parent company	-127	-120	1,662	1,252	-698
Total comprehensive income for the period attributable to non-controlling interests	1	-3	18	26	6
Earnings per share, before and after dilution, SEK	-0.24	2.48	6.02	2.87	-3.18

In comprehensive income for the period of MSEK 555 is included tax of MSEK -114, of which MSEK 55 is current tax.

Condensed consolidated statement of financial position

MSEK	30 Sep		31 Dec
	2024	2023	2023
ASSETS			
Operating Properties	11,186	8,654	8,273
Equipment and interiors	513	620	580
Investment Properties	59,282	58,936	57,226
Right-of-use assets	3,062	2,975	2,848
Deferred tax assets	319	335	340
Derivatives ¹	1,145	2,522	1,535
Other non-current receivables	90	78	77
Total non-current assets	75,597	74,120	70,879
Current assets			
Inventories	11	16	16
Current tax assets	202	182	173
Trade account receivables	418	537	445
Prepaid expenses and accrued income	737	565	648
Other current receivables	407	154	207
Cash and cash equivalents	1,476	749	769
Assets held for sale	-	-	71
Total current assets	3,251	2,203	2,329
Total assets	78,848	76,323	73,208

MSEK	30 Sep		31 Dec
	2024	2023	2023
EQUITY AND LIABILITIES			
Equity			
Share capital	486	460	460
Other paid-in capital	9,471	7,525	7,525
Reserves	1,758	2,043	1,205
Retained earnings, including profit for the period	20,758	21,495	20,383
Equity attributable to the owners of the Parent Company	32,473	31,523	29,573
Non-controlling interests	170	228	152
Sum equity	32,643	31,751	29,725
LIABILITIES			
Non-current liabilities			
Non-current interest-bearing liabilities ²	28,632	26,084	24,190
Other non-current liabilities	29	2	29
Long-term lease liability	3,041	2,952	2,826
Derivatives ¹	289	231	479
Provisions	44	41	40
Deferred tax liability	5,686	5,470	5,270
Total non-current liabilities	37,721	34,780	32,834
Current liabilities			
Provisions	40	32	35
Current interest-bearing liabilities ²	6,150	7,807	8,580
Short-term lease liability	30	31	30
Tax liabilities	686	490	551
Trade accounts payable	432	353	333
Other current liabilities	281	250	170
Accrued expenses and prepaid income	865	829	950
Total current liabilities	8,484	9,792	10,649
Total liabilities	46,205	44,572	43,483
Total equity and liabilities	78,848	76,323	73,208

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

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

Condensed consolidated statement of cash flow

MSEK	Jul-Sep		Jan-Sep		Full-year
	2024	2023	2024	2023	2023
OPERATING ACTIVITIES					
Profit before tax	125	529	1,709	618	-497
Reversal of depreciation	70	72	207	214	286
Changes in value, properties	10	90	-437	768	1,107
Changes in value, derivatives	489	-44	199	-31	1,205
Other items not included in the cash flow	12	111	-73	-63	40
Taxes paid	-88	-71	-166	-116	-178
Cash flow from operating activities before changes in working capital	618	687	1,439	1,390	1,963
Increase/decrease in operating assets	-177	-138	-181	223	137
Increase/decrease in operating liabilities	24	-47	27	119	93
Change in working capital	-153	-185	-154	342	230
Cash flow from operating activities	465	502	1,285	1,732	2,193
INVESTING ACTIVITIES					
Investments in properties and fixed assets	-237	-246	-752	-728	-922
Divestment of hotel properties, net effect on liquidity	-	-	680	897	894
Acquisitions of hotel properties, net effect on liquidity	-3,059	-510	-3,059	-1,464	-1,465
Acquisitions of financial assets	0	14	-12	12	12
Cash flow from investing activities	-3,296	-742	-3,143	-1,283	-1,481
FINANCING ACTIVITIES					
New share issue	2,000	-	2,000	-	-
Transaction cost	-27	-	-27	-	-
New loans	8,985	1,895	14,642	11,340	12,944
Amortisation of debt	-7,556	-1,849	-13,407	-12,352	-14,168
Dividend non-controlling interest	-	-	-	-	-17
Paid dividends	-	-	-735	-460	-460
Cash flow from financing activities	3,402	46	2,473	-1,472	-1,701
Cash flow for the period	571	-194	615	-1,023	-989
Cash and cash equivalents at beginning of period	848	1,008	769	1,630	1,630
Exchange differences in cash and cash equivalents	57	-65	92	142	129
Liquid funds end of period	1,476	749	1,476	749	769
Information regarding interest payments					
Interest received amounted to	6	9	18	26	31
Interest paid amounted to	-343	-350	-1,090	-966	-1,243
Financial cost right of use assets	-30	-28	-87	-80	-108
Information regarding cash and cash equivalents end of period	1,476	749	1,476	749	769

Cash and cash equivalents consists of bank deposits.

Condensed consolidated statement of changes in equity

MSEK	Attributable to the owners of the parent company							
	Share capital	Other paid in capital	Translation reserves	Revaluation reserve ¹	Retained earnings, incl profit for the period	Total	Non-controlling interests	Total equity
Opening balance equity 1 Jan, 2023	460	7,525	1,131	187	21,428	30,731	202	30,933
Profit for the period	—	—	—	—	-585	-585	5	-580
Other comprehensive income	—	—	-152	39	—	-113	1	-112
Dividend non-controlling interest	—	—	—	—	—	—	-56	-56
Dividend	—	—	—	—	-460	-460	—	-460
Closing balance equity 31 Dec, 2023	460	7,525	979	226	20,383	29,573	152	29,725
Opening balance equity 1 Jan, 2024	460	7,525	979	226	20,383	29,573	152	29,725
Profit for the period	—	—	—	—	1,110	1,110	15	1,125
Other comprehensive income	—	—	552	—	—	552	3	555
New share issue ²	27	1,946	—	—	—	1,973	—	1,973
Dividend	—	—	—	—	-735	-735	—	-735
Closing balance equity 30 Sep, 2024	487	9,471	1,531	226	20,758	32,473	170	32,643

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

² The new share issue amount is reported net of transaction costs of MSEK 27.

Comparison figures and period

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

Not 1. Accounting principles

Pandox AB follows the International Financial Reporting Standards (IFRS) and interpretations (IFRIC), as adopted by the EU. This interim report has been prepared according to IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. The interim report for the Parent Company has been prepared in accordance with Chapter 9 Interim Reports of the Swedish Annual Accounts Act. The Parent Company applies the Swedish Annual Accounts Act and RFR2 Accounting principles for legal entities. Under RFR2 the parent company of a legal entity applies all EU approved IFRS principles and interpretations within the framework defined by the Swedish Annual Accounts Act and taking into consideration the connection between accounting and taxation. Derivatives are measured at fair value according to Level 2 in the fair value hierarchy under IFRS, based on inputs that are observable, either directly or indirectly. The carrying amounts of interest-bearing liabilities and other financial instruments constitute a reasonable approximation of their fair values. The interim financial statements are included on pages 1–28 and page 1–14 is thus an integrated part of this financial report. The accounting principles applied are consistent with those described in Pandox's Annual Report for 2023.

Not 2. Ongoing disputes and insurance cases

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

Condensed income statement for the parent company

MSEK	Jul-Sep		Jan-Sep		Full-year
	2024	2023	2024	2023	2023
Total revenues	19	36	80	88	112
Administration cost	-56	-57	-180	-178	-245
Operating profit	-37	-21	-100	-90	-133
Profit from participations in Group companies	2	-	123	122	964
Other interest income and similar profit/loss items	168	66	858	1,163	1,235
Derivatives, unrealised	-94	78	73	-27	-231
Profit after financial items	39	123	954	1,168	1,835
Year-end appropriations	-	-	-	-	352
Profit before tax	39	123	954	1,168	2,187
Current tax	-73	-123	-141	-216	-217
Deferred tax	2	-23	-38	-6	46
Profit for the period	-32	-23	775	946	2,016
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-32	-23	775	946	2,016

Condensed balance sheet for the parent company

MSEK	30 Sep		31 Dec
	2024	2023	2023
ASSETS			
Non-current assets			
Property, plant and equipment	9	11	11
Financial non-current assets	23,367	21,692	22,830
Current assets	894	2,203	2,054
Total assets	24,270	23,906	24,895
EQUITY AND LIABILITIES			
Equity	15,328	12,244	13,314
Untaxed reserves	4	2	4
Provisions	81	78	69
Non-current liabilities	7,849	6,535	7,893
Current liabilities	1,008	5,047	3,615
Total equity and liabilities	24,270	23,906	24,895

Not 3. Parent company

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

Not 4. Transactions with related parties

The Parent Company carries out transactions with subsidiaries in the Group. Such transactions mainly entail allocation of centrally incurred administration cost and interest relating to receivables and liabilities. All related party transactions are entered into on market terms. Eiendomsspar AS owns 5.1 percent of 22 hotel properties in Germany and 9.9 percent of another hotel property in Germany. The acquisitions were made by Pandox in 2015, 2016 and 2019. Pandox has a management agreement regarding Pelican Bay Lucaya Resort in the Bahamas owned by affiliates of Helene Sundt AS and CGS Holding AS. During January–September 2024, revenue from Pelican Bay Lucaya amounted to MSEK 0.9 (0.0).

Segment information

MSEK	Q3 2024 (Jul-Sep 2024)				Q3 2023 (Jul-Sep 2023)			
	Leases	Own operations	Group and non-allocated items	Total	Leases	Own operations	Group and non-allocated items	Total
Revenues								
Rental and other property income Leases	1,069	—	—	1,069	1,040	—	—	1,040
Revenue Own Operations	—	804	—	804	—	844	—	844
Total revenues	1,069	804	—	1,873	1,040	844	—	1,884
Costs Leases	-136	—	—	-136	-120	—	—	-120
Costs Own Operations	—	-647	—	-647	—	-694	—	-694
Gross profit	933	157	—	1,090	920	150	—	1,070

Q3 2024 (Jul-Sep 2024)

	Sweden	Denmark	Norway	Finland	Germany	Belgium	UK+IE	Others	Total
Total revenues									
Leases	266	77	79	85	226	22	257	57	1,069
Own Operations	—	30	—	14	203	275	259	23	804
Market value properties	15,895	4,230	3,391	4,485	16,725	5,979	19,301	4,228	74,234
Investments in properties	90	7	21	8	33	47	30	1	237
Acquisitions of properties	—	—	—	—	—	—	3,177	—	3,177
Changes in value properties	-2	—	59	-26	-56	15	1	-1	-10
Book value Operating Properties	—	—	—	29	2,031	3,131	6,120	379	11,690
Total noncurrent assets at book value, less deferred tax assets	17,634	4,244	3,393	5,274	15,625	4,935	19,917	4,256	75,278

Q3 2023 (Jul-Sep 2023)

	Sweden	Denmark	Norway	Finland	Germany	Belgium	UK+IE	Others	Total
Total revenues									
Leases	265	72	82	106	194	17	240	64	1,040
Own Operations	—	29	—	11	198	267	191	148	845
Market value properties	15,591	4,006	3,376	4,673	17,249	5,808	15,533	4,941	71,177
Investments in properties	32	9	11	1	44	49	90	11	246
Acquisitions of properties	—	—	—	—	—	—	535	—	535
Changes in value properties	-82	-16	-19	5	-19	-2	43	—	-90
Book value Operating Properties	—	—	—	32	2,099	3,148	2,945	1,037	9,261
Total noncurrent assets at book value, less deferred tax assets	18,690	4,020	3,379	5,454	16,087	4,866	16,362	4,926	73,784

MSEK	Q1-3 2024 (Jan-Sep 2024, year to date)			Q1-3 2023 (Jan-Sep 2023, year to date)			Total
	Leases	Own operations	Group and non-allocated items	Leases	Own operations	Group and non-allocated items	
Revenues							
Rental and other property income Leases	2,923	—	—	2,762	—	—	2,762
Revenue Own Operations	—	2,317	—	—	2,249	—	2,249
Total revenues	2,923	2,317	—	2,762	2,249	—	5,011
Costs Leases	-427	—	—	-374	—	—	-374
Costs Own Operations	—	-1,949	—	—	-1,967	—	-1,967
Gross profit	2,496	368	—	2,388	282	—	2,670

Q1-Q3 2024 (Jan-Sep)

	Sweden	Denmark	Norway	Finland	Germany	Belgium	UK+IE	Others	Total
Total revenues									
Leases	716	187	188	232	700	59	676	165	2,923
Own Operations	—	70	—	31	567	863	640	146	2,317
Market value properties	15,895	4,230	3,391	4,485	16,725	5,979	19,301	4,228	74,234
Investments in properties	244	27	77	27	95	196	76	10	752
Acquisitions of properties	—	—	—	—	—	—	3,177	—	3,177
Changes in value properties	181	68	100	-82	-5	-10	201	-16	437
Book value Operating Properties	—	—	—	29	2,031	3,131	6,120	379	11,690
Total noncurrent assets at book value, less deferred tax assets	17,634	4,244	3,393	5,274	15,625	4,935	19,917	4,256	75,278

Q1-Q3 2023 (Jan-Sep)

	Sweden	Denmark	Norway	Finland	Germany	Belgium	UK+IE	Others	Total
Total revenues									
Leases	716	174	191	254	592	49	611	172	2,759
Own Operations	—	67	—	31	508	844	429	369	2,249
Market value properties	15,591	4,006	3,376	4,673	17,249	5,808	15,533	4,941	71,177
Investments in properties	108	39	22	14	142	160	222	22	728
Acquisitions of properties	326	—	—	—	—	4	1,242	—	1,572
Changes in value properties	-280	-145	-96	-24	-62	9	-282	112	-768
Book value Operating Properties	—	—	—	32	2,099	3,148	2,945	1,037	9,261
Total noncurrent assets at book value, less deferred tax assets	18,690	4,020	3,379	5,454	16,087	4,866	16,362	4,926	73,784

Not 5. Operating segments

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

Alternative performance measurements

About alternative performance measurements

Pandox applies the European Securities and Market Authority's (ESMA) guidelines for Alternative Performance Measurements. The guidelines aim at making alternative Performance Measurements in financial reports more understandable, trustworthy and comparable and thereby enhance their usability. According to these guidelines, an Alternative Performance Measurement is a financial key ratio of past or future earnings development, financial position, financial result or cash flows which are not defined or mentioned in current legislation for financial reporting; IFRS and the Swedish Annual Accounts Act. Adjoining alternative financial measurements provides useful supplementary information to investors and management, as they facilitate evaluation of company performance. Since not all companies calculate financial measurements in the same manner, these are not always comparable to measurements used by other companies. Hence, these financial measures should not be seen as a substitute for measures defined according to the IFRS. Reconciliation of alternative performance measures is available on Pandox's website.

Properties

Properties	Jul-Sep		Jan-Sep		Full-year
	2024	2023	2024	2023	2023
Number of properties	-	-	160	159	159
- of which Leases	-	-	138	139	139
- of which Own Operations	-	-	22	20	20
Number of rooms	-	-	35,534	35,851	35,851
- of which Leases	-	-	29,976	30,201	30,201
- of which Own Operations	-	-	5,558	5,650	5,650
Total square meters	-	-	-	-	2,102,973
Market value properties, MSEK	-	-	74,234	71,177	69,039
- of which Investment properties	-	-	59,281	58,936	57,226
- of which Operating properties	-	-	14,953	12,242	11,813
Total average yield, %	-	-	6.28	6.09	6.24
- Investment properties	-	-	6.14	5.92	6.09
- Operating properties	-	-	6.87	6.95	7.02
Unrealised changes in value, MSEK	-	-	625	-1,306	-1,685
- Investment properties	-	-	548	-971	-1,294
- Operating properties	-	-	77	-335	-391
WAULT, years	-	-	14.4	14.4	15.0

Financial

Financially	Jul-Sep		Jan-Sep		Full-year
	2024	2023	2024	2023	2023
Loan to value, net, %	-	-	45.1	46.8	46.6
Interest cover ratio, times	3.0	2.8	2.6	2.7	2.7
Interest cover ratio R12m, times	-	-	2.6	2.8	2.7
Interest-bearing net debt/EBITDA, times	-	-	8.6	9.3	8.7

Per share

Per share	Jul-Sep		Jan-Sep		Full-year
	2024	2023	2024	2023	2023
Earnings per share	-0.24	2.48	6.02	2.87	-3.18
Equity per share	-	-	177.13	172.70	161.68
Cash earnings per share	3.14	3.04	7.67	7.22	9.48
Dividend per share	-	-	-	-	4.00
Average number of shares	185,164,255	183,849,999	184,288,084	183,849,999	183,849,999
Total number of shares outstanding, end of period	194,603,000	183,849,999	194,603,000	183,849,999	183,849,999

EPRA

EPRA	Jul-Sep		Jan-Sep		Full-year
	2024	2023	2024	2023	2023
EPRA earnings, MSEK	582	558	1,414	1,327	1,742
EPRA NRV, MSEK	-	-	40,742	38,154	36,976
Growth EPRA NRV, %	-	-	3.5	4.9	-0.7
EPRA NTA, MSEK	-	-	40,742	38,154	36,976
EPRA NDV, MSEK	-	-	35,736	34,503	32,544
EPRA NIY, Investment properties, R12, %	-	-	6.00	5.65	5.94
EPRA LTV, %	-	-	45.7	47.2	47.0
EPRA Capital Expenditure, MSEK	3,348	701	3,929	2,300	2,498
EPRA earnings per share (EPS)	3.14	3.04	7.67	7.22	9.48
EPRA NRV per share	-	-	209.36	207.53	201.12
EPRA NTA per share	-	-	209.36	207.53	201.12
EPRA NDV per share	-	-	183.63	187.67	177.01

About EPRA

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

Quarterly data

Condensed consolidated statement of comprehensive income

MSEK	Jul-Sep 2024	Apr-Jun 2024	Jan-Mar 2024	Oct-Dec 2023	Jul-Sep 2023	Apr-Jun 2023	Jan-Mar 2023	Oct-Dec 2022
Revenues Leases								
Rental income	1,033	980	812	895	1,002	908	743	803
Other property income	36	29	33	33	38	34	37	45
Revenue Own Operations	804	857	656	910	844	832	573	775
Total revenues	1,873	1,866	1,501	1,838	1,884	1,774	1,353	1,623
Costs Leases	-136	-140	-151	-159	-120	-136	-118	-150
Costs Own Operations	-647	-667	-635	-762	-694	-685	-588	-732
Gross profit	1,090	1,059	715	917	1,070	953	647	741
Central administration	-42	-48	-51	-53	-46	-53	-45	-59
Financial net	-394	-385	-386	-376	-420	-361	-310	-289
Financial cost right of use assets	-30	-29	-28	-28	-28	-26	-26	-26
Profit before value changes	624	597	250	460	576	513	266	367
Changes in value								
Changes in value properties	-10	413	34	-339	-90	-466	-212	-66
Changes in value derivatives	-489	-8	298	-1,236	43	332	-344	-59
Profit before tax	125	1,002	582	-1,115	529	379	-290	242
Current tax	-115	-104	-45	-137	-95	-78	-65	-24
Deferred tax	-49	-188	-83	127	26	-13	152	-117
Profit for the period	-39	710	454	-1,125	460	288	-203	101
Other comprehensive income	-87	-227	869	-845	-583	1,146	170	308
Total comprehensive income for the period	-126	483	1,323	-1,970	-123	1,434	-33	409
Key ratios								
Total net operating income	1,159	1,125	785	989	1,142	1,025	714	882
- of which Leases	933	869	694	769	920	806	662	698
- of which Own Operations	226	256	91	220	222	219	52	184
EBITDA	1,123	1,082	740	942	1,102	977	675	829
Total cash earnings	582	560	272	415	558	510	259	515
Revenue growth Leases (LFL), %	2	3	2	7	7	12	21	25
Revenue growth Own Operations (LFL), %	9	10	6	8	6	24	113	109
NOI growth Leases (LFL), %	1	4	2	7	7	12	21	22
NOI growth Own Operations (LFL), %	15	20	22	5	28	38	n.a	n.a
RevPAR Leases, SEK	984	950	666	815	960	915	651	764
RevPAR Own Operations, SEK	1,184	1,190	828	1,097	1,158	1,170	763	1,030
RevPAR growth Leases (LFL), %	4	3	2	6	2	14	66	43
RevPAR growth Own Operations (LFL), %	8	8	6	7	8	26	112	113

Condensed consolidated statement of financial position

MSEK	30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023	30 Jun 2023	31 Mar 2023	31 Dec 2022
ASSETS								
Properties incl equipment and interiors	70,981	67,799	67,651	66,079	68,210	68,927	66,550	65,552
Right-of-use assets	3,062	2,977	2,971	2,848	2,975	3,345	3,250	3,218
Other non-current receivables	1,235	1,654	1,723	1,612	2,600	2,708	2,274	2,462
Deferred tax assets	319	342	394	340	335	269	268	305
Current assets	1,775	1,544	2,350	1,560	1,454	1,333	1,287	2,050
Cash and cash equivalents	1,476	848	703	769	749	1,008	2,004	1,630
Total assets	78,848	75,164	75,792	73,208	76,323	77,590	75,633	75,217
EQUITY AND LIABILITIES								
Equity	32,643	30,796	31,048	29,725	31,751	31,874	30,900	30,933
Deferred tax liability	5,686	5,601	5,487	5,270	5,470	5,476	5,359	5,538
Interest-bearing liabilities	34,782	33,356	33,761	32,770	33,891	34,526	34,054	33,871
Leasing liabilities	3,071	2,987	2,980	2,856	2,983	3,352	3,256	3,223
Non interest-bearing liabilities	2,666	2,424	2,516	2,587	2,228	2,362	2,064	1,652
Total equity and liabilities	78,848	75,164	75,792	73,208	76,323	77,590	75,633	75,217
Key ratios								
Market value properties	74,234	70,815	71,317	69,039	71,177	72,164	69,695	69,232
- of which Investment properties	59,281	59,271	59,044	57,226	58,936	59,992	57,719	57,563
- of which Operating properties	14,953	11,544	12,273	11,813	12,242	12,172	11,976	11,669
Average yield, Leases, %	6.14	6.13	6.10	6.09	5.92	5.88	5.62	5.58
Average yield, Own Operations, %	6.87	6.90	6.98	7.02	6.95	6.80	6.59	6.50
Interest-bearing net debt	33,515	32,705	33,256	32,190	33,333	33,718	32,188	32,224
Average interest level end of period, %	4.1	4.1	4.2	4.2	4.2	4.3	3.9	3.2
Interest cover ratio, times	2.6	2.5	2.0	2.6	2.8	2.9	2.3	3.1
Interest cover ratio, R12m, times	2.6	2.6	2.6	2.7	2.8	3.2	3.6	3.7
Loan to value, net, %	45.1	46.2	46.6	46.6	46.8	46.7	46.2	46.7
Interest-bearing net debt/EBITDA, times	8.6	8.5	8.8	8.7	9.3	9.6	9.2	9.8
Average repayment period, years	2.4	2.2	2.2	2.3	2.4	2.6	2.1	1.7
Average fixed interest period, years	2.9	3.3	3.3	3.9	4.1	4.3	2.7	2.7

Properties

	30 Sep 2024	30 Jun 2024	31 Mar 2024	31 Dec 2023	30 Sep 2023	30 Jun 2023	31 Mar 2023	31 Dec 2022
Number of properties	160	157	158	159	159	158	158	157
- of which Leases	138	138	138	139	139	139	138	137
- of which Own Operations	22	19	20	20	20	19	20	20
Number of rooms	35,534	35,018	35,613	35,851	35,851	35,648	35,586	35,490
- of which Leases	29,976	29,963	29,963	30,201	30,201	30,201	29,938	29,717
- of which Own Operations	5,558	5,055	5,650	5,650	5,650	5,447	5,648	5,773
Market value properties, MSEK	74,234	70,815	71,317	69,039	71,177	72,164	69,695	69,232
- of which Investment properties	59,281	59,271	59,044	57,226	58,936	59,992	57,719	57,563
- of which Operating properties	14,953	11,544	12,273	11,813	12,242	12,172	11,976	11,669

Per share

SEK	Jul-Sep 2024	Apr-Jun 2024	Jan-Mar 2024	Oct-Dec 2023	Jul-Sep 2023	Apr-Jun 2023	Jan-Mar 2023	Oct-Dec 2022
Closing price of B shares, end of period	203.00	189.00	179.70	150.40	116.30	125.60	129.40	116.40
EPRA NRV	209.36	207.70	208.55	201.12	207.53	209.86	204.93	205.03
EPRA NTA	209.36	207.70	208.55	201.12	207.53	209.86	204.93	205.03
EPRA NDV	183.63	183.05	184.55	177.01	187.67	189.78	184.06	184.67
EPRA earnings (EPS)	3.14	3.05	1.48	2.26	3.04	2.77	1.41	2.80
Equity	167.74	167.51	168.88	161.68	172.70	173.37	168.07	168.25
Profit for the period	-0.24	3.86	2.47	-6.12	2.50	1.57	-1.10	0.55
Net operating income	6.26	6.12	4.27	5.38	6.21	5.58	3.88	4.80
Cash earnings	3.14	3.05	1.48	2.26	3.04	2.77	1.41	2.80
Average number of shares, thousands	185,164	183,850	183,850	183,850	183,850	183,850	183,850	183,850

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

Not 6. Tax

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

At the end of the period, deferred tax assets amounted to MSEK 319 (340). This consists mainly of the carrying amount of tax loss carryforwards which the Company expects to be able to utilise in future financial years.

Deferred tax liabilities amounted to MSEK 5,686 (5,270) and relate mainly to temporary differences between fair value and the taxable value of investment properties, as well as temporary differences between the carrying amount and the taxable value of operating properties, and temporary measurement differences for interest rate derivatives.

Not 7. Risk and uncertainty factors

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

Definitions

Financial information

Average interest on debt, %

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

Cash earnings, MSEK

EBITDA plus financial income less financial expense less financial cost for right-of-use assets according to IFRS 16 less current tax reported in the income statement, adjusted for any unrealised translation effect on bank balances and non-controlling interest.

EBITDA, MSEK

Total gross profit less central administration (excluding depreciation).

EBITDA margin, MSEK

EBITDA in relation to total revenues.

EPRA Earnings, MSEK

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

EPRA NRV, MSEK

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

EPRA NTA, MSEK

Recognised equity, attributable to the Parent Company's shareholders, including reversal of derivatives and deductions for intangible assets,

deferred tax asset derivatives, deferred tax liabilities related to properties, and revaluation of Operating Properties.

EPRA NDV, MSEK

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

EPRA LTV, %

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

EPRA NYI (%)

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

Growth for comparable units in constant currency

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

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

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

Gross profit, Own Operations, MSEK

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

Gross profit, Leases, MSEK

Revenue less directly related costs for Leases.

Interest-bearing net debt, MSEK

Current and non-current interest-bearing liabilities plus arrangement fee for loans less cash and cash

equivalents and short-term investments that are equivalent to cash and cash equivalents. Long-term and short-term lease liabilities according to IFRS 16 are not included.

Interest-bearing net debt/EBITDA

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

Interest cover ratio, multiple

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

Investments, MSEK

Investments in non-current assets excluding acquisitions.

Loan-to-value ratio net, %

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

Net operating income, Own Operations, MSEK

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

Net operating income, Leases, MSEK

Net operating income corresponds to gross profit for Leases.

Net operating margin, Own Operations, %

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

Net operating margin, Leases, %

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

Result before changes in value, MSEK

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

Rounding off

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

Per share

Cash earnings per share, SEK

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

Comprehensive income per share SEK

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

Dividend per share, SEK

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

Earnings per share, SEK

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

EPRA Earnings (EPS) per share, SEK

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

EPRA NRV, NTA, NDV per share, SEK

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

Weighted average number of shares after dilution, thousands

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

Weighted average number of shares before dilution, thousands

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

Property information

Market value properties, MSEK

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

Number of hotels and rooms

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

RevPAR for Leases and Own Operations (comparable units at constant exchange rates), SEK

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

WAULT (Leases)

Weighted average unexpired lease term for Investment Properties.

A property company focused solely on hotels

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



Property management

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



Property development

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



Portfolio optimisation

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



Sustainability

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



Financial policy

Loan to value

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

Dividend policy

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

Seasonal variations

The hotel industry is seasonal in nature. The periods during which the Company's properties experience higher revenues vary from property to property, depending principally upon the composition of demand and the hotel property's location. The second quarter is normally the strongest supported by high demand and willingness to pay from all sub-segments in the hotel market. Since most of the customers that stay at Pandox owned or operated hotels are business travellers, hotel demand is normally the weakest in the first quarter.

The share and owners

Listed on Nasdaq Stockholm

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

As of 30 September 2024, the last price paid for the B shares was SEK 203.00 and the visible market capitalisation was MSEK 24,279. Including the unlisted A shares at the same price as the B shares, the market capitalisation was MSEK 39,504. During the period, the Pandox share traded at a high of SEK 212.00 and a low of SEK 182.40. During the period July-September 2024, the value of the Pandox share increased by +7 percent, compared to the OMX Stockholm Benchmark PI index of +3 percent and the OMX Stockholm Real Estate PI index of +14 percent.

As of 30 September 2024, Pandox has 7,119 registered shareholders and the number of shares in Pandox amounts to 194,603,000.

Dividend policy

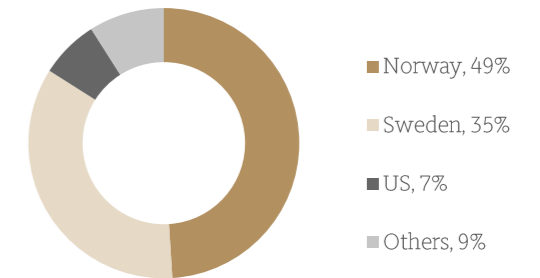
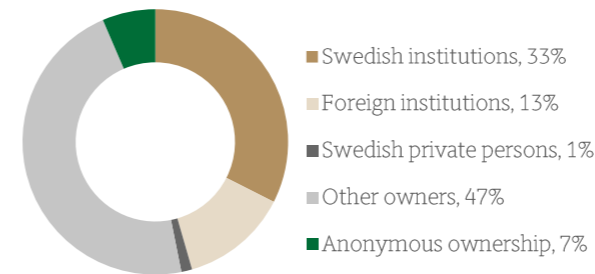
Pandox's policy is a dividend payout ratio of 30-50 percent of cash earnings per share with an average dividend payout ratio over time of approximately 40 percent. For 2023, the annual general meeting in 2024 approved a dividend of SEK 4.00 (2.50) per share, totalling approximately MSEK 735 (460), corresponding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

Number of shares

At the end of the period, the total number of shares before and after dilution amounted to 75,000,000 A shares and 119,603,000 B shares. For the third quarter of 2024, the weighted number of shares before and after dilution amounted to 75,000,000 A shares and 110,164,255 B shares.

Top 10 owners per 30 September 2024

Owners	Number of A shares	Number of B shares	Share of share capital, %	Share of votes, %
Eiendomsspar	37,314,375	10,950,826	25.1	35.8
Helene Sundt AB	18,657,188	2,912,187	11.1	17.1
Christian Sundt AB	18,657,187	0	9.6	16.2
AMF Pension & Fonder		29,109,936	15.0	8.5
Alecta Tjänstepension		7,687,577	4.0	2.2
Länsförsäkringar Fonder		5,888,070	3.0	1.7
Carnegie Fonder		5,141,129	2.6	1.5
Vanguard		3,831,849	2.1	1.2
Fjärde AP-fonden		3,727,735	1.9	1.1
BlackRock		3,275,336	1.7	1.0
Sum 10 largest shareholders	74,628,750	72,524,645	76.1	86.2
Other shareholders	371,250	47,078,355	23.9	13.9
Total	75,000,000	119,603,000	100	100



Auditor's report

Introduction

We have reviewed the condensed interim financial information (interim report) of Pandox AB (556030-7885) as of 30th September 2024 and the nine-month period then ended. The board of directors and the CEO are responsible for the preparation and presentation of the interim financial information in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

Scope of review

We conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Report Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing, ISA, and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act, regarding the Group, and with the Swedish Annual Accounts Act, regarding the Parent Company.

Stockholm, 24 October 2024

Öhrlings PricewaterhouseCoopers AB

Sofia Götmar-Blomstedt

Authorised Public Accountant

Auditor in charge

Linda Andersson

Authorised Public Accountant



This information is information that Pandox AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted, through the agency of the contact persons set out below, for publication on 24 October 2024 at 07:00 CEST.

A webcast and telephone conference will be held on 24 October 2024 at 08:30 CEST. More information is available on pandox.se.

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Financial calendar

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

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